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# House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. SHIMKUS).

## DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
*January 24, 2002.*

I hereby appoint the Honorable JOHN SHIMKUS to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
*Speaker of the House of Representatives.*

## PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, You created the world for all to share in a spirit of love, justice, and equality. We pray today for peace in our world. We unite our prayer with representatives of the world's religions who gathered today in the town of Francis of Assisi, desirous of becoming instruments of peace.

We pray for peace, O Lord, and to pray for peace is to open our hearts to inroads of Your own power to renew all things.

By the life-giving force of Your grace, O God, You can create openings for peace where we see only obstacles and closures. You alone can strengthen and enlarge the solidarity of the human family, in spite of recent tragic events, all human suffering and the endless history of division and conflict in our world.

As we pray for peace, we pray for justice. We pray for a right ordering of human relations within and among nations and peoples.

As we pray for peace, we pray for freedom, especially for religious freedom that is a basic human and civil right of every individual.

To pray for peace, O Lord, is to seek forgiveness and to implore from You the courage to forgive those who have trespassed against us.

At this time of world distress, give us new unfailing reasons for hope. Show forth in our day that genuine religious belief is an inexhaustible wellspring for mutual respect and harmony among peoples.

Let our prayer and our faith in You, Almighty God, be our chief antidote to violence and conflict.

Hope is truly instilled in our world today as each of us prays, ''Lord, make me an instrument of Your peace.'' Amen.

## THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New York (Mr. MCNULTY) come forward and lead the House in the Pledge of Allegiance.

Mr. MCNULTY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 299. Concurrent resolution providing for a joint session of Congress to receive a message from the President on the state of the Union.

## TRIBUTE TO DAVE THOMAS

(Ms. PRYCE of Ohio asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PRYCE of Ohio. Mr. Speaker, I rise today to pay tribute to a man we all know as Dave, a man blessed with an extraordinary knack for business and a heart of gold. Sadly, we lost him to cancer only a few weeks ago.

Dave Thomas personifies the American dream, that a young person of humble beginnings can and should dream big. And that he did, by creating the third largest fast-food chain in the world.

Dave's devotion to his business was surpassed by only one thing, his great love for children. As an adopted child, Dave felt so fortunate to have been given a loving family to care for him. He wanted to see other children experience this joy.

Dave took his passion and turned it into something extraordinary. In 1992, he founded the Dave Thomas Foundation for Adoption to serve as a voice for children who cannot speak for themselves. The foundation is based in my hometown of Columbus, Ohio.

I feel so fortunate to have had the opportunity to work closely with Dave in our joint effort to bring children and families together and make the process of adoption easier.

Dave once said, ''If I can get just one child a home, it would be better than selling 1 million hamburgers.''

Well, Dave, you did just that, and more. You are a true class act, one who will be sorely missed, but remembered by all for generations.

## NOBEL PEACE PRIZE NOMINATIONS

(Ms. SANCHEZ asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)



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Ms. SANCHEZ. Mr. Speaker, I am so glad this morning that our Chaplain spoke about religion as a human and civil right.

When U.N. Secretary-General Kofi Annan recently accepted his Nobel Peace Prize, he urged all nations to focus more on human rights in a quest to end poverty, end conflicts and foster democracy.

It is for those reasons that I am circulating a Dear Colleague letter requesting the Nobel Peace Prize Selection Committee nominate the Most Venerable Thich Quang Do and Father Nguyen Van Ly of Vietnam for the Nobel Peace Prize.

The Most Venerable Thich Quang Do is the secretary-general of the banned Unified Buddhist Church of Vietnam. He has been under house arrest since June of 2001, after announcing his intention to escort the ailing 83-year-old Buddhist patriarch Thich Huyen Quang to Ho Chi Minh City for urgently needed medical care.

Similarly, in May of last year, Father Ly was placed under house arrest and banned from running his church for providing testimony to the U.S. Commission on International Religious Freedom, which urged this Congress to delay ratification of the bilateral trade agreement until Vietnam eased its restrictions on religion.

In recognition of their courage, sacrifice and belief, I hope all Members will join me in signing that letter.

## FAULTY LOGIC ON CAUSE OF RECESSION

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, on January 4, one of the political leaders of the other body said President Bush's tax relief plan ''probably made the recession worse.''

Oh, really? Only $41 billion of the President's $1.35 trillion bipartisan tax relief plan went into effect last year. Of that amount, 93 percent, or $38 billion, comprised the income tax rebates that were mailed to every tax-paying American last summer and early fall. So according to this illustrious political leader, the tax rebate proposal, widely hailed by Democrats at the time, caused ''the most dramatic fiscal deterioration in our Nation's history.''

Blaming the President's plan for the cause of the recession, when the bulk of tax relief will not occur until the year 2005, is faulty logic at best. To say that providing a $300 tax rebate to working Americans during a recession probably made the recession worse does not make sense.

The real reason some political leaders want to repeal tax cuts is just so they have more money for government program spending.

## SIMILARITIES BETWEEN ENRON CORPORATION AND REPUBLICAN TAX CUT

(Mr. GEORGE MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Mr. Speaker, there are some very disturbing similarities between the Enron Corporation's activities and the Republican tax cut.

Last year a young reporter told the Enron Corporation and the investment community that the Enron books had been cooked, it was not on the level, the revenues were not what they said they were. Ken Lay, the CEO, said not so, not so. In the meanwhile, he was selling his stock, leaving the shareholders holding the bag.

Last year we said that if you had the tax cut and you did what the President wanted to do, what the Republicans wanted to do, it was the end of surpluses. They said no, no, it is not so; it is not so.

Well, today we are told in the papers it is the end of surpluses. We have red ink, according to CBO, as far as the eye can see.

What did the Republicans do? The first thing they did was get a tax cut for the wealthy. The first thing they did was take care of their friends. And now the unemployed, those in need of prescription drugs, those on Social Security, are left holding the bag. Why? Because we are now into the Social Security Trust Fund $700 billion. $700 billion. The surpluses have disappeared; $4 trillion this year.

There is a disturbing parallel of values here about taking care of the wealthy and letting everybody else hold the bag.

## BASIC DIFFERENCES BETWEEN REPUBLICANS AND DEMOCRATS ON STIMULATING THE ECONOMY

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, listening to the previous speaker, my friend from California, I wonder, did he not take economics in school?

History has shown us over and over again, lowering taxes stimulates the economy; stimulating the economy gives more people jobs; more people working means more people paying taxes; more people paying taxes means more revenues coming into Washington. And that is the basic difference between the Republican Party and the Democrat Party and their allies in Big Government.

That is why TED KENNEDY, the leader of the Democrat Party, has called for a massive new tax increase. Hello.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The gentleman will suspend.

All Members must avoid improper references to the Senate or to Members thereof.

Mr. KINGSTON. I thank the Speaker. I will not say anything more about the Democrat leader, who we all know now to be a prominent Democrat in the other body, who wants to increase taxes. And one can only assume that he has allies in the House over here, judging from the 1-minutes we are hearing, it seems just sort of calling for more tax increases.

Mr. Speaker, I strongly believe the way to turn the economy around is to still let people spend their own money, rather than having government bureaucracies in Washington in their command-and-control fashion spend tax dollars.

Let us create jobs by giving people back their hard-earned money.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are advised that using the terminology ''in the other body'' does not absolve them of the responsibility not to talk about the other body.

## EFFECTS OF BUDGET DEFICITS ON GOVERNMENT PROGRAMS AND PROMISES

(Mr. DOGGETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOGGETT. Mr. Speaker, the lead story in today's Wall Street Journal really tells it all: ''Seeing Red: As Budget Deficits Loom, Many Promises, Programs Could Suffer. Social Security Is Vulnerable as Huge 10-year Surplus Contracts by $4 Trillion.''

Yes, an unprecedented 70 percent of the estimated surplus has evaporated in less than a year. It is true that the two Republican budget offices, one here in the House and one at the White House, cannot agree on exactly how deep a hole Republicans have dug.

But I can tell you, even using Arthur Andersen accounting, this hole is a whopper. Our Republican colleagues have ''stimulated'' little more than red ink with their huge tax breaks designed for certain priviledged corporations and the wealthy few.

What a difference those huge tax breaks have made. They have not stimulated anything except red ink. Now when they have dug such a deep budgetary hole, it is time to stop digging, instead of offering more and more corporate tax breaks, as our Republican friends persist in doing this year.

Let us at least stop that digging downward, embrace some fiscal restraint and begin climbing out of this budgetary hole before Social Security is wrecked and we reach the point of economic ''no return''.

## SUPPORT NATIONAL MENTORING ACT

(Mr. KELLER asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. KELLER. Mr. Speaker, I rise today to announce the filing of the National Mentoring Act legislation by myself, along with a broad group of bipartisan cosponsors. The mentor act would give tax credits to businesses that allow their employees 1 hour a week of paid time off to mentor children at risk of dropping out of school and getting involved with drugs. The reason for this bill is simple, to make it easier for mentoring organizations to recruit mentors.

Why is this important? Well, there was a recent study completed of 1,000 young people on the waiting list at Big Brother-Big Sisters. The list was divided into two groups: one group got a mentor; the other group did not get a mentor. Eighteen months later, the children with mentors were 46 percent less likely to begin using illegal drugs, 27 percent less likely to begin using alcohol, 53 percent less likely to skip school, and 33 percent less likely to engage in violence.

That is why this bill has been endorsed by every major mentoring organization in the United States, including Big Brothers-Big Sisters, America's Promise, and the National Mentoring Partnership Act.

I urge my colleagues today to call my office and sign up as cosponsors to this important legislation.

## TREATMENT OF AFGHAN PRISONERS IN CUBA

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, I have heard and read that some people in publications in Europe and some members of the European Union have been very critical of U.S. treatment of the Afghan prisoners in Cuba. I think they are scraping the bottom of the barrel in a vain attempt to make themselves feel superior to Americans.

I wonder how they would feel or how they would respond if they had been attacked the way we were on September 11. No country on the face of the Earth, Mr. Speaker, has done as much. No nation has even come close to doing as much for other countries, as has the United States of America.

These prisoners will live far better as prisoners of the U.S. military than they ever would have in the caves of Afghanistan. Even more importantly, Mr. Speaker, they will live far better as our prisoners than they deserve, after killing thousands of our citizens in one of the cruelest ways imaginable.

□ 1015

## CONTINUED FAILURE OF THE SCIENTIFIC PROCESS

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, imagine if you were participating in an Olympic event and you were winning the race and suddenly the Olympic Committee came along and changed the rules because they did not want you to win. You would be outraged.

Well, yesterday the Nuclear Regulatory Commission notified Nevada of their plans to once again change the ground rules for judging Yucca Mountain. The NRC is proposing to eliminate rules governing what it calls the ''unlikely event'' of a volcanic eruption.

The NRC staff believes that there is less than a 1-in-10 chance of an eruption occurring within 10,000 years. A less than 10 percent chance? What does that mean? Does the term ''1-in-10'' or ''less than'' equate to ''sound science''? There is a better chance of Yucca Mountain exploding than there is of winning the lottery.

We should ask the people of Africa. We should ask the people of Hawaii. We should ask the people of Mount Saint Helens in Oregon what they thought about that 1-in-10 chance.

I continue my outrage at the entire Yucca Mountain project. But by telling Nevadans that they have a less than 1-in-10 chance that Yucca Mountain could explode is downright astonishing.

The NRC should be ashamed of itself. It is time to put the safety of Nevadans and all Americans ahead of their own desire to win at any cost.

## SCOTT GERMOSEN, A TRUE AMERICAN HERO

(Mr. GRUCCI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRUCCI. Mr. Speaker, on January 9, America lost a true American hero, Staff Sergeant Scott Germosen.

After graduating from Centerreach High School in 1982, Scott answered the call to duty and enlisted in the Marine Corps. After serving our country, Scott and his family moved to California where he was exploring a career as a sheriff's deputy.

Like all of us, Scott was horrified by the attacks on America on September 11. Unfortunately, the tragedy was very close to home for Scott. Scott's second cousin was aboard the first plane that hit the World Trade Center. Hearing this tragic news spurred Scott to re-enlist in the Marines and help defend our Nation from evil.

While serving our country and fighting for freedom, Scott perished in the KC–130 tanker that crashed in Pakistan on January 9, 2001 while he was performing his duties as a loadmaster during missions in support of the War on Terrorism.

Scott Germosen has made the ultimate sacrifice so that all of us can live under the blanket of freedom that America provides. On behalf of the First District of New York and the entire Nation, I thank Scott Germosen, a true American hero.

Scott is survived by his mother Myrna Washington, his wife Jennifer, and his 22-month-old daughter Alyssa. I ask my colleagues to join me in praying for and in paying respect to Scott Germosen and his family.

## ESTABLISHING FIXED INTEREST RATES FOR STUDENT AND PARENT BORROWERS

Ms. PRYCE of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 334 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 334

*Resolved,* That upon the adoption of this resolution it shall be in order to consider in the House the bill (S. 1762) to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes. The bill shall be considered as read for amendment. The previous question shall be considered as ordered on the bill to final passage without intervening motion except: (1) one hour of debate on the bill equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce; and (2) one motion to commit.

The SPEAKER pro tempore (Mr. SHIMKUS). The gentlewoman from Ohio (Ms. PRYCE) is recognized for 1 hour.

Ms. PRYCE of Ohio. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from Florida (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 334 makes in order the bill S. 1762 under a closed rule. The rule provides 1 hour of debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce. Finally, the rule provides for one motion to commit.

Mr. Speaker, S. 1762 amends the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers and extends current law with respect to allowances for lenders. To put it simply, this legislation will allow for the continued availability of affordable student loans for students and their families by addressing a long-standing problem in the Federal student loan program about how interest rates are calculated. It will simplify loan terms, reduce confusion, and lock in low rates for the borrower. At the same time, it will provide stability for lenders, helping to avoid disruption in loan availability.

Mr. Speaker, more than 9 million United States students today need student loans to help pay for college, and the education of our Nation's children is a major concern of most Americans,

and it is the top priority for our President. While we all know that more money is not the single answer to improving the education of our children, student loan affordability and access should never become the barrier to a college education. It is important to pass this bill today so we can lock in these historically low interest rates.

Students attending the Ohio State University, which is located in my district, will benefit just like the millions of others pursuing that dream of a higher education all across our country. S. 1762 recognizes that investing in our children and providing them the opportunity to invest in themselves would prepare them and our country for the challenges of tomorrow and stays true to the spirit that ''no child be left behind.''

I would like to take a moment to congratulate the gentleman from Ohio (Mr. BOEHNER), my colleague and good friend and the chairman of the Committee on Education and the Workforce, for his hard work and commitment to improving the educational opportunities for all American students. I would also like to commend the gentleman from California (Mr. GEORGE MILLER), the ranking member of the committee, for his work and support of this bipartisan legislation. Finally, let me congratulate the gentleman from California (Mr. MCKEON), the chairman of the Subcommittee on 21st Century Competitiveness, for his hard work and leadership on this very important legislation.

This bipartisan, bicameral legislation has the support of all the parties involved, including the lenders and the student associations alike, and it has the support of a majority of this body as it garnered 257 votes the last time we considered it.

I urge all of my colleagues to support this rule, and I encourage a ''yes'' vote on S. 1762.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I thank the gentlewoman from Ohio for yielding me this customary 30 minutes, and I yield myself such time as I may consume.

(Ms. SLAUGHTER asked and was given permission to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, S. 1762 is a noncontroversial measure designed to ensure the continued availability of student loans for students and their families. The bill before us today passed the Senate by unanimous consent in December and enjoys strong support in the Chamber from both sides of the aisle.

Student loans are critical for a majority of American families working to ensure a quality education for their children. With the cost of a college education skyrocketing, the need for student loans applies to all segments of society. Congress has a duty to ensure that as this country weathers a recession, a quality education does not take a hit in the process.

The legislation addresses a longstanding problem in the Federal student loan program as to how student loan interest rates are to be calculated. The problem first came to light several years ago when it was clear that a provision within the Higher Education Act would dramatically alter how interest rates would be determined. The interest rate formula set to take effect back in 1998 would have forced many of the lenders now participating in the Federal Family Education Loan Program to reduce or eliminate their participation.

At the time, Congress worked diligently to craft a solution to a problem that virtually everyone agreed would be an unintended result of previous legislation. The compromise resulted in the lowest interest rates in the Stafford loan program's history. Service was uninterrupted to students and their families, and student loan borrowers are now paying the historically low interest rate of 5.99 percent in repayment.

Unfortunately, the compromise reached in 1998 was not made permanent when enacted and is scheduled to expire in 2003, and that is why today's bill is so important. S. 1762 will extend the current interest rate formula set to expire in July of 2003 and lock in the lower borrower rates.

The bill also continues the current formula for determining interest rates made by student and parent borrowers before July 1, 2006. Loans disbursed on or after July 1, 2006 would be 6.8 percent for student borrowers and 7.9 for parents' loans. An average student who borrows nearly $17,000 will save over $400. Moreover, student interest rates will remain constant for the life of the loan rather than changing each year based on a complicated formula.

I would also note for my colleagues that the measure has been endorsed by the United States Student Association, the American Council on Education, Sallie Mae, and the Consumer Bankers Association. I urge everyone to support this bill.

Mr. Speaker, I reserve the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I am very pleased to yield such time as he may consume to my distinguished colleague, the gentleman from California (Mr. MCKEON), a classmate of mine and the chairman of the Subcommittee on 21st Century Competitiveness.

Mr. MCKEON. Mr. Speaker, I thank the gentlewoman for yielding me this time.

I rise in strong support of the rule for S. 1762, this very important legislation to ensure the availability of higher education financing to the students embarking on a very important time in their lives.

This closed rule is necessary to ensure that this bill is passed without amendment so as to allow the White House to sign the legislation into law without delay. I do not believe there is a better way to serve the students of this Nation than to assure a stable source of higher education funding for those who need it most: low and middle-income students. This legislation provides for the uninterrupted continuation of the Federal Family Education Loan Program, known as FFELP, and provides certainty of interest rates for all borrowers in later years.

I urge my colleagues to support this closed rule in an effort to allow swift action on this bill. Our colleagues on the other side of the aisle have been involved in each stage of development of this legislation, and while we believe we had a commitment to this legislation prior to the end of our last session, unfortunately, due to unrelated circumstances, the bill failed to pass on the suspension calendar.

The efforts of our colleagues to take down the bill previously now forces us to bring it up again and avoid additional politics in an effort to do what is right for students and parents, as well as student loan providers, who have been vital partners in the Federal Family Education Loan Program for more than 35 years.

It is my hope that we can pass this rule and move immediately to the legislation at hand and pass it overwhelmingly. Let us show the students of this country that we put their needs above all else and ensure the availability of low cost student loans for them to embark on the road to achieving their goals of higher education. Vote ''yes'' on this rule and ''yes'' on S. 1762.

Ms. SLAUGHTER. Mr. Speaker, I reserve the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I am very pleased to yield such time as he may consume to the gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce.

Mr. BOEHNER. Mr. Speaker, I thank the gentlewoman from Ohio (Ms. PRYCE), my friend and colleague, for yielding me this time.

I would suggest to the House that today we have a rule before us that will provide for a fair and open debate on a bill that we did in fact consider last month. Unfortunately, it was brought up under suspension and, due to some circumstances that had nothing to do with this bill, did not receive the requisite number of votes.

But I do believe that fixing the student loan interest rate problem will provide continued availability of affordable student loans for our students. Today some 9 million students take advantage of our student loan program, the highest number ever, and they are paying the lowest interest rates they have ever paid in the history of the program.

□ 1030

What we want to do today is to pass the underlying bill that will, in fact, continue to have low, affordable rates available to ensure that more of our students can achieve their goals of the

American dream by pursuing a postsecondary education.

Mr. Speaker, I think the rule that we have before us is fair and reasonable. We ought to pass this rule and then pass this bill.

Ms. SLAUGHTER. Mr. Speaker, I yield back the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a noncontroversial rule that will allow us to pass very important legislation to continue the availability of affordable student loans, lock in these low rates, avoid possible long-term disruptions in access to financing, and provide educational opportunities for all our young people.

Let us give our children the opportunity to invest in themselves, and more importantly, to invest in this country's future. I urge my colleagues to support this fair rule and this bipartisan bill.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. BOEHNER. Mr. Speaker, pursuant to House Resolution 334, I call up the Senate bill (S. 1762) to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The text of S. 1762 is as follows:

S. 1762

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

**SECTION 1. INTEREST RATE PROVISIONS.**

(a) FFEL FIXED INTEREST RATES.—

(1) AMENDMENT.—Section 427A of the Higher Education Act of 1965 (20 U.S.C. 1077a) is amended—

(A) by redesignating subsections (*l*) and (m) as subsections (m) and (n), respectively; and

(B) by inserting after subsection (k) the following new subsection:

''(*l*) INTEREST RATES FOR NEW LOANS ON OR AFTER JULY 1, 2006.—

''(1) IN GENERAL.—Notwithstanding subsection (h), with respect to any loan made, insured, or guaranteed under this part (other than a loan made pursuant to section 428B or 428C) for which the first disbursement is made on or after July 1, 2006, the applicable rate of interest shall be 6.8 percent on the unpaid principal balance of the loan.

''(2) PLUS LOANS.—Notwithstanding subsection (h), with respect to any loan under section 428B for which the first disbursement is made on or after July 1, 2006, the applicable rate of interest shall be 7.9 percent on the unpaid principal balance of the loan.

''(3) CONSOLIDATION LOANS.—With respect to any consolidation loan under section 428C for which the application is received by an eligible lender on or after July 1, 2006, the applicable rate of interest shall be at an annual rate on the unpaid principal balance of the loan that is equal to the lesser of—

''(A) the weighted average of the interest rates on the loans consolidated, rounded to the nearest higher one-eighth of 1 percent; or

''(B) 8.25 percent.''.

(2) CONFORMING AMENDMENT.—Section 428C(c)(1)(A) of such Act (20 U.S.C. 1078–3(c)(1)(A)) is amended to read as follows:

''(1) INTEREST RATE.—(A) Notwithstanding subparagraphs (B) and (C), with respect to any loan made under this section for which the application is received by an eligible lender—

''(i) on or after October 1, 1998, and before July 1, 2006, the applicable interest rate shall be determined under section 427A(k)(4); or

''(ii) on or after July 1, 2006, the applicable interest rate shall be determined under section 427A(*l*)(3).''.

(b) DIRECT LOANS FIXED INTEREST RATES.—

(1) TECHNICAL CORRECTION.—Paragraph (6) of section 455(b) of the Higher Education Act of 1965 (20 U.S.C. 1087e(b)), as redesignated by section 8301(c)(1) of the Transportation Equity Act for the 21st Century (Public Law 105–178; 112 Stat. 498) is redesignated as paragraph (9) and is transferred to follow paragraph (7) of section 455(b) of the Higher Education Act of 1965.

(2) AMENDMENTS.—Section 455(b) of the Higher Education Act of 1965 (20 U.S.C. 1087e(b)) is amended—

(A) by redesignating paragraph (7) as paragraph (8); and

(B) by inserting after paragraph (6) the following new paragraph:

''(7) INTEREST RATE PROVISION FOR NEW LOANS ON OR AFTER JULY 1, 2006.—

''(A) RATES FOR FDSL AND FDUSL.—Notwithstanding the preceding paragraphs of this subsection, for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans for which the first disbursement is made on or after July 1, 2006, the applicable rate of interest shall be 6.8 percent on the unpaid principal balance of the loan.

''(B) PLUS LOANS.—Notwithstanding the preceding paragraphs of this subsection, with respect to any Federal Direct PLUS loan for which the first disbursement is made on or after July 1, 2006, the applicable rate of interest shall be 7.9 percent on the unpaid principal balance of the loan.

''(C) CONSOLIDATION LOANS.—Notwithstanding the preceding paragraphs of this subsection, any Federal Direct Consolidation loan for which the application is received on or after July 1, 2006, shall bear interest at an annual rate on the unpaid principal balance of the loan that is equal to the lesser of—

''(i) the weighted average of the interest rates on the loans consolidated, rounded to the nearest higher one-eighth of one percent; or

''(ii) 8.25 percent.''.

(c) EXTENSION OF CURRENT INTEREST RATE PROVISIONS FOR THREE YEARS.—Sections 427A(k) and 455(b)(6) of the Higher Education Act of 1965 (20 U.S.C. 1077a(k), 1087e(b)(6)) are each amended—

(1) by striking ''2003'' in the heading and inserting ''2006''; and

(2) by striking ''July 1, 2003,'' each place it appears and inserting ''July 1, 2006,''.

**SEC. 2. EXTENSION OF SPECIAL ALLOWANCE PROVISION.**

Section 438(b)(2)(I) of the Higher Education Act of 1965 (20 U.S.C. 1087–1(b)(2)(I)) is amended—

(1) by striking '', AND BEFORE JULY 1, 2003'' in the heading;

(2) by striking ''and before July 1, 2003,'' each place it appears, other than in clauses (ii) and (v);

(3) by striking clause (ii) and inserting the following:

''(ii) IN SCHOOL AND GRACE PERIOD.—In the case of any loan—

''(I) for which the first disbursement is made on or after January 1, 2000, and before July 1, 2006, and for which the applicable rate of interest is described in section 427A(k)(2); or

''(II) for which the first disbursement is made on or after July 1, 2006, and for which the applicable rate of interest is described in section 427A(*l*)(1), but only with respect to (aa) periods prior to the beginning of the repayment period of the loan; or (bb) during the periods in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in section 427(a)(2)(C) or 428(b)(1)(M);

clause (i)(III) of this subparagraph shall be applied by substituting '1.74 percent' for '2.34 percent'.'';

(4) in clause (iii), by inserting ''or (*l*)(2)'' after ''427A(k)(3)'';

(5) in clause (iv), by inserting ''or (*l*)(3)'' after ''427A(k)(4)'';

(6) in clause (v)—

(A) in the heading, by inserting ''BEFORE JULY 1, 2006'' after ''PLUS LOANS''; and

(B) by striking ''July 1, 2003,'' and inserting ''July 1, 2006,'';

(7) in clause (vi)—

(A) by inserting ''or (*l*)(3)'' after ''427A(k)(4)'' the first place it appears; and

(B) by inserting ''or (*l*)(3), whichever is applicable'' after ''427A(k)(4)'' the second place it appears; and

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

''(vii) LIMITATION ON SPECIAL ALLOWANCES FOR PLUS LOANS ON OR AFTER JULY 1, 2006.—In the case of PLUS loans made under section 428B and first disbursed on or after July 1, 2006, for which the interest rate is determined under section 427A(*l*)(2), a special allowance shall not be paid for such loan during any 12-month period beginning on July 1 and ending on June 30 unless—

''(I) the average of the bond equivalent rates of the quotes of the 3-month commercial paper (financial), as published by the Board of Governors of the Federal Reserve System in Publication H–15 (or its successor), for the last calendar week ending on or before such July 1; plus

''(II) 2.64 percent,

exceeds 9.0 percent.''.

The SPEAKER pro tempore (Mr. SHIMKUS). Pursuant to House Resolution 334, the gentleman from Ohio (Mr. BOEHNER) and the gentleman from California (Mr. GEORGE MILLER) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. BOEHNER).

GENERAL LEAVE

Mr. BOEHNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous matter on S. 1762.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOEHNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of S. 1762. The legislation addresses a long-standing problem in the Federal student loan program as to how student loan interest rates are to be calculated. It provides for the continued availability of student loan funds to students and their families by correcting an unworkable interest rate

and special allowance rate formula scheduled to take effect in 2003.

The problem first came to light several years ago when it was clear that a provision within the Higher Education Act of 1965 would dramatically alter how interest rates would be determined. The formula set to take effect back in 1998 would have forced many of the lenders now participating in the Federal Family Education Loan Program to reduce or eliminate their participation.

In 1998, the gentleman from California (Mr. MCKEON) and the gentleman from Michigan (Mr. KILDEE) were able to craft a bipartisan, but temporary, solution to this program that virtually everyone agreed that if it was not corrected would create serious harm to students and their families by creating an access program in the student loan programs.

The compromise reached through the hard work of the gentleman from California (Mr. MCKEON) and the gentleman from Michigan (Mr. KILDEE) resulted in what are now the lowest interest rates in the Stafford loan program's history. Service continues to students and their families, and student loan borrowers are now paying the historically low interest rate of 5.99 percent in repayment.

Unfortunately, the compromise reached in 1998 was not made permanent when enacted, and is scheduled to expire in 2003; and the unworkable index from prior legislation is set to go back into effect. The problem must be corrected to ensure the availability of capital within the student loan program.

Lenders in the Federal Family Education Loan Program will not be able to finance student loans under the index set to take effect in 2003. By taking action and passing S. 1762 today, we can ensure the continued availability of student loan funds to students nationwide.

The legislation also extends the current special allowance formula for student loan providers, allowing them to continue uninterrupted service to the Nation's students and their families.

This legislation enjoys the support of both Republicans and Democrats in both Houses of Congress and the administration. It is the result of compromise and collaboration with all involved and is supported by student loan providers, financial aid officers, and student associations.

The reauthorization of the Higher Education Act of 1965 is fast approaching, and we will have a lot to focus upon. The student loan interest rate issue consumed virtually all of the reauthorization process in 1998 and took away time and resources that could have been used more productively. I think it is important that we fix the interest rate problem now so that when we do the reauthorization, we can concentrate on the many issues that will confront us that are of significant interest to the higher education community and our students.

The bottom line is this: we have reached an agreement across the board that this interest rate issue needs to be resolved. Our colleagues in the other body have done their part. It is now time for us to do our part. Let us ensure that the availability of student loans is there for students all across our great Nation.

I urge my colleagues to vote ''yes'' on this bill today, and I reserve the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to support S. 1762, that reduces interest rates on student loans. I would like to begin by thanking four Members who worked particularly hard on this bill in a bipartisan spirit: the gentleman from Ohio (Mr. BOEHNER), the gentleman from California (Mr. MCKEON), the gentlewoman from Hawaii (Mrs. MINK), and the gentleman from Michigan (Mr. KILDEE).

I appreciate the leadership of Senator JOHNSON in the other body. Members of our committee worked very hard to bring this legislation about and to put it in a manner in which all Members of Congress could support it.

As we know, this legislation came up late last year, on December 20; and I opposed the bill at that time. I did so because of the Republican leadership's refusal to schedule a bipartisan bill authored by the gentlewoman from New York (Mrs. MCCARTHY), despite the support of the gentleman from Ohio (Mr. BOEHNER) and the New York delegation.

That bill, H.R. 3163 would forgive the education loans to surviving spouses of police officers, firefighters, and other fire and rescue personnel of the September 11 terrorist attack. I remain disappointed in the Republicans' failure to schedule this bill. However, my concern is with the Republicans' use of the suspension calendar and not this bill. I urge my colleagues to support the bill today.

Today's legislation will ensure continued availability of student loans. The bank subsidies on student loans will sunset in 2003, jeopardizing the loans' profitability and therefore the availability. S. 1762 ensures the stability of this program by making the lender subsidies permanent. S. 1762 cuts the interest rates for students, and this was the major part of the debate last year.

Last year some proposed raising the interest rates on the students to ensure these bank profits. All the Members on the Democratic side of the Committee on Education and the Workforce signed a letter advocating a stable loan program without higher rates to the students. Through the hard work of the gentleman from California (Mr. MCKEON), the gentleman from Michigan (Mr. KILDEE), and others, that is what this legislation does.

In addition to extending lender subsidies, it cuts interest rates to students, fixing the rates at 6.8 percent beginning in 2006, and will save the average student about $400. Too often in the Congress, the needs of the average people come last in line. My colleagues should be commended for assuring that this legislation meets the needs of students and their families.

There is broad support in the student loan industry. It has been endorsed by the U.S. Students Association, the American Council on Education, and student loan industry groups, including Sallie Mae, the Consumer Bankers Association. I urge all of my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. BOEHNER. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. MCKEON), who is also the chairman of the Subcommittee on 21st Century Competitiveness.

Mr. MCKEON. Mr. Speaker, I thank the chairman for yielding me this time, and also for the great leadership that he has provided in the education area during this Congress. I also thank the gentleman from California (Mr. GEORGE MILLER) for working with us. They have provided strong leadership in passing H.R. 1, and that is very important to the youth of our country.

Mr. Speaker, I rise in strong support of S. 1762. This legislation, which has been supported by both Democrats and Republicans and was passed expeditiously by our colleagues in the other body, will ensure the availability of higher education financing to the students embarking on a very important time in their lives. There is no better way to serve the students of this Nation than to ensure a stable source of higher education funding for those who need it.

This legislation quite simply provides for the uninterrupted continuation of the Federal Family Education Loan Program, known as FFELP, and will provide certainty of interest rates for all borrowers in later years.

Many of my colleagues will remember that the gentleman from Michigan (Mr. KILDEE) and I worked diligently in 1998 to correct the problem in the Higher Education Act of 1965 dealing with student loan interest rate calculations. The success of our bipartisan efforts is evidenced by the current student loan interest rates. Students in repayment now pay 5.99 percent, the lowest Stafford rates in the program's history. This low rate and other benefits provided by student loan providers allows students to partake in a low-cost means of financing their education while maintaining a strong and stable student loan program.

The agreement we reached in 1998 is now running up against the clock. The interest rate formula resulting in new low rates while maintaining the viability of the FFELP is set to expire in the year 2003. If that occurs, students and parents will be unable to obtain these low-cost loans from lenders across the country, and lenders that make these

low-cost loans will not be able to finance student loans under the formula set to take effect.

While we intended the fix to be permanent in 1998, we were unable to institute it for more than 5 years. By taking this action now, there will be no interruption in the availability of student loan funds, and Congress will be able to concentrate fully on many issues that will confront us during the next reauthorization of the Higher Education Act of 1965, including grant aid eligibility, distance education, access, and the cost of higher education, to name a few.

This legislation also takes one additional step for students and their families: it provides assurances as to what interest rates will be in the future. While S. 1762 would extend the current viable interest rate formula until 2006, it would then provide for both student loans and parent loans to be at a fixed interest rate. Supporters of this provision feel this will allow families to plan future expenses knowing clearly what the interest rates on their education loans will be. We can make the continued availability of low-cost student loans one less thing students pursuing their dream of higher education need to worry about.

I would like to thank especially Kathleen Smith and George Conant from the committee staff, and Bob Cochran and James Bergeron from my staff; and as I mentioned earlier, the gentleman from Ohio (Chairman BOEHNER); the ranking member, the gentleman from California (Mr. GEORGE MILLER); the gentlewoman from Hawaii (Mrs. MINK); and the gentleman from Michigan (Mr. KILDEE) for all of the excellent help on this bill.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. ANDREWS), a member of the committee.

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of this well-reasoned, well-thought-out legislation. I want to thank and commend the gentleman from Ohio (Mr. BOEHNER), the gentleman from California (Mr. MCKEON), the gentleman from California (Mr. GEORGE MILLER), the gentlewoman from Hawaii (Mrs. MINK), and the gentleman from Michigan (Mr. KILDEE) for their leadership in bringing this to the floor today.

On December 20, I was among those who opposed this legislation. I did not do so on its merits. I did so because of the principle of defending the rights of the minority in this Chamber.

The legislation the gentleman from California (Mr. GEORGE MILLER) made reference to previously that was introduced by our colleague, the gentlewoman from New York (Mrs. MCCARTHY), would have provided student loan forgiveness for the surviving spouses of heroes, police officers and firefighters and other heroes involved in the atrocities of September 11.

That legislation is supported by the Republican leadership and the Democratic leadership of the committee, and I believe it is supported by every member of our committee; and it should have been brought to the floor under the suspension calendar of the House. It should have been brought immediately to the floor of the House. I hope, Mr. Speaker, that the leadership reconsiders its decision to deny that opportunity and brings it forward.

Having said that, we now turn our attention to the legislation before us. It is worthy in three very important respects.

First of all, it will mean lower interest rates for students and their families right now. It will make it more affordable to borrow money to go to school, and that is a good thing.

Second, it will provide stability in the student loan system. We have an excellent system today that provides for competition between the direct student loan program and the bank-based private sector student loan program. As a result of this, students and their families and institutions get to choose the best offer, the best price, the best quality for themselves.

Without this change, which assures the financial structure of the private side of the program, the private side of the program would be very much in jeopardy, and it is conceivable that private lenders would leave the system. That would be very disadvantageous to students around the country.

Finally, the legislation is worthy because, as the chairman of the subcommittee said just a few minutes ago, it provides some certainty for families planning for paying for higher education by locking in today's relatively low interest rates well into the future, and making them permanent.

For all of these reasons, I would urge both Republican and Democratic Members to follow suit, follow the example of the other body, and approve this legislation.

Mr. BOEHNER. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. ISAKSON), a member of the committee.

Mr. ISAKSON. Mr. Speaker, I thank the chairman for the introduction and for yielding time to me, but in particular for his hard work on the Committee on Education and the Workforce on bringing this bill to the floor; and I particularly commend the gentleman from California (Mr. MCKEON), with whom I have worked for some time now, in seeing this bill actually come to the floor and be passed.

I really appreciate the acknowledgment of the gentleman from New Jersey (Mr. ANDREWS) that the inaction or lack of action in December really had nothing to do with the merits of this legislation.

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What has to do with the merits of this legislation is ensuring predictable student loans at competitive and favorable rates for American students that otherwise might not or would not get the student opportunity to receive a higher education.

Secondly, it is important, as the gentleman from New Jersey (Mr. ANDREWS) has pointed out, that we provide the ability to lock in rates and have a fixed rate repayment so those families that are struggling to meet the demands of paying back their cost and ensuring that their child gets a higher education have a predictable, consistent flow and rate.

Third, it is important to understand that any time you put indexes and formulas into the law to affect the rates or the guarantees on any program there are going to be periodic needs for adjustment, and now is the periodic need for that adjustment.

There are some, in fact, I was questioned on a radio talk show last night as I talked about this bill, who questioned whether or not we ought to be in this business. Well, let me address that for one second because the gentleman from California (Mr. MCKEON) and the gentleman from Ohio (Mr. BOEHNER) on their hard work on higher education, the gentleman from California (Mr. GEORGE MILLER) and I know the same thing, in America the most important thing we can have is to see to it that bright minds who can achieve have the opportunity to further their education, who can then contribute to its fullest to the United States of America.

Second, as is the case in most Federal guarantee programs, it actually produces revenue for the United States as long as we are sure we will do a good underwriting job and a good collection job is done.

So, Mr. Speaker, I am pleased to rise today and endorse this legislation. I thank both sides of the aisle for their hard work on it and say to the students of America who are looking forward to a college education that otherwise would not be within their reach because of finances that we are willing to provide the underpinning and the opportunity for a consistent flow of favorable rate loans for students to further their dreams and reach their goals.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York (Mrs. MCCARTHY), a member of the committee.

Mrs. MCCARTHY of New York. Mr. Speaker, I would like to associate myself with the words that were spoken here.

There was never any contention about this bill. I certainly supported it in committee and I support it today and I urge all of my colleagues to support it.

I think in this time of need of this country that we have to do everything possible to make sure that our young people and also our parents know they have the ability to send their children to college for higher learning. If anything, it is national security to make

sure we have the brightest minds, especially in math and science, to continue the work that we need.

What happened on December 20, unfortunately, I think was a misunderstanding. I know my chairman has promised to work with me to again bring up hopefully the bill on the Surviving Spouse Loan Act, which is important certainly to many of the victims on September 11, and I am hoping that we will continue to work on that. I wish we were able to work on it that night to have a clarification on it.

So, again I stand here in great support of this bill. It had nothing to do with the merits, the confusion that happened that morning, at 5 o'clock in the morning, I believe it was. But unfortunately we probably should not do things like that at 5 o'clock. As a nurse I can state one's mind is not functioning very well.

With that, I do urge my colleagues. The gentleman from Ohio (Mr. BOEHNER) and I have worked well together on our committee. We have a lot of work to do on IDEA coming this year and I am willing to work with the gentleman on that. Again, I hope his promises of helping me to get this bill to the floor will continue. I am more than willing to work together. I urge all of my colleagues to certainly support this amendment.

Mr. BOEHNER. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Speaker, I thank my colleague for yielding me time.

Mr. Speaker, I rise in support of S. 1762, a bill that will ensure the long-term availability of higher education loans for students and their families.

Our Nation's higher education loan system under the Federal Family Education Loan Program is an example of government at its best. By working in partnership with students, parents, college universities and private sector loan providers, the Federal Government has made the dream of college a reality for more than 50 million Americans since 1965.

Right now there are families with children heading off to college next fall who are talking about not only where their children will attend school, but how they will pay for it. For high school students and their families currently facing these daunting questions, today's action will resolve half of that equation and leave them with the more pleasant task of determining which college or university is right for them, not whether they will have the means to afford it.

By continuing the current formula for setting student loan interest rates, we will avoid the volatility that certainly would have set in had the current system been allowed to lapse. This will ensure stability in the Federal Family Education Loan Program and guarantee the loan system that serves 80 percent of America's schools and millions of our students.

For the past 35 years education loans have been critical in enabling America's families to afford the rising cost of college tuition. By passing this legislation today we will maintain our national investment in well-educated, well-trained young people who can compete with workers anywhere in the world. In short, this legislation is good for students, families, schools, taxpayers and the economy.

Finally, Mr. Speaker, I would like to point out to all of my colleagues that this bill is supported by both loan providers and student advocacy groups. In fact, the State PIRG's Higher Education Project predicts that the typical student borrower will realize a savings of $680 over the life of the loan.

I want to commend the gentleman from Ohio (Mr. BOEHNER), the ranking member, the gentleman from California (Mr. GEORGE MILLER) and the gentleman from California (Mr. MCKEON) for their leadership in assuring continued availability of education loans for future generations of students. This is important legislation for our Nation, and I urge my colleagues to support it.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee (Mr. GORDON), a strong supporter of this legislation.

Mr. GORDON. Mr. Speaker, I thank the gentleman for yielding me time.

More importantly, I want to thank the gentleman from Ohio (Mr. BOEHNER), the gentleman from California (Mr. MCKEON) and the gentleman from Michigan (Mr. KILDEE) for the leadership they have exhibited in bringing this bill before us.

Passage of this legislation provides a final resolution to a long needed fix within the Higher Education Act related to the way interest rates for student loans are set, making college more affordable for millions of students across the country.

S. 1762 has been developed and agreed upon by a bipartisan process and the other body has passed this legislation in December by unanimous consent. Every major higher education association, including groups representing students, schools and lenders, support this legislation. If we do not take this action now, we run the risk of having a system under which two-thirds of students loans are made revert back to a troublesome formula that threatened the viability of several lenders back in 1998.

Mr. Speaker, most students, especially those from low- and middle-income families, have enough of a financial challenge getting through school. They either have to work their way through school or family members have to take a second job to help defray the cost of higher education. The burden of high or fluctuating interest rates should not be another distraction. We have the means to resolve this issue once and for all, and I urge my colleagues to vote yes on this important legislation.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. KANJORSKI).

Mr. KANJORSKI. Mr. Speaker, I wanted to join my colleagues today first of all to congratulate the gentleman from California (Mr. MCKEON) and the gentleman from Michigan (Mr. KILDEE) for a great compromise entered into several years ago, in 1998, that provided for a new formulation of how we would finance student loans.

Basically what we are doing is making it attractive for lenders to provide funds for students and parents to get guaranteed low rates and to make the funds sound for at least the next 6 years to bring about a better use of higher education funding in the United States. I commend both the ranking member and the chairman of the committee and, as I said, the respective chairman and ranking member of the subcommittee.

This is a technical problem that probably is not of the highest order of understanding of people, but it is the type of fix and in the tradition of trying to be bipartisan in an issue in education and in the country today where both sides of the aisle can come together and support this.

I urge all of my fellow Members on the Democratic side to join the gentleman from California (Mr. GEORGE MILLER) and myself and others and my Republican colleagues on the other side and show a resounding show of support to fix the student loan program to provide long-term funding into the future at reasonable rates that parents, students and lenders can rely upon.

Mr. GEORGE MILLER of California. Mr. Speaker, I urge my colleagues to support the bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BOEHNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me say a comment as we close. This really is important legislation. The costs associated with this bill are covered in the budget resolution that was agreed to earlier last year, and by doing this we will continue to have a strong availability of affordable student loans for our students. With that, I ask my colleagues to vote for this bill.

Mr. NUSSLE. Mr. Speaker, I rise in support of S. 1762, which ensures that continued viability of low-interest loans for college students.

When the Budget Committee drafted the fiscal year 2002 budget resolution last spring, we sought to avert a potential crisis in the Federal Student Loan Program. The train we saw coming down the track was a change in the interest rate structure set to take place in July 2003.

That change would repeal the current structure, which supports $38 billion in new, federally subsidized, student loans each year for needy college students. It would replace it with a controversial new formula that education experts warned would be potentially disruptive to the loan program.

The scheduled change could jeopardize the availability of funds for student loans because it would tie interest rates to long-term treasuries. The loan program has thrived for years on interest rates that correspond to short-term Treasury rates.

The scheduled change was created under the assumption that, by 2003, all student loans would be issued by the Federal Government. But 70 percent of the loans are now issued by private lenders. We have to adjust for that reality.

Fixing the interest rate problem will be expensive. It will cost money because the baseline already assumes the scheduled change in interest rates.

It is for this reason the FY 2002 budget resolution included a reserve fund that allowed the committee to adjust the appropriate levels in the budget resolution to offset the ''cost'' of repealing the change in interest rates.

I would observe, however, that this bill does not fully comply with the terms of the budget resolution. First, the bill slightly exceeds the size of the reserve fund in the resolution. This is mostly because the Congressional Budget Office re-estimated the cost of repealing the scheduled interest rate change after Congress had adopted the budget resolution.

Secondly, the budge resolution stipulated that the reserve could only be tapped if the surplus exceeded specified levels. Unfortunately, the surplus has not materialized as a result of the events of September 11 and the on-going recession.

Nevertheless, I will support this bill because it was accommodated in the budget resolution. Further, neither the Budget nor Education Committees could have foreseen CBO's rescoring of the bill nor the loss of the surplus due to the recent terrorist attacks.

Finally, I would like to thank Mr. BOEHNER and Mr. MCKEON for their efforts to ensure the continued viability of the student loan programs, which will issue more than 9 million new loans this year.

Mr. GILMAN. Mr. Speaker, I rise today in support of S. 1762 which seeks to ensure the availability of low-cost student loans to millions of students across the country. Passage of this legislation will ensure a strong and stable Federal Family Education Loan Program (FFELP) and give students and their families piece of mind that this important, and largest, student aid program will be there to serve them and I commend my colleague from California, Mr. MCKEON for helping bring this measure to the floor today.

The current student loan interest rate formula has provided for the lowest Stafford Loan interest rates in history, currently 5.99 percent, but is unfortunately set to expire on July 1, 2003. When the current formula expires, an unworkable formula will take over. Lenders have warned us that they will be unable to finance student loans under the new formula, putting a 35-year history of serving students and parents in serious jeopardy. Without lenders providing student loans, students and their families will be left out in the cold, with few options left to pay for higher education. The temporary fix enacted in 1998 was intended to be permanent, but the funds were not available to make that happen. S. 1762 will make the fix permanent.

S. 1762 assures loan availability and stability in the public/private partnership by continuing the current structure for payments made to banks and other student loan lenders ensuring the private sector's continued participation in the student loan program. Present and future college students need to know that the Federal Family Education Loan Program will be available to them as they pursue higher education opportunities. Accordingly, I urge my colleagues to fully support this measure.

Mr. LEWIS of Kentucky. Mr. Speaker, I was unable to be on the floor today for consideration of the bill S. 1762. This bipartisan legislation keeps the interest rates on college student loans at their current and unprecedented low levels.

Had I been present, I would have voted in favor of this bill. This is solid legislation that provides for the continued availability of affordable student loans. The extension of current low interest rates is necessary to ensure that students can continue to obtain the financial assistance needed to meet postsecondary education goals. The current student loan interest rate formula, set to expire on July 1, 2003, provides students and their families with an affordable way to pay for an education that might otherwise not be possible. A variety of educational and financial institutions, including the Kentucky Higher Education Assistance Authority, strongly support S. 1762. Stabilizing interest rates now will secure educational opportunities for the future. I am pleased by the broad support this legislation received.

Ms. MILLENDER-MCDONALD. Mr. Speaker, I rise today in support of this legislation to amend the Higher Education Act. This bill will help millions of students and their families across the nation deal with the rising cost of higher education. Now more than ever, it is important that our citizens can afford the costs of a college education.

The bill we are about to vote on will help that cause by setting a low, fixed, interest rate of 6.8 percent on student loans. Right now, we are looking at the lowest loan interest rates in history. This low rate, 5.99 percent, is due to the current interest rate formula that will expire next year. We must act now to ensure a low interest rate for our students. Student loans have repayment periods that range anywhere from 10 years to 25 years. If we can do anything to protect our students from facing the possibility of sinking deeper in debt because of higher interest rates, we should do that now. Our students and their families deserve as much.

This bipartisan bicameral legislation is a great way to start off the year and help our students across the country. It passed the Senate unanimously, and now I urge my colleagues to support this measure and vote ''yes.''

Mr. BOEHNER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SHIMKUS). All time for debate has expired.

Pursuant to House Resolution 334, the Senate bill is considered as read for amendment and the previous question is ordered.

The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the Senate bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BOEHNER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 372, nays 3, not voting 60, as follows:

[Roll No. 4]

YEAS—372

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Bass
Bentsen
Bereuter
Berkley
Berry
Biggert
Bilirakis
Bishop
Blunt
Boehlert
Boehner
Boozman
Borski
Boswell
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Foley
Forbes
Ford
Fossella
Frelinghuysen
Frost
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
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Goode
Goodlatte
Gordon
Goss
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Granger
Graves
Green (TX)
Green (WI)
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Grucci
Gutierrez
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Hall (OH)
Hall (TX)
Hansen
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Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
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Holden
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Hostettler
Houghton
Hoyer
Hulshof
Hunter
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan

Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, George
Miller, Jeff
Mollohan
Moore
Morella
Myrick
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Olver
Osborne
Ose
Otter
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Shadegg
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Sherman
Shimkus
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Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Walden
Walsh
Wamp
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (PA)
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (FL)

NAYS—3

Flake
Moran (KS)
Paul

NOT VOTING—60

Barton
Becerra
Berman
Blagojevich
Blumenauer
Bonilla
Bonior
Bono
Boucher
Burton
Clay
Collins
Cubin
Davis (IL)
Doyle
Everett
Fletcher
Frank
Gallegly
Hastert
Hinchey
Hinojosa
Hooley
Hyde
Jones (NC)
Kind (WI)
Largent
Lewis (GA)
Lewis (KY)
Luther
Manzullo
McCarthy (MO)
Miller, Gary
Mink
Moran (VA)
Murtha
Nadler
Napolitano
Obey
Ortiz
Oxley
Quinn
Radanovich
Riley
Roukema
Roybal-Allard
Sessions
Sherwood
Solis
Thomas
Thurman
Traficant
Vitter
Waters
Watkins (OK)
Weldon (FL)
Weller
Woolsey
Wu
Young (AK)

□ 1122

So the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Ms. SOLIS. Mr. Speaker, during rollcall vote No. 4 on S. 1762 I was unavoidably detained. Had I been present, I would have voted ''yea.''

Ms. McCARTHY of Missouri. Mr. Speaker, on rollcall No. 4, S. 1762, to establish fixed interest rates for student and parent borrowers, I was unavoidably detained. Had I been present, I would have voted ''yea.''

Mr. KIND. Mr. Speaker, today, January 24, due to family considerations, I unfortunately was not present for a rollcall vote.

Had I been present, I would have voted ''yea'' on rollcall No. 4, S. 1762, to establish fixed interest rates for student and parent borrowers.

Mr. RILEY. Mr. Speaker, I was unavoidably detained for rollcall No. 4, S. 1762, a bill to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes. Had I been present I would have voted ''yea.''

## PERSONAL EXPLANATION

Mr. HINOJOSA. Mr. Speaker, I regret that I was unavoidably detained in my Congressional District. Had I been present, I would have voted ''yea'' on rollcalls 2, 3, and 4.

## PERSONAL EXPLANATION

Ms. ROYBAL-ALLARD. Mr. Speaker, Due to a family health emergency, I was unable to be present for rollcall votes 1–4 on Wednesday, January 23 and Thursday, January 24. Had I been present, I would have voted ''present'' on rollcalls vote 1, and ''yea'' on rollcall votes 2–4.

## PERSONAL EXPLANATION

Mr. THOMAS. Mr. Speaker, I regret that I could not be in both Bakersfield and Washington, DC on January 23, and January 24. I would have voted ''yea'' on H.R. 2234, and S. 1762.

## PERSONAL EXPLANATION

Mrs. ROUKEMA. Mr. Speaker, on Wednesday, January 23, 2002, I was unavoidably detained on rollcall votes Nos. 1, 2, and 3 during the consideration of H.R. 700, a bill to authorize the Asian Elephant Conservation Act, and H.R. 2234, the Tumacacori National Historical Park Boundary Revision Act. Please let the RECORD reflect that had I been present I would have voted ''aye'' for rollcall Votes Nos. 1, 2, and 3.

On Thursday, January 24, 2002, I was unavoidably detained on rollcall vote No. 4, on passage S. 1762, a bill to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes. Please let the RECORD reflect that had I been present I would have voted ''aye'' for rollcall Vote No. 4.

## LEGISLATIVE PROGRAM

(Ms. PELOSI asked and was given permission to address the House for 1 minute.)

Ms. PELOSI. Mr. Speaker, for the purpose of inquiring about the schedule for next week, I am pleased to yield to the distinguished majority leader to respond.

Mr. ARMEY. Mr. Speaker, I thank the gentlewoman from California for the chance to respond, and if I might preface my response by saying how very pleased I am to see the gentlewoman from California at the podium today performing her official duties as whip for the Democratic side of the aisle.

Mr. Speaker, I am pleased to announce that the House has completed its legislative business for the week. The House will next meet for legislative business on Tuesday, January 29, at 12:30 p.m. for morning hour and at 2 p.m. for legislative business. The House will consider a number of measures under suspension of the rules, a list of which will be distributed to Members' offices tomorrow.

On Tuesday, recorded votes are expected promptly at 5 p.m. in order to provide time for a security sweep of the House Chamber. The House will meet in joint session with the Senate at 9 p.m. to receive a State of the Union Address from President George W. Bush.

On Wednesday, and the balance of the week, no votes are expected in the House.

I want to thank the distinguished minority whip for yielding to me.

Ms. PELOSI. Reclaiming my time, Mr. Speaker, I thank the gentleman for his presentation of the schedule and for his kind welcoming remarks. I want to in turn say that I congratulate him on his decision and wish him well. We still have a year to go and look forward to working with him during that time.

And ''work'' is the word. Do I understand that the only legislative business next week will be on Tuesday, with votes at 5 p.m.?

Mr. ARMEY. If the gentlewoman will continue to yield, she is correct, and this is a very important point. We will have the votes at 5 p.m. on Tuesday next in order for the security sweep in preparation of the President's address. This is a departure from our normal proceedings, as many Members know.

So as the gentlewoman from California correctly points out, we need Members to be aware that it is a 5 p.m. vote time on Tuesday next.

Ms. PELOSI. Well, we all are awaiting with great optimism the address of the President of the United States in the State of the Union on Tuesday. And I understand the votes are at 5 p.m., but there will be no legislative business on Wednesday or for the rest of the week next week?

Mr. ARMEY. No. Thanks again for the inquiry, but that is correct.

Ms. PELOSI. Do we not have any work to do?

Mr. ARMEY. There is no work to do.

Ms. PELOSI. We seem to have some challenges in our country, and I would hope we would use all the time available to us to do that.

I thank the gentleman for advising us of the schedule.

## THANKING COLLEAGUES FOR THEIR GENEROUS ACKNOWLEDGMENT REGARDING RETIREMENT ANNOUNCEMENT

(Mr. ARMEY asked and was given permission to address the House for 1 minute.)

Mr. ARMEY. Mr. Speaker, I just wanted to take a moment to thank the

gentlewoman from California for her kind words. I have had so many people from the other side of the aisle speak so kindly to me on my decision to retire from Congress that I could not resist taking a moment to say that at last I finally have made a decision that is a source of great pleasure to my colleagues on the other side of the aisle, and I want to thank them for their generous acknowledgment of that.

## ADJOURNMENT FROM FRIDAY, JANUARY 25, 2002, TO TUESDAY, JANUARY 29, 2002

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Friday, January 25, 2002, it adjourn to meet at 12:30 p.m. on Tuesday, January 29, 2002 for morning hour debates.

The SPEAKER pro tempore (Mr. SHIMKUS). Is there objection to the request of the gentleman from Texas?

There was no objection.

## DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

## REQUESTING IT BE THE WILL OF THE HOUSE OF REPRESENTATIVES THAT THE ST. LOUIS RAMS BE VICTORIOUS ON SUNDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that it be the will of this body that the St. Louis Rams have a glorious victory on Sunday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

## SPECIAL ORDERS

The SPEAKER pro tempore (Mr. PENCE). Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

## WELCOME TO WASHINGTON, DC

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

Ms. NORTON. Mr. Speaker, as the only Member who never has to leave Washington, I want to welcome my colleagues back to Washington, my hometown and your second home.

I was very gratified to note that the White House reopened White House tours to children just a few days ago. This follows a meeting I arranged between White House officials and D.C. leaders where I suggested that D.C. schoolchildren be allowed to view the White House Christmas tree decorations. Now the White House has seen to it that all children will be able to go into the White House.

I suggested at that time that the public could come in if they only left their Social Security numbers the way people have to anyway before they go into the White House. Now the children will leave their Social Security numbers. Let us hope the White House follows with the general public. I am very gratified for what they have already done for children.

These may seem small matters, but, my colleagues, what it does is to signal to the country that if the Capitol is open the country is open as well. The President has made an important ad to visit America, that Americans should do their business. It is important for people to travel, particularly now during a recession, and the more the District of Columbia seems open, the most visible city in the country, the more people will follow the President's advice and go out to their own places and help us get out of this recession by getting on planes.

Members and staff will soon receive a ''Dear Colleague'' from me about an event I am hosting on Tuesday, February 12, called ''Ask Me About Washington,'' to acquaint them with tourist attractions and amenities in D.C. so they can advise their own constituents who come here.

□ 1130

Mr. Speaker, this is an election year. It is time to welcome our constituents back to Washington. Members need to transmit that the District is the safest city in the United States, precisely because it is the Nation's Capital.

The war is winding down. The President has said, absolutely correctly, terrorist threats will be with us for many years to come. It is time to get constituents used to traveling, particularly now, and coming back to Washington. Members and staff will learn how to advise constituents of where to go at my Ask Me About Washington event on Tuesday, February 12.

The economy is down. The way to get it up is for people to do what President Bush has indicated, go out and see the sites, but above all come and see Members of Congress. Look at the gallery. The galleries have been empty because Americans are not traveling. They are not traveling to Members' home States or the Capital.

That is bad news for people running for office, and it is bad news for our country when people are not flooding into the Capital to find out what to do about the issues that concern them most, especially during an election year. When constituents come, they need to know what to see in Washington. When they come, they need to know that everything is still open to the public, notwithstanding the barricades. This is an open city because this is an open country.

## CONGRESS BIDS FAREWELL TO SIX OUTSTANDING PAGES

The SPEAKER pro tempore (Mr. PENCE). Under a previous order of the House, the gentleman from Illinois (Mr. SHIMKUS) is recognized for 5 minutes.

Mr. SHIMKUS. Mr. Speaker, as the delegate from the District of Columbia welcomes us back, she is also going to say good-bye to six residents. I would like to have Lindsey Beck, Matthew Dinusson, Ashley Gallo, Jennifer Hsieh, Gregory Hyde, and Zachary Stanton come on down here. Grab some seats in the front row.

Mr. Speaker, as the chairman of the House Page Board, it is my distinct pleasure to recognize these six outstanding pages that are departing today. This year's page class is a remarkable group of students. They came to Washington full of ambition and promise. Little did they know, nor did their friends and colleagues in the back, that they would be witness to such tragic events in history. Far from their families and friends, and so new to Washington that homesickness barely had a chance to ease, this page class refused to let fear chase them away from their dreams of working with Congress. They relied on each other, and on the day-to-day tasks before them; and they knew in their hearts they were working toward a common goal shared by all of us, to prove to our enemies that the American spirit cannot be extinguished. The courage, determination, and sense of purpose shown by this class and their colleagues in the back set an example for us all. They have proven that adversity does build strength and that the human spirit is resolute when it is tested.

Mr. Speaker, not only did this group carry on their work as pages, but they did so with enthusiasm, excitement, and as I found out, in good humor, which at such moments in history is kind of hard to do. There is no question that this class has made us very proud. This class is a credit to their families, their communities, and to the page program.

The six who are leaving today will be returning home on Saturday. They leave here with our thanks and congratulations. We share in their joy of being reunited with their families and share in their sadness of saying goodbye; but this group probably will not miss those 6:15 breakfasts we have all endured.

Mr. Speaker, these pages have left their own indelible mark on the page program, and I want them to know that their shoes will be hard to fill. As they return home with suitcases and boxes, memories and experiences, I

want them to take our sincere thanks. I thank Lindsey Beck, Matthew Dinusson, Ashley Gallo, Jennifer Hsieh, Gregory Hyde and Zachary Stanton. I thank them for having the courage and the strength to persevere when others would have given up. I thank them for approaching every day with curiosity and hope, and for encouraging others to do the same.

There is no doubt that these six pages will go on to do great things, and we hope they come back and share their accomplishments with us.

Mr. Speaker, I wish them a lifetime of success and happiness. And now my colleague on the House Page Board, the gentleman from Michigan (Mr. KILDEE), would like to speak.

## CONGRESS BIDS FAREWELL TO SIX OUTSTANDING PAGES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. KILDEE) is recognized for 5 minutes.

Mr. KILDEE. Mr. Speaker, I stand here as the ranking Democrat on the House Page Board, having been appointed to that position by Speaker Tip O'Neill 20-some years ago. I have seen many pages come here. There has been no class better than this class. This class has been outstanding pages, and I am very, very proud of them.

There is a very good program in the country called Close Up, and I always meet with my Close Up students; but no one, no one has seen this Congress as close up as this group of pages has. They have seen us at our best and at our worst, but this year they probably have seen us at our best. They witnessed history that no other generation will hopefully ever witness again, when this country was attacked by terrorists and thousands of people were killed.

I can recall walking with my staff away from the Capitol after the plane hit the Pentagon. I saw a group of pages coming towards the Capitol building. They were supposed to be here they thought, and I said get back to the dorm. Their sense of duty was enormous, although this building could very well have been the target.

Mr. Speaker, I thank all of the pages, but particularly Lindsey Beck from Arizona; Matthew Dinusson from Minnesota; Ashley Gallo from Michigan, my home State; Jennifer Hsieh from Texas; Gregory Hyde, New York City; and Zachary Stanton from Michigan. They can be proud of themselves. They will leave here knowing more about government, being able to tell others government is an instrument of good; and hopefully they will always be involved in government, whether they run for office or are a voter. Make government work. They have seen government at work. I thank this group of pages very much, and God bless them.

## RECOGNIZING THE BRAVE SAILORS OF THE USS "CARL VINSON"

The SPEAKER pro tempore (Mr. SHIMKUS). Under a previous order of the House, the gentleman from Washington (Mr. DICKS) is recognized for 5 minutes.

Mr. DICKS. Mr. Speaker, yesterday I had the opportunity with the gentleman from Washington (Mr. INSLEE) to fly out on a helicopter and go aboard the *Carl Vinson* as it came through the Straits of Juan de Fuca into Puget Sound into the Bremerton shipyard in my hometown. It was a great honor for the gentleman from Washington (Mr. INSLEE) and I to have an opportunity to address the crew of the *Carl Vinson*. They had let the air wing off in San Diego, but still over 3,000 sailors, 12 percent of which were women, were coming home to Bremerton, were coming home to meet their families. I believe that the *Carl Vinson*, which was the first aircraft carrier into the North Arabian Sea, performed heroically on behalf of our country in Operation Enduring Freedom.

In looking over their record over this last 111 days when they were fully operational, they conducted 4,200 sorties flying F–14s and F–18s into Afghanistan using the smart weapons like JDAMs and the satellite weapons to destroy Taliban and al Qaeda targets in the area, and helped to contribute to the quick demise of the Taliban government.

I was pleased to be aboard and talk to the crew. They were extremely excited about coming home; but they were very, very proud of the service that they had rendered on behalf of our country. I want Members to know that we assured them that this Congress, this administration, strongly supports what they have done. There was bipartisan support in the Congress for the President's operations in Afghanistan.

I think we should reiterate the importance of these large big-deck carriers, 4.5 acres of American sovereignty. As we all know, we do not always get the bases that we need in any area of the world where we have to have American actions. In this case, we were not able to use airfields, as we were in Desert Storm and Desert Shield, in the region so these aircraft carriers became paramount.

Mr. Speaker, there were 48 attack aircraft coming off these carriers, and those attack aircraft flew these missions, having to have several airline refuelings, which also points out the importance of why we have to have tankers in order to provide the fuel for these planes on their missions, also for the bombers, the B–1s, the B–52s and the B–2s that were all used successfully in this endeavor.

It was also exciting to see the crew of the ship reunite with their families. Seventy-six of the men on board were fathers during the time they were gone, 6 months of deployment. In fact, I saw one woman who had delivered her baby on the day of the deployment, the first day, so the child was 6 months old. And to see all of them reunited on the pier in Bremerton, Washington, my hometown, is truly something I will never forget.

Mr. Speaker, I think we all should recognize the important contribution of the men and women who serve us daily in the military. This Congress has a responsibility to make certain that we give them the benefits, that we give them the support, that we give them the equipment so that they can conduct these operations in the future.

But those large aircraft carriers were crucial in giving us the ability to make these attacks early on and to win this war decisively with very minimal loss of American life. I also would say that while they were operational, they conducted 37 replenishments while they were underway. This is when another ship comes up and provides supplies to the aircraft carrier when it is operational and moving. I think that is rather remarkable. Over 16,000 airplanes landed and took off on the *Carl Vinson* during this deployment; and they went 51,000 miles, which is almost two times around the Earth.

I was proud to be there, proud as a member of the Committee on Appropriations Subcommittee on Defense, and to see the men and women serving on the *Carl Vinson*.

We also learned in this war, 90 percent of the weapons that were used were smart bombs like JDAMs, and we almost ran out of those weapons. So we have got a lot of work to do here in the Congress to support the President to make sure that we have the equipment for the future. But it was a great day in Bremerton, Washington, and I am proud of the work of these great sailors and of our United States Navy.

## THERE IS NO CHOICE IN CHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. PENCE) is recognized for 5 minutes.

Mr. PENCE. Mr. Speaker, a woman 4 months pregnant flees to her mother's village to avoid a forced abortion in China. Her brother, two sisters and three other relatives are arrested as bargaining chips to enforce China's brutal one-child-per-family policy.

□ 1145

Three of her families' homes are destroyed. A second woman, 19 years of age, is told that she is too young to have a baby. She does not meet the government's age requirements for pregnancy. Her friends who accompanied her to the local clinic for her mandatory abortion all nod vigorously when asked by an undercover investigator if the young lady would like to keep the baby. "But the law forbids it," they add. Sound barbaric?

There is no doubt, Mr. Speaker, on this week where millions of Americans on either side of the debate over abortion gathered in our Nation's capital,

those of us who endorse what we call the right to life and many thousands that endorse a woman's right to choose debated the question of choice. But let us all understand on this week when we foment this debate in Washington, Mr. Speaker, that there is no choice in China.

China's indefensible population control programs, though, do not just have their detractors in the world. They actually have their promoters, some of whom are sponsored by the United States Government. The United Nations Population Fund, also known as the UNFPA, Mr. Speaker, has described China's forced abortion policy as a, quote, remarkable achievement. Proving their moral bankruptcy, Sven Burmester, the representative for the U.N. Population Fund in Beijing, said, ''China has the most successful family planning policy in the history of mankind in terms of quantity, and with that,'' he added, ''China has done mankind a favor.''

Also proving the moral bankruptcy of the UNFPA, Mr. Burmester of the Fund said, in effect, my own view is that there is a generation of Chinese who have sacrificed themselves to benefit society, and that generation, presumably the generation expensed in China's policy of forced abortion, is to be recognized.

But the U.N. Population Fund, Mr. Speaker, recently received a significant increase in its funding from the U.S. Government. There will be those who will say at the UNFPA that they only work in regions where the Chinese government has suspended its oppressive one-child policy. However, testimony in a recent House International Relations Committee hearing revealed photographs of a UNFPA office located within the China Office of Family Planning. The testimony also uncovered evidence that the UNFPA is active in Sihui County in China in which family planning is decidedly not voluntary. Officials have imposed age requirements there for pregnancy and require birth permits, mandatory sterilization and forced abortion. Those who refuse to comply with these standards face fines, imprisonment and often the destruction of their homes and property. There is no choice in China, Mr. Speaker.

But, sadly, in the waning days of the first session of the 107th Congress, the UNFPA in the foreign operations bill recently received a 58 percent increase in its funding, $34 million, U.S. taxpayer paid. The Mexico City Policy prohibits Federal funding of groups that perform or even promote abortion services overseas.

So I rise today, Mr. Speaker, to urge the administration, as I did before over 100,000 pro-life citizens on the National Mall on Tuesday, I rise today to urge the administration to enforce the Mexico City Policy, to seize the Kemp Kasten language in the foreign operations bill and do what President Ronald Reagan did and do what President George Herbert Walker Bush did, and that is render the amount the foreign operations bill has provided to the UNFPA to zero. The people of the United States of America deserve better than to have their taxpayer dollars used to foment and to promote an organization that praises China's forced abortion policy.

## ON INTRODUCTION OF EMPLOYEE SAVINGS PROTECTION ACT (ESPA)

The SPEAKER pro tempore (Mr. SHIMKUS). Under a previous order of the House, the gentleman from Texas (Mr. BENTSEN) is recognized for 5 minutes.

Mr. BENTSEN. Mr. Speaker, today I am introducing legislation to create new legal rights for employees who are induced to make investment decisions about their 401(k) or other individual pension accounts that are contrary to their own best interests. As one who has endeavored to expand opportunities for greater participation in employer-sponsored pension plans, I strongly believe that our pension laws must be amended to ensure that employers, who have superior information as to the financial condition of their business and communicate information that they know to be false to influence their employees in the administration of their 401(k) accounts, face serious legal consequences.

My bill, the Employee Savings Protection Act of 2002, would ensure that employees that were unduly influenced by such information to the detriment of their retirement savings can have a legal claim that survives bankruptcy.

I am introducing ESPA in the hopes that employees who participate in employer-sponsored plans, such as many of my constituents who were employed by Enron, do not meet the same fate as the employees of Morrison Knudsen, whose claims against the Idaho firm did not survive Chapter 11 reorganization. The claims of Morrison Knudsen employees were extinguished by the company's bankruptcy reorganization plan, according to a 1999 ruling by the Federal District Court in Boise, Idaho. There is a gaping hole in our bankruptcy laws if directors and officers or other fiduciaries under the Employment Retirement Security Act of 1974 can torpedo the retirement savings of their employees and walk away without owing a penny.

In the case of Enron, we now know that senior management grossly mismanaged the company while telling employees that their stock would rise. As a result, thousands lost their life savings on the basis of faulty information and through no fault of their own. Under ESPA, plan fiduciaries that engage in such acts, including officers and directors, would be held personally liable for the losses incurred as a result of this deception. Further, should the plan fiduciary file for bankruptcy protection, this employee claim would be treated as a ''priority'' to be fully reimbursed in bankruptcy proceedings, ahead of other unsecured creditors. Eligible employee claims could arise from violations occurring as early as January 1, 2000.

Mr. Speaker, our pension laws are very clear as to the duties that fiduciaries owe to plan participants. The consequences for breaches are substantial. Directors and officers can be held personally liable for such breaches. Claims by employees who were damaged because they trusted the misinformation imparted by a fiduciary must be protected. Our bankruptcy laws must not be used as a cloak behind which employers such as Enron who dupe their employees are protected. Mr. Speaker, my bill will ensure not only that such claims are protected but that these claimants stand ahead of other unsecured creditors in a bankruptcy proceeding.

The time has come for the House to take action. I hope that we move on this bill quickly.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Mr. THUNE) is recognized for 5 minutes.

(Mr. THUNE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HUNTER) is recognized for 5 minutes.

(Mr. HUNTER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

## PAYING TRIBUTE TO JACK SHEA, OLYMPIC GOLD MEDALIST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. SWEENEY) is recognized for 5 minutes.

Mr. SWEENEY. Mr. Speaker, this past weekend the 22nd Congressional District of New York, New York State and indeed our Nation and the world suffered a great loss when we experienced the untimely death of Mr. Jack Shea. Mr. Shea was a double Olympic speed skating gold medalist who died suddenly and tragically in an automobile accident less than one mile from his home. Mr. Shea was 91 years young and served this Nation in so many important and great ways that this loss will be felt for quite some time.

In addition to the two Olympic Gold Medals that he earned at the Lake Placid Winter Olympic games in 1932, he was both the father and grandfather of Olympians. His son Jim competed in the 1964 Winter Olympics, and today, ironically enough and I think adding to the sense of tragedy to this unfortunate incident, his grandson Jim is set to compete in the Olympics at Salt Lake City, Utah.

Also ironically, this weekend we will convene in Lake Placid for our annual

Congressional Olympic Challenge. Mr. Shea was to serve as our keynote speaker on Saturday night, welcoming Members of Congress and citizens from throughout this Nation to the great Lake Placid and indeed showing them the important history that Mr. Shea was so much a part of and so important to, so much so, Mr. Speaker, that many in Lake Placid referred to Jack as Mr. Lake Placid. His untimely death is made particularly tragic by the loss that we will experience and the loss of his advocacy on behalf of Lake Placid and the Olympic movement. Without Jack there, I can say that there will be just a little bit missing from this weekend. But as Jack would tell us if he were here, the games must go on. The efforts to ensure that the Olympic movement in the United States and indeed throughout the world needs to be made strong. That is why we will embark.

For those reasons, I intend to and will introduce a resolution into this House today to recognize and pay proper tribute to Jack Shea, a great man, a great Olympian and a friend who truly epitomized, Mr. Speaker, the greatness of America, the greatness of the Olympic movement, the greatness of competition in the Olympic movement. We will all dearly miss him. We are all deeply touched and have been deeply touched by his life.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GEORGE MILLER) is recognized for 5 minutes.

(Mr. GEORGE MILLER of California addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

## AFGHANISTAN FACING LONG AND DIFFICULT ROAD TO RECOVERY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. WOLF) is recognized for 5 minutes.

Mr. WOLF. Mr. Speaker, the gentleman from Ohio (Mr. HALL) and the gentleman from Pennsylvania (Mr. PITTS), both good friends who have really done a lot to help on human rights and hunger and religious freedom issues, and I traveled to Afghanistan and Pakistan from January 2 through 10. After spending 2 days of that trip in Kabul, the capital of Afghanistan, clearly the situation there is desperate. At a later time on the House floor perhaps the gentleman from Ohio, the gentleman from Pennsylvania and I can share in greater detail our observations, but there are some comments I would like to make today.

The issue of security in Afghanistan has to be dealt with immediately. The country is still not safe. We were told there are no low risk areas in the country. Crime in Kabul—banditry and murder—is on the rise. Interim Chairman Harmid Karzai told us that he may ask that outside forces be brought in to provide security not only for the Afghan people but to ensure that humanitarian aid is delivered. The Afghan government will need help with rebuilding an army that is loyal to the central government and an effective police force to maintain order.

The Bush administration is working diligently to help ease tensions between Pakistan and India, and I support that effort. The threat of nuclear war and the potential negative impact a war in the region would have on the United States' war on terrorism demands immediate attention. President Bush and the Secretary of State have done a great job with regard to bringing both India and Pakistan together. If a special envoy would be helpful in the region, I would suggest that be done.

We ought to immediately restore the AID, Agency for International Development, mission in Afghanistan and Pakistan. AID is doing a tremendous job. The Agency for International Development is critical to countries such as Pakistan and Afghanistan to prevent future extremism.

We must do whatever is necessary to defeat terrorism, which means the United States has a responsibility to stay active and involved because the war on terrorism is not a conventional war. It is not only a military fight but an economic, cultural and educational struggle.

Afghanistan and Pakistan are like bookends. Whatever happens to one country happens to the other. Many believe that the West abandoned Afghanistan after it defeated the Soviet Union, and it became a fertile ground for the rise of the Taliban. We cannot walk away again. If we do, we could be back to where we are today.

I would encourage individuals to go and visit Afghanistan to witness this firsthand. The Afghan people are optimistic, they are hopeful, they are looking to see progress. While substantial resources are required immediately, long-term, multiyear funding for development must be secured in addition to what is already available, but not detract from the development and humanitarian assistance given to other parts of the world.

We should continue to encourage and promote cooperation among the states in the region which share an interest in the stability of Afghanistan and be concerned with regard to the fact that the Iranians appear to be moving into Afghanistan in a big way.

Efforts should be made to prevent the drug trade from being increased and to ultimately wipe it out. Ironically, the cultivation of opium was banned under the Taliban but not strictly enforced. I am concerned that drugs may begin to come back in a big way, because, regrettably, for many Afghani farmers, growing opium is a way of making a living. We do not want to see the drug trade reestablished in Afghanistan which then ends up on the streets of the United States and Western countries.

People-to-people diplomacy, without using taxpayer money, hospital to hospital, school to school, civic association, Rotary clubs, Kiwanis clubs, Lions clubs should be encouraged to take on projects.

While there we went into a girls' school. The young girls have not been to school for 5 years. They need supplies. Our schools could adopt those schools, and send pens, pencils, books. Hospitals here could donate medicines, equipment and other supplies. We ought not just be looking for Federal dollars but also for volunteer groups in the West, not only in the United States but in Britain and in other countries, to be involved.

The U.S. business community can also help. Hopefully the Afghan community in the United States will participate and go back and help their colleagues and fellow family members in Afghanistan.

There are a number of other comments that I will make that I will just submit for the RECORD.

I want to close by acknowledging the great job our military have done in Afghanistan and continue to do, the dedicated forces of the Army, Navy, Air Force and Marines.

□ 1200

I want to acknowledge and salute the thousands of men and women serving in the Nation's Armed Forces in Afghanistan and around the world. I want to salute the State Department personnel in Afghanistan and Pakistan and here in the United States who are working very hard on this issue. They deserve our special thanks.

I also want to thank all of the NGOs, the World Food Programme in particular, working in this region to keep famine from taking place; this is the beginning of the fourth year of a drought. Also Save the Children, Catholic Relief, Church World Services and many other groups are doing an outstanding job.

I also want to thank the American Ambassador, Wendy Chamberlin, and her staff in Pakistan and the staff in the American embassy in Afghanistan.

We will prevail and make sure that Afghanistan never returns to terrorism.

## A FRESH LOOK AT THE DISAPPEARING BUDGET SURPLUS

The SPEAKER pro tempore (Mr. SHIMKUS). Under the Speaker's announced policy of January 3, 2001, the gentleman from North Dakota (Mr. POMEROY) is recognized for 60 minutes as the designee of the minority leader.

Mr. POMEROY. Mr. Speaker, well, here we are. It is a new year, we are all back from our districts, from time with our families; and it is time to take a fresh look at where we are as we begin a new legislative Congress.

You know, to many of us things might look very much the same as they did in December when we left; the same people representing the American citizens across the country, largely the same dynamics in place. In fact, with much of the debate that I have heard this week, it is almost like we picked up mid-conversation, even though there has been a period of several weeks where we have been gone.

In one facet, however, there is very sharp difference of reality compared with where we were as we got to town one year ago, and it is trying to explain this significant different development that I will address in the course of my remarks.

What is different? What is different is the Federal budget. One year ago, we looked at tremendous budget surpluses of a historic nature. We were on the cusp of a plan to march toward reducing and then eliminating the debt held by the people of the United States to their Federal Government, eliminating that debt for the first time since Andrew Jackson was President.

We were debating how we might use these surpluses to advance Social Security reform before the baby boomers move into Social Security in the next decade. We were discussing how we might use these surpluses to bring on to the Medicare program a prescriptive drug benefit so desperately needed by so many then and continuing today.

All of these discussions were made possible because of a steady disciplined march toward establishing sound fiscal policy, generating elimination of the annual budget deficit, and then producing these record surpluses. This march began in 1993 with the budget bill passed by one vote in the House, without any participation by the Republican side, I might add, and passed by one vote in the Senate; and it set the course for tackling the deficit.

The course was certainly assisted by the fact that the economy went from a significant recession into a wonderful boom run through the decade; and as the economy grew faster than expectations, the revenues coming into the Federal Government grew faster than expectations.

Now, in the face of good times on a bipartisan level, this Congress held pretty steady with spending. I think Republicans and Democrats alike can take some pride in showing some discipline on the spending side and the contributory role that it had in producing the much brighter budget situation. So as we convened one year ago, we could look at the product of years of hard work, gut-wrenching choices, but take some satisfaction in a job well done. We tackled the deficits and eliminated them. We built surpluses and had actually the prospect before us of eliminating the national debt. What a wonderful legacy for members of my generation, the baby boom generation, to leave for their children.

Well, that was then. Unfortunately, the situation now could not be more different. The 10-year projection from a surplus standpoint was $5.6 trillion a year ago. This year, it has been revised and revised in one of the most significant dramatic reductions ever.

This chart shows the vanishing budget surplus over 10 years, and it truly is staggering: $5.6 trillion projected 1 year ago. Based on the economic forecasting, the slowing economy reduced this $5.6 trillion to $3.3 trillion. The biggest development between those forecasts were the slowing economy and the enactment of a tax cut last May that absolutely committed all of these surplus revenues.

Yesterday, the Congressional Budget Office further reduced the 10-year unified budget surplus to $1.6 trillion. Now, you may say that sounds like a surplus; I thought you were talking about deficits. That counts the Social Security surplus, the Medicare Trust Fund, and the general fund; so on a unified budget basis we are at $1.6 trillion. If you just count the general fund alone, it is deficits for each of the next 10 years.

We have gone back to debt as the way we fund our operations, which means we do not pay for what we spend. We run it up on the tab, and we are going to pass that tab on to our children.

You might wonder how in the world did this happen. I think it is worth understanding where the error occurred so that we might learn from it as we face the difficult policy decisions that we now confront.

This chart shows what I believe was a mistake, a legislative mistake of historic proportion. When we passed the budget bill, which included the President's tax cut, last May, we committed every dollar of budget projection. We left no rainy day fund. We left no room for error. We left no possibility that things would not turn out in anything but the rosy projection that we looked at. We made no room to deal with the slowing economy, and we certainly had no contingency for something as devastating as what hit us with the terrorist attack of September 11. The result was we built a plan that required everything to work perfectly in order to not slide into deficits.

I used to be an insurance commissioner, and there was no way I would let insurance companies price their product in a way that just predicted the rosy upside scenario. The way my constituents work is they deal with reality. Their family budgets are based on the fact that things may not work out perfectly.

Well, we made a bad mistake betting the ranch that the country was going to have a perfect run. It has not had a perfect run, and now you can see the consequences from the reversal of fortune.

This chart shows what has happened as we have gone from the prospect of eliminating the debt and actually developing on a unified basis a budget surplus, to just more deficit spending, continuing the debt at the extraordinarily high levels, driving up interest rates, and leaving a legacy of red ink for our children.

The non-Social Security budget has fallen from $3.1 trillion surplus to $760 billion worth of deficit. Again, according to the Congressional Budget Office, the Federal budget, excluding Social Security, will be in deficit every year between now and 2010.

Again, take a look at this chart. This was our opportunity. We passed a tax cut that is irresponsible in its dimensions. We face a slowing economy. We have a God-awful terrorist attack. Now, as we reconvene 1 year later, we are looking at a sea of red ink from the ongoing deficits that we face.

What are the implications then going forward of these budget deficits? Well, instead of saving the Social Security surplus and taking every dollar coming in on Social Security and paying down the national debt so you have a better fiscal position of the country to meet the Social Security obligations when baby boomers retire, instead of that, we are going to spend more than $700 billion of revenue coming in from Social Security money. We are going to spend that on running the Federal Government, money coming in for Social Security spent on general government spending.

We have seen this before. It is that era of deficits we worked so hard to climb out of, and, dang it all, we are back in the very same mess. Instead of saving the Medicare surplus, leaving us the opportunity to enhance the program, leaving us the opportunity to at least make sure we could meet the existing obligations of the program, all of the $400 billion of Medicare surplus, all of it, is committed right out the door in government spending. It could have been used to pay down the debt, to position the Federal Treasury for when baby boomers retire. Now every nickel is spent on the general spending of government.

Instead of strengthening and adding to Social Security and baby boomers' retirement, we drain the trust funds of hundreds of billions of dollars. Instead of eliminating the publicly held debt, we will pass on to our children under existing projections $2.8 trillion in debt. Instead of paying $600 billion in interest costs, even if we had continued to reduce borrowing at this rate, there was a very large interest cost associated, given the trillions of dollars of national debt that we have. We were projected to spend $600 billion this decade on interest costs alone. That figure now is now $1.6 trillion, a $1 trillion increase in government spending just to pay the interest.

Interest costs do not pave roads, interest costs do not help schools, interest costs do not put forth prescription drug coverage to help our seniors. Interest costs do not do anything. And we have put ourselves in a fiscal position where we are now going to have to spend $1 trillion more in these interest

costs over the next 10 years because of the fiscal foolishness of that tax cut, compounded with the difficult circumstances of the recession and terrorist attack.

All of this means that instead of reducing long-term interest rates, allowing you to get a better deal on your home mortgage, allowing businesses structuring long-term debt to operate at significantly lower expense levels, the Federal budget is going to put upward pressure on rates. The markets will know the Federal Government, the big interest hog at the trough, is once more gulping up credit; and it is going to cost more for everybody else relative to long-term lending.

As bad as the situation I have told you is, it is worse, because the Congressional Budget Office did not account for some things that we all know are going to happen; and I will tell you what some of them are.

The President has asked for $18.5 billion to increase homeland security. He announced that just this morning. I will tell you what, I cannot speak for my colleagues, but I am inclined to look very favorably toward the President's request. We have to do what we need to do to get security for the people of this country.

The President also announced yesterday morning a $48 billion increase for defense.

□ 1215

So on top of these figures, $18 billion yesterday, $48 billion today, and that is just in additional expenses announced by the President on homeland security and defense.

The President continues to support, in the face of this red ink, a very expensive economic stimulus bill; whether one will pass or not remains to be seen. The cost to fully fund the recently enacted education bill, not a nickel of it is anticipated under the debt situation I have outlined. We are going to fund that education bill, at least in large part, and it is going to drive this debt situation higher.

We will extend expiring tax breaks, and that is going to drive the debt situation higher. Those of us representing rural America are bound and determined to pass a farm bill so badly needed by our farmers, and that is not included in the CBO budget projections. That means the budget projection is going to be worse on that one as well.

Mr. Speaker, when all of these actions are taken into account, and probably some more as well, the tax bill with many expiring provisions, those are likely to be extended, the alternative minimum tax, which will impact millions of Americans, an additional 35 million Americans will be hit with a tax increase under alternative minimum tax if we do not address that, and that has additional expense as well.

The long and the short of it, then, is that we have gone from surplus and wonderful opportunity to deficits in a single year.

Mr. Speaker, I say to my colleagues, we have to come to grips with this new fiscal reality as we start looking at what is to be accomplished with this Congress this year. We have to understand that any stimulus bill is going to be funded 100 percent from revenue coming in for Social Security. We have to understand that we are going to drive the deficit situation worse. As we look at these new spending areas, including those outlined by the President or those championed by many Members of the House, we have to understand that they are funded on debt and that we are basically sticking our children with the tab. We have to have a whole new dimension of fiscal responsibility, because the sunny days of surplus are behind us and the damnably dark days of deficits are once again with us.

I see a couple of colleagues that have joined me on the House floor, and each of them I have had the pleasure of working with on budget matters. I recognize at this time the gentleman from Pennsylvania (Mr. HOEFFEL), my friend and colleague.

Mr. HOEFFEL. Mr. Speaker, I thank the gentleman. I want to compliment the gentleman for organizing this Special Order and for his leadership on budget matters. The gentleman from North Dakota (Mr. POMEROY) has lead the charge for fiscal responsibility and restraint in Congress for many years before I got here. I am proud to stand with him today to add my voice to those who are extremely alarmed by the budget problem, the budget crisis that we find ourselves in.

The charts that the gentleman has been describing, the points that he has made in his presentation, point out in crystal clear fashion the huge budget problem we are now faced with. We have burned through $4 trillion of an estimated surplus that was projected a year ago at a total of $5.7 trillion. Now the Congressional Budget Office says the surplus for the next 10 years is just $1.7 trillion; $4 trillion is gone from the projections due to war, due to recession, and due to tax cuts, those three reasons.

The President, the White House and the Congressional Members of the Republican Party are very sensitive to the notion that the tax cut may be responsible for this loss of surplus and the return of budgetary deficits. They are correct that it is not the only reason, and it is wrong for anybody to suggest that the big tax cut of last summer that will cost $1.7 trillion over 10 years, that is not the reason that deficits have returned. But we cut it too close to the bone. We did not allow for the unforeseen. We said at the time a tax cut that large, if the economy leveled off, could push us close to deficit spending again, but we did not anticipate that the economy would actually go into the recession that we are still in. Certainly nobody could anticipate the war that we are in after September 11 and the huge amounts of spending that we all agree need to be spent to improve our homeland security and to prosecute the war on terror.

So because of war and recession and a tax cut that was too big and too gimmicky and too much favoring the wealthy, we have burned through $4 trillion of a surplus projection that was after all just a projection. It is not going to come true. We now have a very real government deficit, a budget deficit. This current fiscal year, and for at least the next 2 years, we are back into deficit spending.

Now, what is wrong with that? Is there anything wrong with deficit spending? Does it matter to people that we are no longer continuing with balanced national budgets that we enjoyed for 3 years? Does it matter that we are now once again borrowing money to pay for ongoing government operating expenses? I think it matters very, very much.

It is bad for the government to borrow. I mean it is just a bad policy. We should pay our own way. We should balance revenue and expenditures. We should not borrow money because it means we are going into debt and we have to repay that money. It is bad to allow the government debt to increase. We have been accumulating debt for 200 and some years. We quadrupled our level of debt during the Reagan and Bush years. During the Clinton years that debt was actually reducing as we balanced the budget and ran surpluses for 3 years. But now we will go back to increasing the government debt, a debt that our children and grandchildren will have to pay. It increases our annual interest payments on that debt.

The gentleman from North Dakota (Mr. POMEROY) just pointed out correctly that we now have $1 trillion of increased interest payments over the next 10 years on our new borrowing. Paying interest on a debt is legally necessary. It is also the most unproductive thing we can do with Federal money. It does not buy a tank, it does not pave a road, it does not educate a child or provide prescription drugs for anybody; it is paying off legally-obligated interest payments to the people that lend us money. It is a bad position to be caught in and we do not want to be increasing our interest payments, but we will if we continue down the road toward government deficits.

We will also be increasing the interest rates that consumers have to pay. When consumers borrow for a house or for a college education or to buy a car, when we are borrowing money, when the Federal Government is in the private markets borrowing money, we are pushing up long-term interest rates and increasing the interest that consumers have to pay on their personal debt. It is a very bad practice.

But perhaps the worst is we are breaking our promise to stop borrowing from the Social Security and Medicare Trust Funds, because that is the first place we will go. When we start running deficits and borrowing money, the first place we will go is to

borrow even more, a practice that we stopped, from the Social Security Trust Fund and the Medicare Trust Fund.

Now, that money will be paid back. We are not stealing the money, and seniors should not be alarmed about that. But it is a bad practice. We should not continue to borrow from those trust funds. That is not why they are there. All of this is going to result from the deficit spending that we are facing.

We have a war, we have a recession, and we have big tax cuts. We need fiscal responsibility. We do not need fiscal denial. We need both political parties, both Houses of Congress, and the White House to face reality and to make some tough decisions and to be honest with ourselves, honest with our colleagues, and honest with our constituents about what we need to do.

Some people, for example, have called for a tax freeze. It is a proposal I favor. There is certainly not consensus on this at this point. One of the most distressing things about this notion is the response we hear from the White House and Republican colleagues that that is a tax increase, that Democrats are dying to increase taxes. Nobody is for that. Nobody is talking about raising taxes. I am not sure, I say to the gentleman, what it is about the word ''freeze'' that our colleagues do not understand. A tax freeze is not a tax increase. A tax freeze is a tax freeze. It means holding things in place. Why is that something we should consider? Because we do not know yet what it is going to cost to win the war on terror.

The President is going to ask for a 15 percent increase in the defense budget next year. We are all going to vote for that, or something close to what the President is recommending, because we have to win that war on terror. But we do not know over the next 10 years what the cost is going to be. We do not know what it is going to cost to improve homeland security. Hundreds of billions of dollars need to be spent in the next couple of years alone on improving homeland security. We do not know what that cost will be.

Should we not take a time-out? Should we not determine what our future costs are? Should we not factor in what it is going to take to address health care needs and public education needs? What about our desire to add prescription drugs to Medicare? Everybody wants to do that and we need to do it to keep faith with seniors, but it is going to cost a lot of money.

Mr. Speaker, I would suggest we consider a wartime tax freeze, because that is what we are in. In the Second World War, the United States increased taxes 500 percent, a factor of 5. Nobody is talking about a tax increase now. But that is what had to be done in the Second World War, and we still fell into debt as a result of that war.

We must be fiscally responsible. We must do the right thing by the taxpayers. We must avoid government debt. We must avoid increasing our interest payments. We must avoid crowding out private sector dollars which then increases interest rates that consumers must pay. We must avoid borrowing more from the Social Security Trust Fund and the Medicare Trust Fund. We need to be fiscally responsible. That is why we are sent here. That is what we have to do.

I thank the gentleman for his leadership. I join with him in this enterprise. I am glad to be standing shoulder to shoulder with the gentleman.

Mr. POMEROY. Mr. Speaker, I thank the gentleman for his comments, and I very much appreciate his ongoing leadership on budget issues. They are at the core.

I have a chart which illustrates the point the gentleman was making about how did we get in this hole? We have to be candid about assessing what happened because that is how we are going to learn how to go forward. This part, looking out 10 years, is lost revenue due to the tax cut. So as we can see, the tax cut played a very major role in this sharp change in the fiscal fortune of our country. It certainly was not the only factor. The green shows the effect of the slowing economy. We slipped into a recession, and that has certainly made a bad situation worse. The blue and the purple underscore additional adjustments, including expenditures that will be made, not anticipated, in the budget forecast.

Combine all of these and we see that the Republican tax cut was perhaps the largest driver in putting us back into deficits, but it has been joined by a number of other considerations as well. It just goes to prove the point, we do not bet the ranch on everything working out perfectly. The budget bill did, and things have not worked perfectly, and now we have deficits to work with as a result.

I see that the gentleman from North Carolina (Mr. PRICE), my cochair of the Democratic Budget Group, has joined me on the floor. I do not think the body has a more astute student of the budget than the gentleman from North Carolina, and I yield to him for his comments at this time.

Mr. PRICE of North Carolina. Mr. Speaker, I thank the gentleman for yielding. I want to commend the gentleman from Pennsylvania (Mr. HOEFFEL), one of our colleagues who is most attentive to the budget process, for his statement. And I certainly want to thank my friend and colleague, the gentleman from North Dakota (Mr. POMEROY), an outstanding member of the Committee on Ways and Means, with whom I cochair the Democratic Budget Group. We meet every Wednesday morning and go over the sometimes arcane budget figures that we are dealing with. Those figures now are coming to life as we understand how much things have changed in this past year and as we stop and see what these figures portend for our country's fiscal solvency and the kinds of things we need to do over the next 10 years.

□ 1230

These are figures we must attend to, and I commend my colleague for taking out this Special Order today to focus on our fiscal situation.

A year ago we were looking at a unified budget surplus over the next 10 years of $5.6 trillion. Today that figure has been reduced to $1.6 trillion.

I would just like to ask my colleague to elaborate on the fact that this is actually an optimistic figure, this $1.6 trillion. Is it not true that it does not include the likely extension of certain popular tax credits like the research and development tax credit, as well as the repair of the alternative minimum tax that we all know is going to have to take place unless many, many middle-income people are going to run up against that tax?

It does not include the farm bill that is likely to pass in this Congress. It does not include the defense and homeland security requests that are going to be coming from the President and that we are going to want to support. None of that is included in this estimate.

So when we say that the surplus is now only $1.6 trillion, that is actually an optimistic estimate. If we do all these things, then we are looking at a figure that is considerably lower. The figure that is now $1.6 trillion could go well under $1 trillion, something like $700 billion dollars or $800 billion. And natural disasters are not, I believe, in the mix either, the normal expenditures we make for recovery and relief after natural disasters.

So the figure we are looking at is really a best-case scenario. Yet, how much worse it is than what we thought we were facing just a year ago!

Mr. POMEROY. Mr. Speaker, reclaiming my time, I thank the gentleman for his comments. The Congressional Budget Office I think did a good piece of work in their analysis which was published yesterday forecasting the loss of the surplus, the 10-year run into deficit that we will now have.

They, however, in their forecasting, are bound to very formalized models, and these models cannot capture some of the extraordinarily likely and, in fact, inevitable actions that this Congress will take.

Let us just review them again. First, $18.5 billion announced by the President this morning in homeland defense is likely to be added to the tab; next, $48 billion announced yesterday for defense, certainly likely to be added to the tab; $73 billion presently in the farm bill budget commitment likely to be added to the tab. That is on the spending side.

Are we going to do anything to fund the education bill we have just passed with such fanfare? You bet we are going to spend some money there. That is an addition on the spending side.

Then there is the tax side, because there are tax issues that simply have

to be addressed, tax cuts that have to be advanced. These include extending the tax cuts that were time-limited and expired at the end of the last year. They include fixing the alternative minimum tax so that 35 million Americans do not find that they are seeing their taxes on the one hand go down under their existing tax form, but the alternative minimum tax raising significantly their tax liability on the other hand. We are going to fix that. It is going to be expensive to fix that. That is in addition to all of this.

I actually believe that on a unified budget basis, which means all the revenues of the general fund, all the revenues coming in from Medicare and all the revenues of Social Security will be committed and spent and exceeded if we do not sober up to this new fiscal reality and collectively work together to address it.

I have been disappointed in my time in this body at the very small common ground we can find between the partisan aisle. One area where I would have thought we might have found common ground is that red ink is bad, balancing the budget is good. We have seen this attacked, frankly, on both sides of the aisle, but attacked most vigorously by the Republican tax cut that passed last May.

Last year is last year; what is done is done. But let us understand what happened as a result of that action and move together to fix it. We have got to reject that we are going to languish for the next 10 years in deficits, because our children will pay a terrible price if we act so irresponsibly as to run government on the red ink.

Mr. PRICE of North Carolina. If the gentleman will continue to yield, here, too, we are talking about a best-case projection. The figures that we have from the Congressional Budget Office suggest that the Republican tax act, including interest, is going to cost $1.7 trillion over the next 10 years. That is 41 percent of the reduction in the surplus that we are talking about.

As the gentleman has stressed, there are other factors that reduce the surplus. There is the war on terrorism; there is the declining economy. But the most important factor is the Republican tax act; and as the gentleman knows, there are some very unrealistic sunset provisions in that Republican tax act; assuming, for example, that the estate tax comes back online full force in 2011. We know that is not going to happen.

So the figures that we have been given show that if that tax act does not sunset, if it in fact stays in effect, then we should add another $400 billion to the tab. What it costs over this period will go to something like $2.1 trillion. So this is, again, a conservative estimate of the kind of burden that we are going to bear.

Let me now refer to the gentleman's chart dealing with the national debt. It was only a year ago that the Congressional Budget Office was estimating that the debt held by the public would essentially be bought down, or that all of it that could be redeemed would be redeemed, by about 2006. CBO was also estimating that the publicly held debt would essentially be wiped out by 2008.

Again, what a difference a year makes. That debate we were having a year ago, about how much of the debt we could realistically hope to buy down on favorable terms, seems like a very quaint debate right now, because we are in a different world, fiscally.

Dr. Crippen, the director of the Congressional Budget Office, in our hearing before the Committee on the Budget yesterday, confirmed that what we are now looking at by 2006 is not buying down the redeemable debt but buying down a very small fraction of the redeemable debt and leaving something like $3 trillion in publicly held debt in place. By 2008, the debt will still be in the neighborhood of $3 trillion.

What, I asked him, are we foregoing by failing to buy down this debt? Of course, our colleague, the gentleman from Pennsylvania, focused on one aspect of the answer, and that is that we are going to be paying an additional $1 trillion in debt service. If there ever was money down the rathole, it is that money we pay in debt service, $1 trillion more than was estimated a year ago. Think of the more productive public and private investments that those funds could be going into. Yet it is going into debt service.

In addition, we are not going to be paying down nearly the amount of publicly held debt we need to pay down in order to be in a position in the next decade to meet our obligations to Social Security and Medicare. We are building up assets in the Social Security Trust Fund at present, but we are going to need to redeem those bonds as the cash flow in Social Security reverses and the baby boomers retire.

The best way we can today be preparing to meet those obligations is to be getting rid of that publicly held debt and that annual burden of debt service. That is exactly what we are going to be unable to do unless we get hold of our fiscal situation and maintain a disciplined and systematic schedule of debt reduction, to remove this burden and get in a position to meet those obligations to Social Security when the bill comes due.

So I thank the gentleman for focusing on this. The opportunity costs for Social Security are obvious, because this is an obligation we are going to have to meet. There are also other costs. We need to add a prescription drug benefit to Medicare. That is a very expensive proposition; yet there is nothing more important to modernizing Medicare and meeting the health needs of our senior citizens than making that prescription drug benefit a central part of Medicare, available to any beneficiary who wants it. Yet I do not need to tell my colleagues that the fiscal situation we are describing here today is going to make it ever so much more difficult to meet that obligation.

Again, I thank my colleague for focusing on this fiscal situation. We have a job to do in, first of all, telling the truth about this budget and making certain that we have a common understanding here of the situation we face.

After all, both parties have counted on this surplus. Both parties have pledged their fealty to the Social Security and Medicare Trust Funds and have said that we are going to reserve those Social Security revenues for paying down debt and for ensuring the future of Social Security. We have counted on these revenues, and now they are going to be borrowed to pay for the President's tax cut.

We have a job to do in being truthful about the situation that we face, and together, one would hope in a bipartisan way, figuring out how to maintain fiscal responsibility and maintain our commitment to Social Security. We must begin now to formulate a responsible budget that will preserve our solvency and our fiscal options for years to come.

So I thank the gentleman for his leadership and for the very sobering information he has presented here today.

Mr. POMEROY. I thank my colleague, reclaiming my time, Mr. Speaker, for his very thoughtful comments.

The newspapers today carried a discussion about how the stimulus package will be put together. We also have to acknowledge this stimulus package is all funded from the debt. We have shown the Members where the surplus has gone, so any stimulus passed is debt-funded. That means it has to be put together in a way that really makes it worthwhile in terms of addressing the economic slowdown, because otherwise we are just running up the tab some more.

When we are in a hole, the best way to try and reverse it is to first stop digging, and passing a stimulus package on the debt reflects more digging. The majority proposal embraced by the President, pursuing an agenda of permanent tax breaks which go mostly to the affluent, and addressing the corporate AMT repeal, would have the least bang for the buck and do the least to stimulate the economy, even though it would cost the budget and continue to be funded, again, from the debt.

This budget business can get pretty arcane. We are challenged sometimes to get Members to focus on the long-term debt, even while they think about something as exciting as passing a new stimulus bill, spending more money, passing another tax cut. I think Members as a collective body here in Congress need to really evaluate how American families conduct themselves. We ought to try and follow the example of American families.

The people I represent are concerned about putting together something that they might pass on to the children. They do not, in their elderly years, try and run up their credit cards, double-mortgage the home, roar a bunch of

debt up that will ultimate be a burden on their children when they are gone. Far from it. They do not want anything about how they have conducted themselves to fall as a burden on their children. That is how families conduct themselves.

How have we conducted ourselves in management of the Federal Government? Let us look again at this chart.

We were on a path to pay off the national debt. We were even on a path to leave something in a positive balance, leaving something for our children. Last year came and last year went, and now the situation is totally different: red ink as far as the eye can see. We are going to leave our children debt. We are running up the debt before we pass on this country to our children.

If we do not come squarely to terms that that is not the thing to do, that we owe our children more than that, we are going to have a hellacious debt that they will have that will limit the dimensions this great country of ours will be during their lifetimes when we are gone.

I yield to my friend and colleague, the gentleman from New Jersey (Mr. HOLT), for his comments on this issue.

Mr. HOLT. Mr. Speaker, as a member of the Committee on the Budget, I really want to commend my colleague, the gentleman from North Dakota. I sense some animation in his voice right now as he is getting into this. There should be outrage throughout the country because of what is happening here.

A year ago, as the gentleman pointed out so well, we were arguing about how rapidly we could pay down the debt. Now, as the gentleman points out so well, we will be, and our descendants will be, saddled with the debt and the interest that goes with that.

The other side will say that this is because of the economic downturn and cyclic factors; and, indeed, there are some things that happened that perhaps were not fully foreseeable. The economic downturn was worse than people imagined, the war on terrorism has descended on us now, and we have obligations.

But when we had the budget before us last year, some of us said: build a cushion into the budget for this kind of unforeseen thing. So some of what happened was beyond our control, but some of it was very much the work of the leadership and the leadership of the Committee on the Budget for putting in place a tax cut that put us on this path so that we cannot at the current rate pay down the debt.

□ 1245

Mr. HOLT. And the reason we should be outraged about this is that this is not some financial technicality. This is money out of the pocket of any American, any American who has student loans, any American who borrows to buy a combine, any American who has a mortgage, any American who does anything involving interest. And so this is not just a financial technicality. This is bread and butter for Americans. And the sooner we can shape up and get back on a path to pay down the national debt, the better will be the financial situation of all Americans. And we start by telling the truth.

I commend my colleague from North Dakota (Mr. POMEROY) for telling the truth. His numbers hold up. They are clear and accurate. We have heard our colleague, the gentleman from South Carolina (Mr. SPRATT), the ranking Democratic member of the Committee on the Budget go through these. And one thing I have learned through my years here in Congress, do not pretend to know more about numbers, budget numbers, than the gentleman from South Carolina (Mr. SPRATT). He knows them well.

He has shown how we have gotten onto this path. And in order to get off of this path so that we can begin to pay down the debt, the first thing we have got to do is be honest with the numbers. I commend the gentleman for doing it. He has laid it out so very clearly.

Mr. POMEROY. Mr. Speaker, I thank my colleague, and as a member of the Committee on the Budget, he has a very important role because we have got to get this debt under control. I appreciate his very intelligent, committed approach to this central question of the government. Will we or will we not pay for the operations that we fund? If we do not, our children will, and that is simply not fair. I very much appreciate his observations.

Mr. Speaker, I yield to the gentleman.

Mr. HOLT. Just a brief comment. While we were standing here talking, I was pleased to observe that we have done something else that is important to restoring trust to our process here in Congress, trust to the very idea of Americans being able to govern ourselves. And, that is we have picked up, I believe, the last signature, a Democratic member, a member of our party, signed the discharged petition to bring campaign finance reform to the floor for a vote. This is a historic step. It happened even as we spoke right here and I am pleased to acknowledge it.

Mr. POMEROY. Reclaiming my time, the gentleman has made an important announcement. The discharge petition for campaign finance reform has hit the mark; 218 Members have signed it and this bill will now come to the House floor. This is a tremendous achievement for this body.

At a time when the country is sickened by what has happened with the Enron Corporation and is looking carefully, as we all are, at what political shenanigans occurred in the process of this bankruptcy, this large company using phony books and pouring tens of thousands of dollars into the political system, the hue and the cry, enough is enough, address campaign finance reform grew louder and louder and louder.

We have been stymied by a very determined Republican majority leadership that has done everything possible to keep the body from joining the Senate in passing campaign finance reform. And yet, tirelessly the work went on to get the signatures. We have a provision that majority rules around here. And when you have got most of the Members to sign a discharge petition to bring something to the floor it comes to the floor whether the majority leadership likes it or whether they do not.

Just now, moments ago, very important signatures of the last remaining Members were placed onto the campaign finance reform discharge petition, 218 signatures were reached. This bill will come to the House floor. The House will act like the Senate will act and we will send to the President a campaign finance reform bill.

I yield with this happy news to my colleague from Maine (Mr. ALLEN), who has been a leader in the effort to get campaign finance reform.

Mr. ALLEN. Mr. Speaker, I thank the gentleman. This is a very important day. As the gentleman mentioned, for a very long time now the House leadership has fought to prevent campaign finance reform coming to the floor under a set of rules that would be fair and appropriate. But today with the gaining of the final signature, we reached 218 signatures on this discharge petition. We know that that legislation, the Shays-Meehan bill, will come to the floor. I think a lot of credit goes to the gentleman from Massachusetts (Mr. MEEHAN), the Democrat who has been pushing this bill for a long time, and to the gentleman from Connecticut (Mr. SHAYS), the Republican who has worked tirelessly to make this a possibility. Against the leadership of his own party, he has worked extraordinarily hard to make this happen.

Most of the signatures on that petition are Democratic signatures, but there are some Republicans who are willing to stand up to their leadership and say that the time for campaign finance reform has come. It is embodied by the Shays-Meehan bill, a bill which has already passed the United States Senate under the name the McCain-Feingold bill. And now we will have a chance, the leadership cannot deny us a chance any more to vote on this legislation. So it is a great day, and that certainly will be the big story.

But let me come back, I want to make a couple of comments about the budget.

Mr. POMEROY. Reclaiming my time for a minute just before we leave this wonderful breaking news, we have got to credit the minority leadership for their role in getting the signatures. We do not have a majority here on the Democrat side, so we surely would not hit the target without some very brave participation from the Republican side of the aisle. And, after all, the very name McCain-Feingold represents on the bill that passed the Senate it is a bipartisan provision there. It ought to

be a bipartisan provision here. But what our leadership had to encounter was a very different posture from the majority leadership.

We believe the time came for campaign finance reform and the gentleman from Missouri (Mr. GEPHARDT) drove it as hard as he could. He has met the absolutely unyielding opposition, to even allow for a vote by majority leadership, the idea of campaign finance reform. I did not fault them for opposing it, but at least let us vote. The people want campaign finance reform. Let us vote. They did everything they could to stop it, but finally the people will have their way. This House gets to vote on campaign finance reform. And I applaud every single Member that put their signature on that discharge petition. This was not to be denied and now it no longer will be.

Mr. Speaker, I yield to the gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. Mr. Speaker, this is a great development. We have to say that maybe finally with the collapse of Enron there is a recognition in this country that big money and politics is not a combination that is healthy for ordinary Americans, and I hope that we can change that.

Mr. ALLEN. Mr. Speaker, I wanted to make just a couple of comments about the budget. I have not been here for the whole debate, but I wanted to say that those of us last year who said over and over again as the President rushed this enormous tax cut through the Senate and through the House, we said this is a reckless proposition. It is an irresponsible proposition because it leaves no room for error, no room for error. They were making the assumption, in fact, the gentleman may have a chart available there that shows how the tax cut basically over the next 5 years would simply eat up, and that is the chart I was referring to, would eat up all of the non-Social Security, non-Medicare surplus. That really is what did the damage. And though certainly other factors have come into play since then, that you need to spend more money to defeat the terrorist network, the decline in the economy, it was that miscalculation that really was the more serious mistake.

I do not know whether others have mentioned it, but right now as a result of a downturn in the economy, virtually every State in this country is facing a State budget shortfall and all of the stimulus packages which came before the House and the Senate late last year, all of them would have made the predicament of our State governments much worse.

In my home State of Maine, it does not matter what the proposal was, we have been faced with a $250 million shortfall over the next 2 years. And all of the stimulus packages were designed in such a way as to make that situation worse. The basic problem is that when you change Federal tax law, State tax law changes automatically in 44 of the States. And when we act here, it is very important that we keep in mind our colleagues in State government who are trying desperately to protect Medicaid, education funds, all of those things that State governments do, and do so well.

Mr. POMEROY. I appreciate very much the gentleman's comments, as well as his ongoing participation in the Budget Group and his advocacy for sound fiscal policies in this country.

Mr. Speaker, I yield the balance of my time, about 4 minutes remaining as our time is expiring, to the gentleman from Texas (Mr. STENHOLM), who year in and year out has been the leading proponent for balanced budgets and sound fiscal policy. I am very pleased he has joined me for the conclusion of the special order, and I yield to the gentleman at this time.

Mr. STENHOLM. Mr. Speaker, I thank the gentleman for yielding, and I apologize for being a little bit late.

I want to commend the gentleman for beginning this discussion, one which I predict we will see day after day after day now talking about the economic situation facing our country.

The gentleman has joined me, as I joined him last year, in pointing out that there were perhaps some better ways to go about our economic planning, that we should have first, last year, fixed Social Security for the future. We should have fixed Medicare and Medicaid. We should have sat down and had open and honest discussions and debate and then votes on the floor of the House as to how we should provide for the future of Social Security, and how we should provide for the current future of Medicare and Medicaid. Most of our rural hospitals and now urban hospitals are facing the problems that we have created by nonaction or by passing an economic game plan that has now got us into the predicament we are now in less than 12 months after we stood on this floor.

I stood where the gentleman now stands and I looked at my friends on the other side of the aisle and said I disagree with you, but I hope you are right. And I sincerely did hope they were right, because the country would have been much better off had they been right. But then September 11 comes along and we had an unforeseen circumstance. We also now know we are in a recession, all of which had a major effect on the short-term implications of the budget.

But the economic game plan we are under for the next 10 years also has had a major implication, and one in which we are now going to have to have serious and open and honest discussion about where do we go. We cannot undo what we have not done. We should have dealt with Social Security first, we should have dealt with Medicare and Medicaid first. The leaders of this House on that side of the aisle chose not to do that. They chose to put in place an economic game plan that will now require us, this House, to increase the national debt limit from $5.95 trillion to $6.7 trillion sometime next month or the month after. We cannot escape from that.

Mr. Speaker, I will yield back at this point. I look forward to participating in the future with the gentleman and others as we talk about and hopefully can have some more honest debate on this subject.

Mr. POMEROY. Mr. Speaker, I thank the gentleman very much for his comments and even more for his ongoing leadership. We have major work ahead of us trying to once again dig out of the hole that we put ourselves into, and I appreciate working with him.

Finally, Mr. Speaker, with about 2½ minutes remaining, I would yield the balance of the time to the other gentleman from Texas (Mr. DOGGETT) that has joined us, an excellent colleague of mine on the Committee on Ways and Means.

Mr. DOGGETT. Mr. Speaker, I thank the gentleman from North Dakota (Mr. POMEROY). I appreciate the leadership he has shown on this and in our committee.

Let me take this opportunity to discus the link between the two subjects that the gentleman has been discussing: the mess we have with growing amounts of red ink in the budget and the mess we have with special interest money here in Washington.

Today is truly historic. During my entire career in Congress no one has succeeded in securing the signature of 218 members on a petition to discharge a bill for the House to act on. Since 1993, it has just not happened, and rarely has it happened in the entire history of this Congress.

□ 1300

Today, this historic step is taken; and it is closely related to what we have been talking about this last hour, because the reason we confront much of this mess is a direct result of special favors purchased by special interest lobbyists who come up here to avoid paying their fair share of taxes and ask to be treated in a different way than all the rest of us. We saw one after another approved last year, one after another being considered this year, cloaked under the term ''economic stimulus.'' Enron, for example, paid no taxes and gave more in ''soft money,'' banned by our reform bill, than all of its contributions to House and Senate candidates combined.

We can do something about the entire agenda of this Congress by approving this campaign finance bill. I want at this time to call under the discharge petition and applicable House rules for a full and fair debate of campaign finance on February 11, the second Monday of the month. I call on the Speaker, the gentleman from Illinois (Mr. HASTERT); the majority leader, the gentleman from Texas (Mr. ARMEY); and the majority whip, the gentleman from Texas (Mr. DELAY), even though they are 100 percent against campaign finance reform, to immediately schedule

the House in session on the second Monday in February. The House has spoken: ''Delay no more.''

I also want to take this opportunity to pay tribute to our new whip, the gentlewoman from California (Ms. PELOSI). She is doing a wonderful job; and while many people deserve some credit, certainly the decision of these fine individuals who have come forward and signed, I believe it would not have happened without the leadership of the gentlewoman from California (Ms. PELOSI). She is reinvigorating our caucus. It is appropriate that we see the first indication of her new leadership in the fact that we have joined together and are ready to cooperate with our Republican colleagues to make genuine reform a reality.

I thank the gentleman from North Dakota (Mr. POMEROY) for his leadership and Ms. PELOSI for her crucial leadership because now that the House has forced the Republican leadership to schedule debate, as set forth in the discharge petition, it is essential that we work together to prevent those who have obstructed campaign finance reform for so long from further delays. Those responsible for delay are so wedded to the same special interests that are creating the budget mess that we have. We must work together to ensure that this reform is enacted immediately because genuine campaign finance reform is connected to every other issue—Social Security, cleaning up the Enron mess, creating a fair tax system, and setting the Pentagon's budget—the Congress will consider this year.

## THE CASE FOR DEFENDING AMERICA

The SPEAKER pro tempore (Mr. AKIN). Under the Speaker's announced policy of January 3, 2001, the gentleman from Texas (Mr. PAUL) is recognized for 60 minutes as the designee of the majority leader.

### DISCHARGE PETITION ON CAMPAIGN FINANCE REFORM

Mr. PAUL. Mr. Speaker, before I get into my Special Order that deals with foreign policy, in which I make the case for defending America, I would like to make a few comments about the campaign finance reform and the discharge petition that was just mentioned by our previous colleagues.

I do not share the enthusiasm that they do about bringing such a bill to the floor. I certainly do not share the enthusiasm of passing such legislation, because it sets us backwards if our goal here is to defend liberty and minimize the size of government.

The one thing I agree with him entirely on is that the problem exists. There is no doubt there is a huge influence of money here in Washington, and even in my prepared statement I mention how corporations influence our foreign policy and that something ought to be done about it; but campaign finance reform goes in exactly the wrong direction. It just means more regulations, more controls, telling the American people how they can spend their money and how they can lobby Congress and how they can campaign. That is not the problem.

The problem is that we have Members of Congress that yield to the temptation and influence of money. If we had enough Members around here that did not yield to the temptation, we would not have to have campaign finance reform, we would not have to regulate money, we would not have to undermine the first amendment, and we would not have to undermine the Constitution in that effort.

I agree we have a problem, but I believe the resistance could be here without much change. The ultimate solution to the need for campaign finance reform comes only when we have a constitutional-type government, where government is not doing the things they should be doing. There is a logical incentive for corporations and many individuals to come to Washington, because they can buy influence and buy benefits and buy contracts. The government was never meant to do that.

The government was set up to protect liberty, and yet we have devised a system here where money talks and it is important; but let me tell my colleagues one thing, the Campaign Finance Reform Act that is coming down the pike will do nothing to solve the problem and will do a lot to undermine our freedoms, a lot to undermine the first amendment and do nothing to preserve the Constitution.

My Special Order, as I said, has to do with foreign policy. It is entitled ''The Case for Defending America.'' As we begin this new legislative session, we cannot avoid reflecting on this past year. All Americans will remember the moment and place when tragedy hit us on September 11. We also know that a good philosophy to follow is to turn adversity into something positive, if at all possible.

Although we have suffered for years from a flawed foreign policy and we were already in a recession before the attacks, the severity of these events has forced many of us to reassess our foreign and domestic policies. Hopefully, positive changes will come of this.

It is just as well that the economy was already in a recession for 6 months prior to the September attacks. Otherwise the temptation would have been too great to blame the attacks for the weak economy rather than look for the government policies responsible for the recession. Terrorist attacks alone, no matter how disruptive, could never be the source of a significant economic downturn.

A major debate over foreign policy has naturally resulted from this crisis. Dealing with the shortcomings of our policies of the past is essential. We were spending $40 billion a year on intelligence gathering. That, we must admit, failed. This tells us a problem exists. There are shortcomings with our $320 billion DOD budget that did not provide the protection Americans expect. Obviously, a proper response to the terrorists requires sound judgment in order to prevent further suffering of the innocent or foolishly bringing about a worldwide conflict.

One of the key responsibilities of the Federal Government in providing for national defense is protection of liberty here at home. Unwisely responding to the attacks could undermine our national defense while threatening our liberties.

What we have done so far since last September is not very reassuring. What we do here in the Congress in the coming months may well determine the survival of our Republic. Fear and insecurity must not drive our policy. Sacrificing personal liberty should never be an option. Involving ourselves in every complex conflict around the globe hardly enhances our national security.

The special interests that were already lined up at the public trough should not be permitted to use the ongoing crisis as an opportunity to demand even more benefits. Let us all remember why the U.S. Congress was established, what our responsibilities are, and what our oath of office means.

It has been reported that since the 9–11 attacks, Big Government answers have gained in popularity and people fearful for their security have looked to the Federal Government for help. Polls indicate that acceptance of government solutions to our problems is at the highest level in decades. This may be true to some degree, or it may merely reflect the sentiments of the moment or even the way the questions were asked. Only time will tell. Since the welfare state is no more viable in the long run than a communist or fascist state, most Americans will eventually realize the fallacy of depending on the government for economic security and know that personal liberty should not be sacrificed out of fear.

Even with this massive rush to embrace all the bailouts offered up by Washington, a growing number of Americans are rightfully offended by the enormity of it all and annoyed that powerful and wealthy special interests seem to be getting the bulk of the benefits.

In one area, though, a very healthy reaction has occurred. Almost all Americans, especially those still flying commercial airlines, now know that they have a personal responsibility to react to any threat on any flight. Passengers have responded magnificently. Most people recognize that armed citizens best protect our homes because it is impossible for the police to be everywhere and prevent crimes from happening. A homeowner's ability to defend himself serves as a strong deterrent.

Our government's ridiculous policy regarding airline safety and prohibiting guns on airplanes has indoctrinated us all, pilots, passengers and airline owners, to believe we should never

resist hijackers. This sets up perfect conditions for terrorists to take over domestic flights just as they did on September 11.

The people of this country now realize more than ever their own responsibility for personal self-defense, using guns if necessary. The anti-gun fanatics have been very quiet since 9–11, and more Americans are ready to assume responsibility for their own safety than ever before. This is all good.

Sadly, the Congress went in the opposite direction in providing safety on commercial flights. Pilots are not carrying guns, and security has been socialized in spite of the fact that security procedures authorized by the FAA prior to 9–11 were not compromised. The problem did not come from failure to follow the FAA rules. The problem resulted from precisely following FAA rules. No wonder so many Americans were wisely assuming they better be ready to protect themselves when necessary.

This attitude is healthy, practical, and legal under the Constitution. Unfortunately, too many people who have come to this conclusion still cling to the notion that economic security is a responsibility of the U.S. Government. That, of course, is the reason we have a $2 trillion annual budget and a growing $6 trillion national debt.

Another positive result of last year's attack was the uniting of many Americans in an effort to deal with many problems this country faces. This applies more to the people who reflect true patriotism than it does to some of the politicians and special interests who took advantage of this situation. If this renewed energy and sense of unity could be channeled correctly, much good could come of it, if misdirected, actual harm would result.

Give less credit to the Washington politicians who sing the songs of patriotism but used the crisis to pursue their endless personal goal to gain more political power; but the greatest combination should be directed toward the special interests' lobbyists who finance the politicians in order to secure their power by using patriotism as a cover and a crisis as a golden opportunity. Indeed, those who are using the crisis to promote their own agenda are many. There is no doubt, as many have pointed out, our country changed dramatically with the horror that hit us on 9–11.

The changes obviously are a result of something other than the tragic loss of over 3,900 people. We kill that many people every month on our government highways. We lost 60,000 young people in the Vietnam War; yet the sense of fear in our country then was not the same as it is today. The major difference is that last year's attacks made us feel vulnerable because it was clear that our Federal Government had failed in its responsibility to provide defense against such an assault, and the anthrax scare certainly did not help to diminish that fear.

Giving up our civil liberties has made us feel even less safe from our own government's intrusion in our lives. The two seem to be in conflict. How can we be safer from outside threats while making ourselves more exposed to our own government's threat to our liberty? The most significant and dangerous result of last year's attacks has been the bold expansion of the Federal police state in our enhanced international role as the world's policeman. Although most of the legislation pushing the enhanced domestic and international role for our government passed by huge majorities, I am convinced that the people's support for much of it is less enthusiastic than Washington politicians believe.

As time progresses, the full impact of homeland security and the unintended consequences of our growing overseas commitments will become apparent, and a large majority of our Americans will appropriately ask why did the Congress do it. Unless we precisely understand the proper role of government in a free society, our problems will not be solved without sacrificing liberty.

The wonderful thing is that our problems can be easily solved when protecting individual liberty becomes our goal rather than the erroneous assumption that solutions must always be in conflict with liberty and that sacrificing some liberty is to be expected during trying times. This is not necessary.

Our Attorney General established a standard for disloyalty to the United States Government by claiming that those who talk of lost liberty serve to erode our national unity and give ammunition to America's enemies and only aid terrorists. This dangerous assumption is, in the eyes of our top law enforcement officials, that perceived disloyalty or even criticism of the government is approximating an act of terrorism.

□ 1315

The grand irony is that this criticism is being directed towards those who, Heaven forbid, are expressing concern for losing our cherished liberties here at home. This, of course, is what the whole war on terrorism is supposed to be about, protecting liberty, and that includes the right of free expression.

Our government leaders have threatened foreign countries by claiming that if they are not with us, they are against us, which leaves no room for the neutrality that has been practiced by some nations for centuries. This position could easily result in perpetual conflicts with dozens of nations around the world.

Could it ever come to a point where those who dissent at home against our military operations overseas will be considered too sympathetic to the enemy? The Attorney General's comments suggest just that, and it has happened here in our past. We indeed live in dangerous times. We are unable to guarantee protection for outside threats and may be approaching a time when our own government poses a threat to our liberties.

No matter how sincere and well motivated the effort to fight terrorism and provide for homeland security, if ill-advised it will result neither in vanquishing terrorism nor in preserving our liberties. I am fearful that here in Washington there is little understanding of the real cause of the terrorist attacks on us, little remembrance of the grand purpose of the American experiment with liberty, or even how our Constitution was written to strictly limit government officials and all that they do.

The military operation against the Taliban has gone well. The Taliban has been removed from power, and our government, with the help of the U.N., is well along the way toward establishing a new Afghan government. We were not supposed to be in the business of nation building, but I guess 9–11 changed all that. The one problem is that the actual number of al-Qaeda members captured or killed is uncertain. Also, the number of Taliban officials that had any direct contact or knowledge of the attacks on us is purely speculative. Since this war is carried out in secrecy, we will probably not know the details of what went on for years to come.

I wonder how many civilians have been killed so far. I know a lot of Members could care less, remembering innocent American civilians who were slaughtered in New York and Washington. But a policy that shows no concern for the innocent will magnify our problems rather than lessen them. The hard part to understand in all this is that Saudi Arabia probably had more to do with these attacks than did Afghanistan. But then again, who wants to offend our oil partners?

Our sterile approach to the bombing with minimal loss of American life is to be commended, but it may generate outrage toward us by this lopsided killing of persons totally unaware of events of September 11. Our President wisely has not been anxious to send in large numbers of occupying forces into Afghanistan. This also guarantees chaos among the warring tribal factions. The odds of a stable Afghan government evolving out of this mess are remote. The odds of our investing large sums of money to buy support for years to come are great.

Unfortunately, it has been seen only as an opportunity for Pakistan and India to resume their warring ways, placing us in a very dangerous situation. This could easily get out of control since China will not allow a clear-cut Indian victory over Pakistan. The danger of a nuclear confrontation is real. Even the British have spoken sympathetically about Pakistan's interest over India. The tragedy is that we have helped both India and Pakistan financially and, therefore, the American taxpayer has indirectly contributed funds for the weapons on both

sides. Our troops in this region are potential targets of either or both countries.

Fortunately, due to the many probable repercussions, a swift attack on Iraq now seems unlikely. Our surrogate army, organized by the Iraqi National Congress, is now known to be a charade, prompting our administration to correctly stop all funding of this organization. The thought of relying on the Kurds to help remove Hussein defies logic, as the U.S.-funded Turkish army continues its war on the Kurds. There is just no coalition in the Persian Gulf to take on Iraq and, fortunately, our Secretary of State knows it.

Our terrorist enemy is vague and elusive. Our plans to expand our current military operations into many other countries are fraught with great risk, risk of making our problems worse. Not dealing with the people actually responsible for the attacks and ignoring the root causes of terrorism will needlessly perpetuate and expand a war that will do nothing to enhance the security and the safety of the American people.

Since Iraq is now less likely to be hit, it looks like another poverty-ridden rudderless nation, possibly Somalia, will be the next target. No good can come of this process. It will provide more fodder for the radicals' claim that the war is about America against Islam. Somalia poses no threat to the United States, but bombing Somalia, as we have Afghanistan and Iraq for 12 years, will only incite more hatred towards the United States and increase the odds of our someday getting hit again by some frustrated, vengeful, radicalized Muslim.

Our presence in the Persian Gulf is not necessary to provide for America's defense. Our presence in the region makes all Americans more vulnerable to attacks and defending America much more difficult. The real reason for our presence in the Persian Gulf, as well as our eagerness to assist in building a new Afghan government under U.N. authority, should be apparent to us all. Stuart Eizenstat, Under Secretary of Economics, Business and Agricultural Affairs for the previous administration, succinctly stated U.S. policy for Afghanistan testifying before the Senate Foreign Relations Trade Committee October 13, 1997. He said, ''One of five main foreign policy interests in the Caspian region is to continue support for U.S. companies and the least progress has been made in Afghanistan, where gas and oil pipeline proposals designed to carry Central Asian energy to world markets have been delayed indefinitely pending establishment of a broad-based, multiethnic government.''

This was a rather blunt acknowledgment of our intentions. It is apparent that our policy has not changed with this administration. Our new Special Envoy to Afghanistan, Zalmay Khalilzad, was at one time a lobbyist for the Taliban and worked for Unocal, the American oil company seeking rights to build oil and gas pipelines through northern Afghanistan. During his stint as a lobbyist, he urged approval of the Taliban and defended them in the U.S. press. He now, of course, sings a different tune with respect to the Taliban, but I am sure his views on the pipeline by U.S. companies has not changed.

Born in Afghanistan, Khalilzad is a controversial figure, to say the least, due to his close relationship with the oil industry and previously with the Taliban. His appointment to the National Security Council, very conveniently, did not require confirmation by the Senate. Khalilzad also is a close ally of the Secretary of Defense Paul Wolfowitz in promoting early and swift military action against Iraq.

The point being, of course, that it may be good to have a new Afghan government, but the question is whether that is our responsibility and whether we should be doing it under the constraints of our Constitution. There is a real question of whether it will serve our best interests in the long term.

CIA support for the Shah of Iran for 25 years led to the long-term serious problems with that nation that persists even today. Could oil be the reason we have concentrated on bombing Afghanistan while ignoring Saudi Arabia, even though we have never found Osama bin Laden? Obviously, Saudi Arabia is culpable in these terrorist attacks on the United States, and yet little is done about it.

There are quite a few unintended consequences that might occur if our worldwide commitment to fighting terrorism is unrestrained. Russia's interest in the Afghan region are much more intense than Putin would have us believe, and Russia's active involvement in a spreading regional conflict should be expected.

An alliance between Iraq and Iran against the United States is a more likely possibility now than ever before. Iraqi Foreign Minister Naji Sabri is optimistically working on bringing those two nations together in a military alliance. His hope is that this would be activated if we attacked Iraq. The two nations have already exchanged prisoners of war as a step in that direction.

U.S. military planners are making preparations for our troops to stay in Central Asia for a long time. A long time could mean 50 years. We have been in Korea for that long and we have been in Japan and Europe even longer. But the time will come when we will wear out our welcome and have to leave these areas. The Vietnam War met with more resistance, and we left relatively quickly in a humiliating defeat. Similarly, episodes of a more minor nature occurred in Somalia and Lebanon.

Why look for more of these kinds of problems when it does not serve our interests? Jeopardizing our security violates the spirit of the Constitution and inevitably costs us more than we can afford. Our permanent air bases built in Saudi Arabia are totally unessential to our security, contributed to the turmoil in the Middle East, and they continue to do so. We are building a giant new air base in Kyrgyzstan, a country once part of the Soviet Union and close to Russia. China, also a neighbor with whom we eagerly seek a close relationship as a trading partner, will not ignore our military buildup in that region.

Islamic fundamentalists may overthrow the current government of Saudi Arabia, a fear that drives her to cooperate openly with the terrorists while flaunting her relationship with the United States. The Wall Street Journal has editorialized that the solution to this ought to be our forcibly seizing the Saudi Arabian oil fields and replacing the current government with an even more pro-Western government. All along I thought we condemned regimes that took over their neighbors' oil fields.

The editorial, unbelievably explicit, concluded by saying, ''Finally, we must be prepared to seize the Saudi oil fields and administer them for the greater good.'' The greater good? I just wonder who they are referring to when they talk about the greater good.

If the jingoism of the Wall Street Journal prevails and the warmongers in the Congress and the administration carry the day, we can assume with certainty that these efforts being made will precipitate an uncontrollable breakout of hostilities in the region that could lead to World War III. How a major publication can actually print an article that openly supports such aggression as a serious proposal is difficult to comprehend.

Two countries armed with nuclear weapons on the verge of war in the region, and we are being urged to dig a deeper hole for ourselves by seizing the Saudi oil fields? Already the presence of our troops in the Muslim holy land of Saudi Arabia has inflamed the hatred that drove the terrorists to carry out their tragic act of 9–11. Pursuing such an aggressive policy would only further undermine our ability to defend the American people and will compound the economic problems we face here at home.

Something, anything, regardless of its effectiveness, had to be done, since the American people expected it and Congress and the administration willed it. An effort to get the terrorists and their supporters is obviously in order and, hopefully, that has been achieved. But a never-ending commitment to end all terrorism throughout the world, whether it is related to September 11 or not, is neither a legitimate nor a wise policy. H.J. Res. 64 gives the President authority to pursue only those guilty of the attack on us, not every terrorist in the entire world.

Let there be no doubt, for every terrorist identified, others will see only a freedom fighter. That was the case when we aided Osama bin Laden in the

1980s. He was a member of the Mujahidien, and they were the freedom fighters waging a just war against the Soviet army. Of course, now he is our avowed enemy. A broad definition of terrorism outside the understanding of those who attacked the United States opens a Pandora's box in our foreign policy commitments.

If we concentrate on searching for all terrorists throughout the world and bombing dozens of countries, but forget to deal with the important contributing factors that drove those who killed our fellow citizens, we will only make ourselves more vulnerable to new attacks.

□ 1330

How can we forever fail to address the provocative nature of U.S. taxpayers' money being used to suppress and kill Palestinians and ignore the affront to the Islamic people that our military presence on their holy land of Saudi Arabia causes, not to mention the persistent 12 years of bombing Iraq?

I am fearful that an unlimited worldwide war against all terrorism will distract from the serious consideration that must be given to our policy of foreign interventionism, driven by the powerful commercial interests and a desire to promote world government. This is done while ignoring our principal responsibility of protecting national security and liberty here at home.

There is a serious problem with a policy that has allowed a successful attack of our homeland. It cannot be written off as a result of irrational, yet efficient, evildoers who are merely jealous of our success and despise our freedoms.

We have had enemies throughout our history, but never before have we suffered such an attack that has made us feel so vulnerable. The cause of this crisis is much more profound and requires looking inwardly as well as outwardly at our own policies as well as those of others.

The founders of this country were precise in their beliefs regarding foreign policy. Our Constitution reflects these beliefs, and all of our early Presidents endorsed these views. It was not until the 20th century that our Nation went off to far-away places looking for dragons to slay. This past century reflects the new and less-traditional American policy of foreign interventionism. Our economic and military power, a result of our domestic freedoms, has permitted us to survive and even thrive while dangerously expanding our worldwide influence.

There is no historic precedent that such a policy can be continued forever. All empires and great nations throughout history have ended when they stretched their commitments overseas too far and abused their financial system at home. The overcommitment of a country's military forces when forced with budgetary constraints can only lead to a lower standard of living for its citizens. That has already started to happen here in the United States. Who today is confident the government and our private retirement systems are sound and the benefits guaranteed?

The unfortunate complicating factor that all great powers suffer is the buildup of animosity of the nation currently at the top of the heap, which is aggravated by arrogance and domination over the weaker nations. We are beginning to see this, and the Wall Street Journal editorial clearly symbolizes this arrogance.

The traditional American foreign policy of the founders and our Presidents for the first 145 years of our history entailed three points: one, friendship with all nations desiring of such; two, as much free trade and travel with those countries as possible; three, avoiding entangling alliances.

This is good advice. The framers also understood that the important powers for dealing with other countries and the issue of war were to be placed in the hands of Congress. This principle has essentially been forgotten.

The executive branch now has much more power than does the Congress. Congress continues to allows its authority to be transferred to the executive branch as well as to the international agencies such as the U.N., NAFTA, IMF and the WTO. Through executive orders, our Presidents routinely use powers once jealously guarded and held by the Congress.

Today, through altering aid and sanctions, we buy and sell our ''friendship'' with all kinds of threats and bribes in our effort to spread our influence around the world. To most people in Washington, free trade means internationally managed trade, with subsidies and support for the WTO, where influential corporations can seek sanctions against their competitors. Our alliances, too numerous to count, have committed our dollars and our troops to such an extent that, under today's circumstances, there is not a border war or civil disturbance in the world in which we do not have a stake. And more than likely, we have a stake, foreign aid, on both sides of each military conflict.

After the demise of our nemesis, the Soviet Union, many believed that we could safely withdraw from some of our worldwide commitments. It was hoped we would start minding our own business, save some money, and reduce the threat to our military personnel. But the opposite has happened. Without any international competition for superpower status, our commitments have grown and spread so that today we provide better military protection to Taiwan and South Korea and Saudi Arabia than we do for New York and Washington.

I am certain that national security and defense of our own cities can never be adequately provided unless we reconsider our policy of foreign interventionism. Conventional wisdom in Washington today is that we have no choice but to play the role of the world's only superpower. Recently we had to cancel flights of our own Air Force over our cities because of spending restraints, and we rely on foreign AWACS to fly over to protect our air spaces.

The American people are not in sync with the assumption that we must commitment ourselves endlessly to being the world's policemen. If we do not reassess our endless entanglements as we march toward world government, economic law will one day force us to do so anyway under very undesirable circumstances. In the meantime, we can expect plenty more military confrontations around the world while becoming even more vulnerable to attack by terrorists here at home. A constitutional policy and informed relations of nonintervention is the policy that will provide America the greatest and best national defense.

## SAFETY NETS SHOULD BE NUMBER ONE PRIORITY

The SPEAKER pro tempore (Mr. AKIN). Under the Speaker's announced policy of January 3, 2001, the gentleman from New York (Mr. OWENS) is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, beginning the second half of our congressional session, there are a lot of items on our agenda. There is a great deal of talk about many issues, and I worry very much about the possibility that the American people will be confused if we let all of the various discussions of the various issues become a babble with no focus, a babble which does not prioritize and show us what is most important and what are the key items that we should focus on.

It is difficult to hold the attention of the constituents, it is difficult to hold the attention of the voters, and the voters need to know more than ever what is going on so they can make intelligent decisions and defend their own interests and the interests of the country when the election comes around in November 2002.

We have a lot of sensational, highly-visible problems that are getting a lot of attention; but even that attention sometimes degenerates into a babble, and it becomes confusion, sometimes deliberately so.

The Enron scandal is one of the big items that has a lot of media attention and a lot of discussion here in Congress. There are several committees investigating it, and I think Enron is one of those important things that we have to address. But as we address Enron, both the details of the Enron scandal, the Enron swindle, the conspiracy, the details are important, but we also ought to look very closely at the implications of what is going on with Enron. What are the implications for our budget. That is now a number one consideration.

The President will give his State of the Union address next Tuesday. Shortly after that he will be releasing his

budget, and what are the implications in terms of the emphasis of where Federal expenditures go at a time when we do not have a surplus? Some cuts are necessary, and some increases are necessary. And how those cuts and increases are made and who is taken care of and who is not taken care of is very important. It is very important that we understand that in the Enron conspiracy we have some examples of the worst things that can happen in our very civilized democracy.

Mr. Speaker, we have the best-run, the best-structured government probably in the world; but even within that structure, we can have bandits make off with a lot of the public's money. We saw that in the savings and loan scandal of a little more than a decade ago, which is still with us in many ways. They are still finding culprits, and they are still being prosecuted. We are still paying the debt service on the $500 billion or more that taxpayers paid out as a result of the savings and loan scandal which was less of a conspiracy than Enron. The savings and loan scandal was widespread.

We ought to look at Enron as a conspiracy, and the implications of how it operated are certainly important. There are those who say Enron is not critical in light of the urgency of the present situation, and that people are suffering from unemployment and the Nation is at war as a result of September 11, and therefore Enron is a minor matter. I say that the implications and the kind of inroads that Enron made into the decision-making and the impact on our overall economy, all of that is very important; and we have to look at those implications very closely.

I want to talk today about the safety-net principle that was introduced in our government during the New Deal by Franklin Roosevelt. The principle of safety net certainly might have existed before, but he made it an institutionalized part of government operations. He said that in a democratic society, government ought to at least stand by and help people out when they begin to fall into dire circumstances. Government ought to help people stay alive when they are elderly.

Now we have Social Security which is the most widespread and revered safety net. Social Security did not happen automatically. It was fashioned under the New Deal. I do not think that at that particular time they got any votes from the Republican Party on Social Security; but I am certain that no party, no individual in government would dare try to take Social Security away at this point. That is a safety net, people understand. It is a very tiny safety net when you look at what it costs to live even for an elderly person versus the kinds of Social Security payments that they get; but it is a vital part of people being able to stay alive with some dignity. It is a part that some people cling to.

The New Deal did many other things. It said if you have a situation where the economy is in trouble, and it was in total collapse almost at the time the New Deal was created, the government should provide jobs for people. We had the WPA which ranged across sectors, laborers digging ditches to artists who needed income, painters, writers. The WPA provided a safety net in terms of producing income. We had unemployment insurance. That came out of the New Deal, and the list goes on.

We established aid to families with dependent children, welfare in short. That safety net existed for a lot of desperate people. That safety net was much maligned. That safety net did not do what some other safety nets did. It established no political clout here in Washington.

We had another safety net which is a farm subsidy program which reached out and helped to build our agricultural industry grow into what it is today. When we compare the farm subsidy safety net to the aid to families with dependent children safety net, one wonders about whether we have not corrupted totally the principle of a safety net, and I am here to argue that we should return to a focus on making our safety nets our number one priority.

□ 1345

Unemployment insurance is a safety net. It is very important for a whole lot of people, not just people who are low-income and laid off in factories. There are a lot of people who were computer programmers at this time last year, and they have no job this year. They might have been making $60,000 a year or $70,000 a year last year, but temporarily, and it is temporary, because the economy will come back, the aspects of the economy which support high-tech industries will come back strong. So they are temporarily without a job. Temporarily they do not have the money to pay the rent or mortgage. Temporarily.

There is one case I know of where a woman was making $60,000 last year, and she is hysterical because she sees herself as not being able to pay the mortgage and maybe becoming homeless. There may be a few people already who were very well off last year at this time and already are in dire circumstances. A lot of people who were temporarily laid off will become homeless who are middle-income people, educated people; and they need a safety net.

The one safety net that we could improve right away is unemployment insurance. Unemployment insurance is like Social Security: it is not going to give you your monthly paycheck amount, but it can give you enough to sustain yourself and begin to put other pieces together with some dignity.

Unemployment insurance in many States has been eroded. The amount of the package, the amount you get, has been cut back, because we had quite a number of years of prosperity where unemployment was not an issue, and money for unemployment insurance has been diverted to other purposes, or governments have saved money by lowering the amount of money being put into unemployment insurance. We need to do something about that immediately. It should be one of our priorities for this half of the Congress.

Why is it that we do not understand and cannot act in Congress on an obvious need for this safety net? At the time of the 9–11 disaster when the World Trade Center was wiped out by the terrorists, we rushed to take care of an emergency that the airline industry had. This is a safety net that was not there already.

There was no authorization in law, no tradition of bailing out industries from these kinds of emergencies; but we rushed in, and we provided a safety net for the airline industry. That is unparalleled. We put forth large amounts of cash, put cash on the line, for the airlines that had suffered losses as a result of being grounded during the 9–11 emergency. Then we promised them $11 billion in low-cost loans beyond that.

So never before have we rushed so rapidly and provided such a great safety net for anybody. So the airline industry stands out as the number-one benefactor of the principle of the safety net.

But at the same time we passed the funding for the airline industry, we were told, and many of us fought, certainly on this side of the aisle, Democrats had a proposal in the same package that we should provide for the airline industry workers unemployment insurance, and attached to that would be health benefits, because health benefits are as important as the amount of money you take home in your salary nowadays.

So we were told at the time, next week. Come back next week and we will put the package on. Well, like Shakespeare, tomorrow and tomorrow and tomorrow; next week and next week and next week. Next week is still not here.

So on the agenda of this Congress this year, a number-one item must be unemployment insurance; not just for the people who suffered specifically on 9–11, not just the people who are the victims of the terrorist attack on 9–11, but also the people across the country who are suffering because the Nation is in a recession. The Nation was in a recession before 9–11. The terrorist attacks certainly exacerbated the situation and probably created a more rapidly escalating recession. All of those are facts. But whatever the facts behind the tragedy, the hardships faced by working people, certainly the need for the safety net is there.

The safety net principle is very important. We might claim it, and it is an American idea. We invented it, and it is time for us to not turn our back on a very important moral plank that was put into the functioning of government, the safety net for the elderly and Social Security, the safety net for

farmers and the farm subsidy, the safety net for children who lose their parents, who are able to get Social Security payments all the way to age 18. We have always had the safety net.

We have gone further with respect to what happened after 9–11. I think the Victims Assistance Fund, we also passed that in the same legislation where we bailed out the airline industry. The Victims Assistance Fund is another giant leap forward by the Federal Government in providing a safety net. It is a dual safety net. It is a safety net for the insurance industry, who could be sued forever and ever as a result of what happened on September 11. The State of New York, where the incident took place, says the airline industry is responsible for whoever the victims are, and the insurers of the airlines certainly would have to be responsible for the compensation of the victims if we did not pass legislation already, right away, immediately, that provides a Victims Assistance Fund. It is unparalleled.

I applaud that. I voted for the bill because that factor was in there, and I think it is important that we work it out. There are some difficulties involved in terms of a special master who was appointed. The special master said what the results are, what the formula will be for determining what people get. I think all of that can be worked out. I do not think that necessarily we should assume the special master has all the wisdom and not make some changes in what has been proposed.

One obvious change is I do not see why a person who was going to be a possible recipient of a Victims Assistance Fund has to, before they know the amount they will get from the fund, give up their right to sue the insurance companies. Why should they have to give up their right before they see what is going to be produced by the Victims Assistance Fund? Why? I see no reason why they cannot know that ahead of time. Considering all they have gone through and the complications of this whole process, I think we ought to at least certainly yield on that point.

There are many other items that are being contested by the survivors of the victims; and I will not go into that because I am not knowledgeable about it, but I think that principle is very clear. Why should one have to give up their right to sue before they know the outcome of what the process of the Victims Compensation Fund might be?

Let us not smear, let us not downgrade or trivialize the principle of the safety net by acting like bullies. We have got the money. We are the government. You take it or leave it. I do not think that that is a principle that should be applied here.

The safety net principle has been there; and the abuses of it, the misuses of it, is what I want to talk about today, because I am very troubled by the fact that as of the end of December, December 31, we have had the results of a new welfare law going into effect.

A provision of that law said that anybody who has been on welfare, anybody who has been receiving Aid to Families with Dependent Children, is what Roosevelt and the New Deal called it, anybody who was receiving Aid to Families with Dependent Children for 5 years would be cut off the welfare rolls and never again, regardless of their circumstances, would they be eligible for welfare. That means whole families are cut off. If you have been on it for 5 years, you are off; and whatever your circumstances are, you have got to go find some other way to survive.

Now, Aid to Families with Dependent Children gives varying amounts of money across the country. I think that generally my State, New York State, has been accused as being the most generous, or too generous, and that the Aid to Families with Dependent Children in New York has been higher than almost anywhere else in the country.

I have a chart here that says that those ''high amounts'' that were given, amounts that were considered high, turn out to be something like a family of four would be receiving between $7,000 and $8,000 a year. Aid to Families With Dependent Children in New York, a family of four would receive between $7,000 and $8,000 a year. That is considered far too generous. In many States, I assure you, they receive much less.

I think New York also has one of the largest numbers of people on welfare, and we have been criticized for that. But as we go into an era starting January 1 where all the people, 30,000 people I think were found to have been on the welfare rolls as of December 31 who had run out of their 5 years of tolerance on the welfare rolls, those 30,000 people are off now.

Let us say many of those 30,000 people were in families that receive at least $7,000 or $8,000 a year. When you compare what they were receiving to the amount of money received by the recipients of the safety net in the farm subsidy program, you will find that they were receiving pennies.

The farm subsidy program, which also started during the New Deal, pays thousands of dollars to families. There is no requirement that you get off of it at a certain point. There have been some efforts to phase it out, some efforts to sunset it. None of that has succeeded. The farm subsidy program is booming more than ever before. So the principle of the safety net is such where it goes on and on forever and gets larger and larger, and fewer and fewer people in the farm subsidy program are getting the benefits of that safety net.

The safety net principle was a great innovation, a great civilizing step forward. We ought to be applauded for it. The New Deal was a great step forward in understanding the plight of ordinary people and providing for ordinary people and providing for anybody who was facing a problem with their survival.

Later on Lyndon Johnson and the Great Society program added to that by adding Medicare and Medicaid so that the actual physical health of a person was also considered of concern to the government. Nobody should suffer and die because they cannot get adequate health care.

So given this great step forward, and there are some people who are cynics, and I am not a cynic at all, some people who say, well, civilization has really not moved forward, we still have the same old wars we had before. In fact, the 20th century had more wars than any other century. In the 21st century now there are wars raging all over the world; people have less liberties in most of the world than they had before, et cetera.

There are all kinds of actual disasters, governmental disasters, governance disasters, that can be cited to show that we have not really moved forward, that it is only an illusion. It is not an illusion. It is very much not an illusion.

During the celebration of the Martin Luther King Federal holiday and the birthday of Martin Luther King, we talked to young people about certain kinds of things that were accomplished by Martin Luther King. They sit starry-eyed wondering how could that have ever been. How could you ever have had segregation, where you could not drink at a water fountain unless you were white; where blacks could not eat at certain restaurants, stay at certain hotels? How could you have an institutionalized government-supported system like that? They cannot comprehend it. They are too young to remember.

But just yesterday in the history of our Nation, we had unspeakable injustices that no longer exist. Once upon a time we had slavery. Slavery was probably one of the cruelest crimes ever perpetuated on the face of the Earth, the American Atlantic slave trade; but that no longer exists. You can go on and on and cite the reasons why we have every reason to be optimistic about the slow, but forward, march of civilization.

In the industrialized nations of the world the kinds of things I have just talked about, Social Security, Medicare, health care, unemployment compensation, all those things are features. Pensions, and Social Security is a form of pension, but we have private pensions as well as Social Security pensions.

Getting back to the Enron case, one of the terrible things about Enron is it wiped out pensions for certain people, large numbers of people; and that ought to be a concern of government, how did we let that happen. But we will get back to that.

My point now is that civilization may move forward slower than we want it to move forward. Some folks say it is like an inch worm: it crawls forward very slowly and sometimes doubles back in circles, and it looks like it is going backwards.

We have had some terrible things happen in the last 20 years. The slaughter of nearly 1 million people in Rwanda is cited as an example.

□ 1400

The Balkan wars, going back to ethnic cleansing and Hitler doctrines, all kinds of atrocities can be cited. Pol Pot killing hundreds of thousands of people in Cambodia, and we could cite a lot of atrocities and a lot of terrible things that have happened as evidence that civilization is really not going forward. But, on the other hand, would we ever have had a situation even 100 years ago where the women who are enslaved in Afghanistan by the Taliban, who turned out to be a few thousand thugs with the guns and the tanks and the weapons to enslave the rest of their people, and certainly women in particular moved into a status which can only be called slavery, would they ever have been set free, or would they have been in that condition for 100, 200, 300 years if it had not been for a modern society responding to injustice, a modern society responding to the attack from people who had that kind of base.

Barbaric people have done barbaric things and built up tremendous amounts of power and gone on to conquer more civilized people. The history of the world is not a history where people who had the best knowledge, the most knowledge, the most sophistication, the most humanity, the best governance prevailed. The Romans conquered the Greeks, and the Huns came in and conquered an Arab civilization that was very sophisticated. On and on it goes. There is no guarantee that the most humane, most civilized, best governed will prevail.

Under the fabric of the industrialized nations, combined with the United Nations, combined with a morality that has come into being in most of the industrialized nations, it is less and less likely that a great oppressive nation could arise and be able to work its will anywhere in the world. No nation, including our own, should aspire to that, and if it were tempted, I think there is enough morality, enough common sense about where we have to go as a people, as a species, a species of Homo sapiens; human beings have to deal a certain way in order to survive on this planet, and it is not in our best interests to allow anybody to run roughshod over human life.

So we have gone forward. The United States of America took a giant leap forward when it established the principle of the safety net. Now is the time to come forward and defend the principle of the safety net. We cannot defend the principle of the safety net if the Congress is going to stand here and refuse to pass unemployment compensation laws which upgrade the amount of money available for unemployment, unemployment compensation laws which are attached to some kind of health care benefit. The principle of the safety net has to go forward instead of backwards. We must include health care benefits as well as increase the amount of money for unemployment insurance in the package and extend the amount of time that people can be on unemployment and collect unemployment. A simple safety net.

How can we defend some of the other safety nets that are being so abused if we do not operate and act on a clear and present crisis? We have a crisis in front of us.

The farm subsidies are not a crisis, but they are a good example of an abuse of the safety net principle, and we cannot, on the one hand, allow that kind of abuse to go forward and ignore, on the other hand, unemployment insurance. We cannot, on the one hand, allow the farm subsidies to continue and insist that people have to get off welfare in 5 years and we do not care what happens to them after that, and the amount of money that each welfare family takes is so much smaller than the amount of money being poured into farm subsidies every day.

So I want to get back to my original proposition, which is that the safety net principle is very important as we look at the total agenda for the last half of this Congress, this year, 2002, as we go forward.

I have a list here from the National Conference of State Legislatures on what their priorities are and I agree very much with their priorities, and we ought to address that. Election reform is a priority. I think that the National Conference of State Legislatures are rather conservative, just as the election bill that we passed here is very conservative, but at least we go forward a few steps.

Election reform will take us into exposing and taking a hard look at the procedures by which we conduct our most important democratic activity. That is the point of voting and selecting people who are going to lead us and make decisions for us. We have been very sloppy over the years in allowing our procedures to become too localized and too much left to the States, and people who are in power have been given the opportunity to maintain power by the way they operate the election process. So we shined a bright light on that. We need to focus more on it and think more about the implications, including the Electoral College, the implication of the Electoral College. Nothing is written in stone, and the fact that we established an Electoral College at the time of the founding of the country in protection of the smaller States in order to compromise and have all of the States feel that they could be part of the Union, we ought to take a look at it and see what evil does the Electoral College spawn now. It denies one man, one vote, the one-man, one-vote principle as we saw in the last election. When we do not have the one-man, one-vote principle, what other evils do we set in motion?

What does it have to do with Enron? What does it have to do with the corruption of the safety net of the farm subsidy? Can getting votes out of a particular State be guaranteed by maintaining unjust farm subsidies? Is that one of the problems that we have to look at, that some of the smaller States have power out of proportion to their size because of the fact that they are able to finance a system that does protect them and part of that system is the use of Federal dollars that come from the farm subsidy?

The Patient's Bill of Rights. That is on the agenda of the National Conference of State Legislatures, a Patient's Bill of Rights, including a concern with the prescription drug benefits. We must get back to a real Patient's Bill of Rights and we must take care of the prescription drug benefit.

The third item on the list of the National Conference of State Legislatures happens to be a reauthorization of Assistance for Needy Families Block Grant. They want to make sure that we are prepared to deal with some of the problems that are obvious from the passage of that law. After 5 years of experience, some of the exploitation of the loopholes must be dealt with.

They want a reauthorization of the Individuals With Disabilities Education Act, which the Committee on Education and the Workforce that I serve on will be addressing, and we hope to be able to address the Federal promise of 40 percent funding for the Individuals With Disabilities Education Act so that that money is released at the local and State level to go to some other educational activities.

They want some relief for people who are suffering from the present recession. They want an economic stimulus, economic recovery package which makes sense in terms of bringing benefits to the people on the bottom. The Progressive Caucus that I am a member of is repeating what it said 6 months ago, that we want an economic package that is big enough to really bring some relief to the people on the bottom.

We have a massive drop in overall demand, which is one of the problems of our economy. When the consumer demand drops massively, that is the factor that drives the economy and the engine of the economy is stalled. We know that. It is a fact. Nobody disputes it. So let us keep the consumer demand up by making certain that the people are the real consumers and are the ones who get the benefit of any governmental action. We will not stimulate consumption. The consumers will not come back when we give large tax cuts to people who are already rich. I assure my colleagues, they are buying whatever they want to buy at the pace that they want to buy it, and more money will only be an opportunity to use it somewhere for purposes other than consumption.

I will not get into all the economics of that. I do not know what the position of the Democratic Party is at this

point, but I certainly am in favor of tax cuts. The only difference is I am in favor of tax cuts starting with the poor guys on the bottom who have been paying too much payroll taxes. We need a big tax cut for the people who have been paying too much payroll taxes. We should go up from there to the medium people who need a tax cut. The problem is not a tax cut, the problem is who is the target who benefits from the tax cut? I think tax cuts ought to be welcome, but the problem with the President's tax cuts as they were passed last year and signed into law is that they go to the wrong people. They do not stimulate the economy, they will not stimulate the economy.

So the Progressive Caucus calls for a package that will go to the bottom and give relief to people on the bottom.

We also again are calling for a real increase, a giant increase in our unemployment benefits. One item is that we proposed a $200 billion economic stimulus package last year and probably will fashion this year something similar to that economic stimulus package. High priority programs are unemployment insurance, as I have just mentioned. First of all, extend unemployment benefits to 52 weeks, from the present 26 weeks to 52 weeks. We want to also supplement the amount of benefits available through unemployment by increasing them by $100 a week, adding $100 to the present package that they are receiving in any State, because those packages and their benefits, the amounts are far too low for the present situation.

We are calling for expanding health care coverage, job training, State revenue-sharing, a close look at TANF. That is the aid to dependent children's program that was transformed into a punitive program at this point. We want to take another look at that.

We want to take a hard look at the use of government funds for public works construction to generate jobs also, starting with school construction. We are proposing $10 billion for school construction. We proposed that last year, and we will be proposing it again this year. Another $10 billion for small business economic development programs at the local level. Again, as I said before, we need a tax cut for the people on the bottom, and that is again being proposed by the Progressive Caucus.

Just to focus first on the safety net principle being abused and misused with respect to the Aid to Families with Dependent Children, TANF, TANF has become the kind of stain on the record of our Nation with respect to safety nets that we do not want to continue. We do not want to continue to tell families who are destitute, have no other means of survival that after 5 years the government will not have anything to do with them except to find them a job, help them find a job. If they do not find a job, they are still not eligible for assistance. What do they do if they do not find a job?

In an economy which is in recession, and people, even well-educated people with a lot to offer, are temporarily finding it difficult to find jobs. How will we find jobs for welfare recipients who in many cases have very poor and limited education? So we must do something to remove the stain of TANF. We need a revision of that.

There is no great hue and cry in Congress, I must say, because people who are on welfare have no power. The poorest people in our society, part of the reason they are that way is because they have limited education, they have absolutely no capital, they do not make contributions to anybody's campaign, and it is their fault but they are not organized.

When we look at the farm subsidy, we see the fact that the farm population of America is less than 2 percent of the population, and yet the amount of money they can demand in the Federal budget is far exceeding anything that urban communities can command with much greater populations. The fact that they are a small group does not mean that they cannot in our American democratic system command the attention of Congress, but they cannot get subsidies, they cannot get a place in the budget.

□ 1415

On the one hand, welfare people are treated atrociously. On the other hand, we are bowing to the power of the farm subsidies and the people who manipulate those programs.

Today in the Washington Post, for example, there is a long story which in my opinion we might title ''An Exposé on How a Safety Net Has Been Grossly Abused.'' The safety net of the farm subsidy program has been grossly abused, and there is a discussion of that here in the Washington Post today, January 24.

The article is entitled ''More Subsidy Money Going to Fewer Farms.'' They start off with a description of one man, David B. Griffin, ''a man of undeniable means, a prominent and well-respected businessman who lives in a million-dollar home, sits on the local bank board and serves as president of a tractor dealership with sales last year of $30.8 million. He is also, by some definitions, a farmer—the principal landlord of a 61,000-acre spread known as Tyler Farms.'' This is near Elaine, Arkansas.

''But Griffin did not get where he is without government help. From 1996 through 2001, records show, Tyler Farms received more than $38 million in Federal crop subsidies for its bountiful yield of cotton, rice, corn, sorghum, soybeans, and wheat''; $38 million to Tyler Farms from the government, $38 million to a man who is already a millionaire.

''Griffin's story and others like it suggest that Federal crop programs ostensibly aimed at struggling families do not always hit their intended targets.'' In another paragraph they talk about numbers telling a story of unintended consequences.

''According to the Department of Agriculture, 47 percent of commodity payments now flow to large commercial operations with average household incomes of $135,000.'' We hear people with an average household income of $135,000 are getting subsidies from the government, with a $135,000-a-year income. Here is a family in New York of four on welfare and they get $7,000, and we say, ''You are a threat to the economy of the Nation. You can only get this money for 5 years; no matter what circumstances you and your children may be in, we will take you off.''

These farms make up 8 percent of the Nation's 2.2 million farms. Sixty percent of the American farms get no crop subsidies at all. We are allowing abuses to take place which not only hurt Americans and take our tax monies in the wrong direction, but we are also hurting farmers, the little guys out there who are probably more like the welfare mothers than like the millionaire farmers. Obviously, they do not belong to the right organizations, do not make the right contributions, and they are left out.

I am reading from an article that appears in today's Washington Post, January 24. Members may get it if they want the full article. I want to continue.

Another paragraph says: ''But new payment limits would address only one aspect of the 'Alice-in-Wonderland' system that underpins much of the Nation's farm economy—a system that Congress thought it had junked 6 years ago in favor of the free market but that has since proved impossible to kill.''

We were going to phase it out starting 6 years ago, and it has only mushroomed and gotten bigger.

''Established in 1933 as a rural antidote to the Depression, crop payments have mushroomed into a $21 billion-a-year entitlement program that almost everyone agrees is broken but that no one can agree how to fix.'' That is $21 billion a year. At the height of the welfare program, the Aid to Families with Dependent Children, I think the program for the whole country was costing less than 2 percent of the total budget; and here we are talking about a $21 billion program for 2 percent, less than 2 percent of the population that would be eligible. But of that 2 percent eligible, only a tiny percentage of those are absorbing this $21 billion a year that they are receiving.

''It is a system that reserves almost half of its benefits for just six States.'' That is important, too, when we consider the Electoral College and why we maintain that, because those States have power out of proportion to their membership, out of proportion to their size, and out of proportion to the number of voters that they have. But six States are receiving most of the farm subsidies, according to the United States Department of Agriculture.

''Notwithstanding the return of budget deficits, to say nothing of its stated

commitment to free trade, the Bush administration has bowed to congressional demands for $73 billion in new farm spending over the next decade. That is almost three times the $26 billion cost of the landmark education package that President Bush signed into law this month.'' That is $26 billion from the Federal Government over a 10-year period that would deal with education.

Education is for the whole Nation. Education is the foundation for our national security system. If we do not have more educated people, if we have more high-tech weapons, high-tech weapons will become a joke. If we do not have more educated people to become the scientists to conduct the missions to build the missile system, first of all we are going to pay extravagant amounts of money bidding for the few scientists in the world who are able to deal with the problem, and we would probably fail, and at the same time a large number of foreign scientists will be educated to do the same thing.

The antidote to the defense missile system will be in development somewhere in the world before we even get it completed; and the scientists that are used to develop the opposition will probably be educated here in America, because we have not given enough money to educate all of our population that has talent to the fullest extent of their talent and their ability to contribute to the Nation's education brain power.

To get back to the article, ''More than $40 billion would go for crop subsidies, with the rest reserved for conservation, nutrition and rural development.''

But ''Congress has been more aggressive when it comes to addressing other entitlement programs.'' Congress has been more aggressive, not aggressive in terms of increasing the amounts of money, but cutting the amount of money.

In 1996, Congress passed ''a massive revision of welfare that ended the 6-decade-old cash assistance program known as Aid to Families With Dependent Children. The new law also trimmed food stamp benefits, which are funded under the farm bill.''

In other words, in 1996 we committed this horrible atrocity, and that is what it is, a legislative atrocity that was committed in 1996 when we not only cut Aid to Families with Dependent Children and laid down a mandate that you cannot have more than 5 years of assistance from the Federal Government no matter how desperate you are, but we also cut food stamps at the same time.

To continue: ''With prices for some crops at their lowest level in more than a decade, many farmers are in genuine distress, and even the harshest critics of the farm programs acknowledge the need for some form of government safety net.''

As an urban dweller from the heart of New York City, I say farmers should have a government safety net. We should help farmers the way we help everybody else, but we should not abuse the principle of the safety net for farmers because farm subsidy program advocates have special privileges here in our government and are able to manipulate certain forces and get large hunks of the taxpayers' money that they do not deserve.

Continuing with the article here in today's Washington Post, ''Congress has been trying for more than a decade to wean farmers from the Federal Treasury. The effort peaked with the 1996 Freedom to Farm Act, which provided transitional payments to farmers with the aim of phasing out subsidies by this year.''

In other words, I was here when we debated the Freedom to Farm Act. We are all capitalists; we are all advocates of capitalism. We cannot live with the socialism that has taken over the farm subsidy program, especially since the socialism is a socialism of the rich, in many cases. Everybody wanted to do something, but since 1996 and the great speeches that were made then, we have gone backwards, not forwards.

''But a combination of factors—including worldwide recession and a global oversupply of food—pushed crop prices lower, and Congress has rushed in to fill the breach with a series of 'emergency' supplemental appropriations bills.''

Now, when the NAFTA and other trade bills and world trade agreements occurred, they created a situation where factory workers were laid off, plants were closed; and we have never rushed in with a subsidy for urban workers. We have never rushed in with subsidies which would average $135,000 for a family, or $28,000 per family. We barely have been willing to give money for worker retraining. A lot of that money has gotten bogged down in the bureaucracy.

''In 2000, crop subsidies reached a record high of $22 billion. That is nearly as much Federal assistance in one year as Amtrak has gotten for the last quarter century. But in some respects, the farm subsidies have made matters worse, encouraging farmers to grow more crops without regard to market demand.''

As capitalists, we cannot tolerate a situation where we distort the free market, but we are funding at very high levels a program which distorts the free market. On the one hand, this safety net is abused greatly, all out of proportion to reality. On the other hand, the safety net set up for welfare mothers has been turned off completely.

Can we as a civilized Nation live with what we have done to the welfare mothers, one? And, two, can we, as a civilized Nation and a group of responsible Members of Congress, sit here and continue the farm subsidies, which are an abuse of the principle of the safety net?

''The outcome of debate is especially important to Arkansas, where the top 10 percent of subsidy recipients—or 4,822 of the total—received more than 73 percent of the Federal farm subsidies, with an average payment of more than $430,000 per recipient.''

Let me repeat that. In Arkansas, 4,822 farm recipients of the subsidy program, who account for 10 percent of the subsidy, received an average payment of more than $430,000 per recipient, according to an analysis of USA Data by a group called the Environmental Working Group. That is $430,000 per recipient, a safety net to help people survive and get by, $430,000 in taxpayers' money to help people survive. The principle of the safety net is wiped out completely in that kind of scandal.

The Environmental Working Group is a Washington nonprofit organization that wants more money to be shifted to conservation. ''The group has caused a stir in Congress by posting subsidy data—including farmers' names and how much they receive—on its Web site.''

I invite Members of Congress to use the Web site of the Environmental Working Group: ewg.org, ewg.org. If Members want the exact names of individuals and how much they received, how much they are receiving, Members can go to this Web site and get the information by State, State by State. We can get the information on how the safety net for farmers is being grossly abused and the process is draining away billions of dollars that could be used for people who need the safety net, the unemployed, the uninsured, with respect to health care.

I am not in favor of increasing the Federal budget at all. I think we have enough money in the overall Federal budget. But I am in favor of redirecting, redirecting the money in the Federal budget to those people who really need it, and here is a case where we can start taking from the abusive safety net to give to safety nets that really help people.

Mr. Speaker, I include for the RECORD in its entirety the article entitled ''More Subsidy Money Going to Fewer Farms'' in the Washington Post on January 24, 2002.

The material referred to is as follows:

MORE SUBSIDY MONEY GOING TO FEWER FARMS

SKEWED PROGRAM DRAWS SENATE SCRUTINY

(By John Lancaster)

ELAINE, ARK.—David B. Griffin is a man of undeniable means, a prominent and well-respected businessman who lives in a million-dollar home, sits on the local bank board and serves as president of a tractor dealership with sales last year of $30.8 million. He is also, by some definitions, a farmer—the principal landlord of a 61,000-acre spread known as Tyler Farms.

But Griffin did not get where he is without government help. From 1996 through 2001, records show, Tyler Farms received more than $38 million in federal crop subsidies for its bountiful yield of cotton, rice, corn, sorghum, soybeans and wheat.

Griffin's story and others like it suggest that federal crop programs—ostensibly aimed at struggling family farms—do not always hit their intended targets.

For all the congressional hand-wringing about the plight of the hardy souls who scrape their living from the soil, the hugely expensive New Deal-era subsidies for grain and cotton producers—which Congress only six years ago voted to phase out altogether—are funneling more money to fewer farms than ever before.

Numbers tell a story of unintended consequences: According to the Department of Agriculture, 47 percent of commodity payments now flow to large commercial operations with average household incomes of $135,000. These farms make up 8 percent of the nation's 2.2 millions farms. Sixty percent of American farms get no crop subsidies.

''A lot of these payments, the majority of them, are going to big farms, and these big farms are wealthy farms,'' said Bruce L. Gardner, an agricultural economist at the University of Maryland and a former assistant secretary of agriculture in the first Bush administration. ''This is not a poverty program in any way.''

The skewed distribution of farm benefits is sure to receive more scrutiny when the Senate next month resumes debate on a bill to chart farm programs for the next decade. Embarrassed by revelations about the amount of money some farmers are reaping from federal farm programs—information recently made available on the World Wide Web—some lawmakers are calling for much lower limits on payments to individual recipients.

But new payment limits would address only one aspect of the ''Alice in Wonderland'' system that underpins much of the nation's farm economy—a system that Congress thought it had junked six years ago in favor of the free market but that has since proved impossible to kill.

Established in 1933 as a rural antidote to the Depression, crop payments have mushroomed into a $21 billion-a-year entitlement program that almost everyone agrees is broken but that no one can agree how to fix. It is a system that reserves almost half of its benefits for just six states; lavishes subsidies on grain and cotton farmers while excluding most ranchers and growers of fruits and vegetables; and—according to the USDA's own studies—worsens the very problems it seeks to correct by encouraging overproduction, thereby depressing crop prices while driving up the cost of land.

Yet farm subsidies endure, underscoring the daunting challenge faced by those who would dismantle entitlements for groups with special stature on Capitol Hill—in this case, mostly middle-class white men and their families.

Notwithstanding the return of budget deficits, to say nothing of its stated commitment to free trade, the Bush administration has bowed to congressional demands for $73 billion in new farm spending over the next decade. That is almost three times the $26 billion cost of the landmark education package President Bush signed into law this month. More than $40 billion would go for crop subsidies, with the rest reserved for conservation, nutrition and rural development.

''We kind of hit this farm thing with a sledgehammer just by throwing dollars out without really analyzing where the dollars are going,'' said Dan Glickman, who was agriculture secretary in the Clinton administration. ''This is an area where an awful lot of members of Congress kind of view these programs as out of sight, out mind.''

Congress has been more aggressive when it comes to addressing other entitlement programs. In 1996, Congress passed—and President Bill Clinton signed—a massive revision of welfare that ended the six-decade-old cash-assistance program known as Aid to Families with Dependent Children. The new law also trimmed food stamp benefits, which are funded under the farm bill.

During debate on the farm legislation in December, Sen. Richard G. Lugar (R–Ind.) proposed to double spending on food stamps by throwing out crop programs in favor of a much less costly voucher system that would help farmers buy crop insurance. Farm lobbyists rallied in opposition to Lugar's proposal, and it failed 70 to 30.

With prices for some crops at their lowest level in more than a decade, many farmers are in genuine distress, and even the harshest critics of farm programs acknowledge the need for some form of government safety net.

Farmers themselves are divided on the issue. Some, especially those on smaller acreage, want a reallocation of benefits. But owners of larger operations generally defend the current system. They say it is natural for big farms to claim the majority of subsidies, since they grow the most food with the greatest efficiency. They note that many foreign governments provide far more support to their farmers, creating barriers to American exports.

''No one would disagree that the largest farms are getting the bulk of the benefits,'' said Robert G. Serio, a colorful country lawyer in Clarendon, Ark., who makes his living setting up partnerships—including Tyler Farms—that allow farmers to maximize those benefits. ''Are you going to penalize Wal-Mart for being bigger than the Family Dollar store? In America, everyone is rewarded, supposedly, for being bigger and more efficient.''

Congress has been trying for more than a decade to wean farmers from the federal treasury. The effort peaked with the 1996 Freedom to Farm Act, which provided transitional payments to farmers with the aim of phasing out subsidies by this year.

But a combination of factors—including worldwide recession and a global oversuppy of food—pushed crop prices lower, and Congress has rushed in to fill the breach with a series of ''emergency'' supplemental appropriations bills.

In 2000, crop subsidies reached a record high of $22 billion. That is nearly as much federal assistance in one year as Amtrak has gotten in the last quarter century. But in some respects, the farm subsidies have made matters worse, encouraging farmers to grow more crops without regard to market demand. Rice is a good example.

Citing weak global demand for rice, Congress has sharply increased direct assistance to the farmers who grow it. Rice subsidies rose from $448 million in 1997 to more than $1.3 billion in 2000, according to USDA's Economic Research Service. The normal response to soft markets would be to cut production. In this case, however, farmers have no incentive to do so because Congress has guaranteed a set price for every bushel of rice they grow.

As a result, the amount of American farmland devoted to rice swelled from 2.5 million acres in 1997 to 3.3 million acres last year—the same year rice prices hit a 15-year low.

The Bush administration has sharply criticized farm programs, and Agriculture Secretary Ann M. Veneman last year initially expressed support for Lugar's far-reaching proposal. At the same time, the largest share of farm subsidies flows to the same midwestern and southern states that Bush won in the 2000 election. That limits the administration's political maneuvering room, especially with midterm elections looming in the fall.

The administration last year ultimately threw its support behind an alternative farm bill offered by Sens. Pat Roberts (R-Kan.) and Thad Cochran (R-Miss.). Among other things, the measure would establish 401(k)-style savings accounts for all farmers—not just those who participate in commodity programs—with matching government contributions of as much as $10,000 a year.

But the GOP bill is not the radical departure some had hoped for. It preserves most major subsidy programs, including one that pays farmers a set amount based on historical production, even if they let their fields lie fallow.

Farm groups hold enormous sway on Capitol Hill; the largest and most influential, the American Farm Bureau Federation, spent $3.2 million on lobbying in 2000, according to a federal disclosure report. Moreover, many key leadership positions in Congress are occupied by farm-state lawmakers, such as House Speaker J. Dennis Hastert (R–Ill.) and Senate Majority Leader Thomas A. Daschle (D–S.D.).

The politics of farm subsidies was much in evidence in December, when a bipartisan group of senators led by Byron L. Dorgan (D–N.D.) and Charles E. Grassley (R-Iowa) floated a proposal to reduce the ceiling on annual crop payments to individual farmers from $460,000 to $275,000. The measure has considerable support among farmers of more modest means, many of whom are in the upper Midwest. It is bitterly opposed by owners of large cotton and rice farms in southern states such as Arkansas. Both Arkansas senators—Blanche Lincoln (D) and Tim Hutchinson (R)—share that opposition.

After Daschle came under pressure from Lincoln and other southern lawmakers, the majority leader prevailed upon Dorgan to drop his sponsorship of the amendment, if not his support for the idea. Aides from both parties say they expect it to resurface next month.

The outcome of the debate is especially important to Arkansas, where the top 10 percent of subsidy recipients—or 4,822 of the total—received more than 73 percent of federal farm subsidies, with an average payment of more than $430,000 per recipient, according to an analysis of USDA data by the Environmental Working Group, a Washington nonprofit organization that wants more money shifted to conservation. The group has caused a stir in Congress by posting subsidy data—including farmers' names and how much they receive—on its Web site, ewg.org.

A number of the state's largest farms can be found in the fertile but economically depressed Mississippi Delta region of eastern Arkansas. Tyler Farms is headquartered in Phillips County, which borders the Mississippi River about 80 miles east of Little Rock.

From 1996 to 2000, the county of about 26,000 people received more than $101 million in federal farm subsidies, according to the environmental group's analysis. Farm groups say such subsidies help sustain rural communities. But the picture in Phillips County is anything but prosperous. According to Arkansas state figures, 8,319 county residents—31.5 percent of the population—received food stamps in December 2001.

Griffin is one of the county's biggest private employers. His other interests include Producers Tractors Co. (which operates five John Deere dealerships), a cotton-gin company and a petroleum distributorship, according to Dun & Bradstreet and his attorney. Griffin lives just south of Elaine, a tiny crossroads town in an ocean of flat cultivated fields, in a 13,233-square-foot mansion on 15 acres with an estimated market value of $964,750, according to county records.

Griffin did not respond to several requests for interviews, but Serio, his lawyer, said it was wrong to assume that Griffin owed his

success to government subsidies. He emphasized that Griffin merely leases his land to Tyler Farms—a complex partnership involving 39 local investors—and receives no direct government payments. Serio said Griffin owns 33,5001 acres of the farm; his father owns 14,000; and the rest is leased from other landowners.

Griffin set up the farm in 1993 with landowners and local farmers ''who were going out of business'' because they could not get financing, Serio said.

Like other large operations, Tyler Farms was structured to get the most from government programs. Its 39 owners are organized into 66 separate ''corporations,'' an arrangement that allows the farm to maximize benefits under allowable payment limits and also limits owners' liability, Serio said.

To qualify for federal payments, which are supposed to benefit family farmers, each of the owners is supposed to be ''actively engaged in farming.'' Serio said 22 of the owners perform management duties and therefore meet that requirement. Griffin puts his assets at risk, Serio said, by guaranteeing 40 percent of the farm's annual crop loan.

With crop prices so low, the lawyer said, ''farms are getting bigger for the sake of survival.''

Mr. Speaker, the Environmental Working Group will be happy to tell us all we need to know State by State what the farm subsidies are. If Members are not interested in looking at details for an individual, on that database Members will find State by State, ranked according to those who are getting the most to those who are getting the least, information on this.

Information is power, and it is power enhanced and power multiplied, depending on the way we use it. We have now information that can be put to good use in demonstrating to the American people that the principle of the safety net, which we all endorse, is being grossly abused on the one hand, and being denied to people who need it on the other hand.

□ 1430

The welfare mothers who are kicked off the rolls starting December 31 deserve better treatment from our government.

There are some people who are now Congresspersons, leaders in industry, leaders in education, large numbers of people who made it because their family was able to go on welfare not for 5 years, sometimes for many more. There are some youngsters whose family was on welfare until they were 18 years old. Like Social Security pays for survivors up to 18, why do we suddenly make a mandated, arbitrary, cruel rule that after 5 years you are off.

But we do not tell the farm subsidy recipient you are off after 5 years or you are off. We can find the money for unemployment insurance by cutting the money that is going to recipients who do not deserve it in the farm subsidy program.

I do not have the statistics now, but we also have a farmer's home loan mortgage report program which, I admit, 4 or 5 years ago on one of my committees, the Committee on Oversight and Investigations, and that committee discovered that there were people receiving farmer's home loans that had not paid their interest or their principal in 4 or 5 years and that the amount of money outstanding at that particular time had reached as high as $14 billion. I asked questions about it last year and I found that it had come down. Now it is less than $10 billion, outstanding money owed because it is overdue.

So we have allowed the farm apparatus to stage a conspiracy on taxpayers' money. The Department of Agriculture needs to be investigated because many of these farmers who got their home loans, these farmer loan mortgages and were not paying them back, they sat on the credit committees. They made the decisions about who got the loans and they got the loans for themselves in many cases, and nobody was there to confront them about paying them back.

The situation is grave. It is urgent right now to move our money away from those who abused the safety net to those who need it. In New York unemployment has gone from 4.5 percent in December of 2000 up to 5.8 percent now for the whole State. In New York City it is up to 6 percent for the city, and that is not anything unusual.

In Alabama the State has gone from 4.5 percent of unemployment to 5.9 percent presently. California has gone from 4.7 percent unemployment in December 2000 to 6 percent now, and on and on it goes. There are a few States that have escaped, but they are very much in the minority who do not have high unemployment rates at this point.

The Bush administration came in in January, and I will not argue at this point whose fault it is, but since last January unemployment in New York has risen by 1.6 percent. A large amount of that unemployment took place before the terrorist attack on September 11. September 11 has only exacerbated immediately in the New York area a great jump in unemployment. We lost 109,900 jobs in New York. The economic stimulus plan that was put forth with the tax cuts for the rich would cost us money. Instead of giving us more it would cost us another $710 million.

At this point we have 134,548 more unemployed people than we had last January. They need help. The State unemployment benefits are, as good as they may be, far too small to deal with the emergency that we are facing.

We also have some examples of what unions have done to fill the gap. One example that I would like to put on record of a union filling the gap, specifically around the disaster that took place on September 11. Local 32B–J of the SEIU represents most of the workers at the World Trade Center and the surrounding buildings. Fortunately many of them work at night and they were not there when the plane crashed into the World Trade Center, so they escaped with their lives. They lost about 32 people who were on duty. Most of them escaped with their lives, but they lost their jobs.

We have about 3,000 workers who were employed with health benefits, pension plans, et cetera, and now they have no jobs. I think Local 32B–J is to be congratulated with what it has done to fill that gap. They took action immediately to provide their own safety net for their workers. The point that has to be understood is that no union, and they did this with the help of the employers, the reality board that employed these workers and served as a bargaining unit for management, they joined with the union in providing a safety net.

I want to put on record that we have the real estate industry and the union working for that industry. The two bargaining contenders came together in an agreement which provided benefits for their workers for 6 months. And that is the point. They can only do it for 6 months. They do not have the capacity to go much further than that. So the Joint Building Service Industry Emergency Preferential Hiring Program is there so each worker who lost their job is given preference in hiring.

Mr. Speaker, the text of the agreement that was made by the union and the employers to give work to the members of Local 32B–J who lost their jobs in the World Trade Center disaster is as follows:

The Union, the RAB and the Trustees of the Building Service Benefit Funds have developed a program of job placement and enhanced benefits to ease the burden on all employees working under Local 32B–32J contracts at the World Trade Center and other nearby buildings which have been closed as a result of the destruction or damage caused by the terrorist attack. The comprehensive program includes job placement without loss of seniority, supplemental unemployment insurance, extended health benefits, and an enhanced pension benefit for certain employees who wish to retire.

The following is an explanation of each benefit under this program:

JOINT BUILDING SERVICE INDUSTRY EMERGENCY PREFERENTIAL HIRING PROGRAM

Each employee who lost his or her job either permanently, as in the case of those employees who worked at the World Trade Center, one of the other buildings that will not reopen or any employee employed at a building which has not yet reopened, will be placed on a Preferential Hiring List in the order of industry seniority. All cleaning contractors who have agreements with the Union must report all job openings to the Program, and will hire directly from the Preferential Hiring List in the order of seniority. Employees who accept the offered positions will retain their current hourly wage rate, benefits, and industry seniority. This means that employees will maintain their full industry seniority for bumping and vacation purposes. If you were getting five weeks vacation you will still get five weeks vacation on the new job. Unfortunately, were are unable to preserve your building seniority.

Once you are offered a job, you must decide within two days whether to accept the job. Whether or not you accept the job, you will be removed from the Preferential Hiring

List, will no longer be eligible for the Extended Health Benefits and the Supplemental Unemployment Benefit which are described below and you will lost your bumping rights within your employer's system.

Employees remaining on the Preferential Hiring List who have not been offered a job as of February 4, 2002 will be offered the right to bump within their employer's system.

2. SUPPLEMENTAL UNEMPLOYMENT BENEFIT PROGRAM

This is a benefit being provided by the Building Service 32B–J Health Fund to all employees who meet the eligibility requirements set forth below. If you were employed as a security guard at the World Trade Center you will receive a benefit of $93.00 per week. If you had any other full time job, you will receive a benefit of $150.00 per week. If you held a part time job (less than forty hours per week), you will receive a benefit of $112.50 per week.

In order to be eligible for this benefit you must;

(a) Have been eligible for health coverage under the Building Service Health Fund as of September 11, 2001, and

(b) Be named on the Preferential Hiring List described above at any time between October 2, 2001 and April 2, 2002, and

(c) Are not receiving a pension from the Building Service 32B–J Pension Fund, and

(d) Have not held a full time job as of September 11, 2001 in addition to the one from which you were displaced on September 11, 2001.

You will continue to receive this benefit until the earliest of the following occurs:

(a) You are recalled to work by your employer.

(b) You accept a job from the Preferential Hiring List.

(c) You decline the offer of a job from the Preferential Hiring List.

(d) You fail to comply with rules established by the Health Fund to administer this benefit.

(e) You begin to receive a pension from the Building Service 32B–J Pension Fund.

(f) You become ineligible for New York State Unemployment Insurance benefits because of any other job you may have taken.

(g) April 2, 2002, or the Health Fund has paid out a total of Six Million Dollars for this benefit, whichever shall first occur.

3. EXTENSION OF HEALTH BENEFITS

Any employee who was terminated in connection with the World Trade Center disaster and who at any time between October 2, 2001 and April 2, 2002 is named on the Preferential Hiring List and his or her eligible dependents, shall continue to be covered for all benefits under the Building Service 32B–J Health Fund through April 30, 2001 or until he or she is removed from the Preferential Hiring List, whichever is sooner.

Remember, that you will be removed from the Preferential Hiring List if you decline a job offer or if you begin receiving a pension under the Building Service 32B–J Pension Fund.

Upon the termination of your extended health coverage, assuming that you have not received a job which would otherwise entitle you to benefits under the Health Fund, you will be entitled to elect COBRA continuation coverage. This means you can continue to receive health coverage for up to eighteen months provided you pay the Health Fund for the coverage. Your dependents may also be entitled to elect COBRA continuation coverage.

4. ENHANCED PENSION BENEFIT

Any employee who was terminated in connection with the World Trade Center disaster who was on the Preferential Hiring List as of October 2, 2001 and who on or before September 11, 2001, has reached his or her Fiftieth Birthday with at least five years of pension service credit, or has reached his or her Sixtieth Birthday, will be eligible to retire and receive an Enhanced Pension Benefit.

The Enhanced Pension Benefit will be equal to the pension benefit that you would be entitled to if you were five years older and had five more years of service credit. For example, if you are fifty years old and have ten years of service you would receive a pension benefit equal to the pension you would receive if you retired at fifty five with fifteen years of service, or if you were sixty years old with twenty years of service, you would receive the maximum benefit of $1150.00 per month since you would be treated as though you were sixty-five years old with twenty-five years of service.

In order to be eligible for the Enhanced Pension Benefit you must elect this benefit and retire during the window period of October 4, 2001 through November 4, 2001.

If you accept the Enhanced Pension Benefit, you will be removed from the Preferential Hiring List and will no longer be eligible for the Supplemental Unemployment Benefit or Bumping Rights within your employer's system.

Additionally, you will no longer be entitled to the extended health coverage unless you had reached your fifty-seventh birthday by September 11, 2001. If you had reached your fifty-seventh birthday on or before September 11, 2001 you will receive health coverage until you reach the age of sixty-five as currently provided in the Health Plan for those who retire at age sixty-two or later.

Mr. Speaker, this agreement is a model for what other unions and what other private sector groups can do, taking the initiative, but it is not a substitute. There is no substitute for our government assuming its responsibility and providing a safety net for the victims and for the unemployed. We must do that, we can do that.

I urge this Congress to get on with the unfinished business of providing the safety net for those who need it most.

## AMERICA'S FOREIGN POLICY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from California (Mr. ROHRABACHER) is recognized for 60 minutes.

Mr. ROHRABACHER. Mr. Speaker, after my good friend, the gentleman from Texas (Mr. PAUL) had his presentation today on his perspectives on the United States foreign policy, I thought that it would be fitting that I present a similar point of view but not exactly in agreement with the gentleman from Texas (Mr. PAUL). Although we are both people who love liberty and justice and value our freedom that we have here in the United States and in various countries throughout the world, we have a different view on exactly what policies the United States should follow to ensure that there is the maximum of peace and liberty and justice in this world.

Today I would like to talk a little bit about where we are at in the world and why we are there and some thoughts, some basic thoughts about American foreign policy.

First and foremost on this subject, we must recognize that our military forces are at this moment in action in various parts of the world, especially in Afghanistan, and they are there and they are fighting and sometimes they are taking casualties in order to avenge the slaughter of nearly 3,000 of our fellow Americans on September 11 past. This forceful and deadly response in the form of American military forces being unleashed against persons in different parts of the world is totally justified. It will and, in fact, already has deterred other terrorist attacks upon us.

It is, yes, part of an act of vengeance, and I see nothing wrong with the United States Government avenging the death of 3,000 Americans who were killed, 3,000 innocent Americans, people who were not combatants who were slaughtered by evil forces overseas. And in this vengeance we will, as I say, deter other evil forces in this world from targeting Americans and from committing other heinous acts that have caused us so much grief here with the loss of friends and family.

All Americans should be grateful for the magnificent job that has been done by our military personnel, and let us remember as we are watching this great victory that we have just had in Afghanistan that there were naysayers who were warning us not to do anything militarily in Afghanistan, that it would become a quagmire and that any time we commit military forces anywhere that it is so risky that we should just forget it.

There is a saying of a captain of a ship, if a captain of a ship believes that his number one job is preserving the ship, well, then he will never leave port.

Well, the ship of the United States has one important purpose, they have many purposes, our ship of state, but the most important purpose of our Federal Government is to protect the people of the United States and to protect our freedom. It is not simply to watch events go by. It is not simply to have a military for which we pay for our military, only to see it there and to caress it and to salute it and to say good things about it. No, our military is there and the people who are in our military understand they have a job to do. At times that means that they must leave port and they must go to foreign destinations in order to protect the national security interests of our country and in order to prevent our people from suffering the kind of attacks that we suffered on September 11.

When we do not do that and when dictators and tyrants and evil-doers around the world see the United States has no more stomach for that type of conflict in distant places, then we will indeed become the target because there are evil people around the world who

hate everything that the United States stands for and envy the prosperity and freedom of our people.

The naysayers, if we remember, said the same thing about Saddam Hussein's attack and invasion and subjugation of Kuwait. The naysayers said we better not get into that war because Saddam Hussein kept playing on their psyche, the Vietnam psyche. This is going to be the mother of all wars.

Well, what happened in Kuwait and in Iraq 10 years ago and what just happened in Afghanistan in these recent months should indicate to us when America is on the right side and we are doing what is right and opposing aggression and supporting those people who believe in freedom and democracy, that we will, we will win, and that we will be on the side of those people in those areas on which we are fighting, and that it will not become a quagmire because we are doing what is right and just.

For the record, not aggressively responding to the invasion, Iraq's invasion of Kuwait or not aggressively responding to the atrocities committed against us on September 11 would have been a much riskier strategy than unleashing a military counterattack, which is what we did. But Americans need to understand that these two conflicts, while our military have went in in these conflicts and altered the course of history and defeated the tyrants, defeated the terrorists, the American people need to know that that military action might not have been necessary had we in place policies which would have prevented the attacks in the first place.

It was bad policy on the part of the United States that led Saddam Hussein to attack Kuwait. It was bad policy on the part of the United States that led bin Laden and the Taliban to conclude that they could conduct murderous attacks on the people of the United States and that they would not suffer the consequences.

The fact is in terms of Iraq, during the fast moving and somewhat confusing days at the close of the Cold War, a high ranking foreign policy official from George Bush's administration, meaning George Bush, Senior, the first President Bush, an Ambassador April Gillespie, misinformed Saddam Hussein as to our country's position on Iraq's claim to Kuwait. She stated that we considered Iraq's claim on Kuwait and the threats of Saddam Hussein to invade Kuwait to be an internal matter of Iraq.

□ 1445

She stated it very clearly and it has been printed since, an internal matter. That is what Saddam Hussein contemplated when he tried to decide whether to unleash his military forces against Kuwait. It was a miscalculation on his part, but due to a bad policy statement by our own government, a mistake by our own government, a mistake by the previous Bush administration.

Well, that classic misstatement on Ambassador April Gillespie's part led to the invasion of Kuwait and the Gulf War that followed. That was a policy error, and I might add, when some people suggest when I criticized the last administration for its mistakes and misdeeds that they are claiming that I am being partisan, let me just note that I am fully recognizing that mistakes often have happened in Republican administrations, and I just gave an example of that.

What we must do in order to fully understand what happened on September 11 is to take a look at the government policies and the events that led up to September 11. I worked in the White House during the Ronald Reagan years, during those years when Reagan put an end to the Cold War, and ended those Reagan years with the dismantling of the Communist dictatorship that controlled Russia and the puppet states.

Part of that effort on the part of Ronald Reagan, of course, to bring the Soviet Union down or at least end the Cold War was President Reagan's strategy that the United States should support people throughout the world who are struggling to free themselves from Communist tyranny, especially those people who are struggling to free themselves from Soviet occupation.

The bravest and most fierce of these anti-Soviet insurgents were in Afghanistan, and the American people can be proud that we provided the Afghan people with the weapons they needed to win their own freedom and independence. That Cold War battle was a major factor in breaking the will of the Communist bosses in Moscow and thus ending the Cold War. By ending the Cold War, we made everyone on this planet, especially those people who live in the Western democracies, we made them safer, we made them more prosperous.

In our own country, it resulted in 10 years where spending on the military was able to decrease in the range of hundreds of billions of dollars, which then went into our economy in different ways, and all of this can be traced back to Ronald Reagan's strategies and traced back to the people of Afghanistan who fought for their freedom and independence and under the Soviet bosses and the crack in the Soviet leadership led to its downfall.

However, we must take a look here at this strategy and at this moment in history at the end of the Cold War to fully understand the crime of September 11. One of the common errors found in trying to understand September 11 is the suggestion that those holding power in Afghanistan today are the same people that we supported who were fighting against the Soviet occupation of Afghanistan in the 1980s. This by and large is wrong. It is inaccurate.

Yes, some of those who are currently or were in power during the Taliban regime in Afghanistan, some of those in the Taliban regime did fight the Russians, there is no doubt about it, but by and large those people who were in the leadership of the Taliban were not in the leadership of those people who fought with the Mujahedin that fought against the Russians, the Soviet Union. In fact, I do not know of one of the major factional leaders of the Mujahedin who fought the Russians when the Soviets occupied Afghanistan; not one of those became a major leader in the Taliban. So those who fought Soviet occupation, the Mujahedin, were different from those people who later took over as the Taliban.

During my time at the White House from 1981 to 1988, I had a chance to meet the leaders of the Mujahedin, and I found them to be a very interesting and many of them honorable men. Some of them were wild and woolly and others were quite a sight because I would take them sometimes to the dining room at the White House and would see these guys with their turbans and outfits there at the executive dining room at the White House.

I got to know them personally, and I got to admire them as individuals. Many of them were so courageous and they worked with me, and quite often I would be called when they needed help in procuring certain weapons systems, or time periods when even medical supplies were unable to get through they would call me to try to use my contacts at the National Security Council and the White House to break down the barriers, and I was able to do that successfully on some occasions.

I always told them that if I was going to help them I was going to personally be involved with their struggle against the Soviet army, that if, when I left the White House, if the war was still going on that I would join them at least for one battle, sort of put my body where my mouth is or my money where my mouth is, whatever we want to say it is, but I was willing to stand up with them rather than just give them moral support.

So after I left the White House and I was elected to Congress, I had 2 months between my election in November of 1988 and January of 1989 when I would be sworn in that were my last 2 months of freedom before I actually became a Member of Congress. During that time I disappeared and hiked into Afghanistan as part of a small Mujahedin unit and engaged with that unit in the battle against Soviet troops around the City of Jalalabad, and I marched in for several days through the Khyber Pass and around a side trail.

These people that I marched with, some of them were young, some of them were old. They were armed just with RPGs, rocket propelled grenades, and Kalashnikov rifles. These were very brave people, but let me suggest that they were not senseless killers and they were not people who would not have rather been with their families, but during the war in Afghanistan the Soviet Union had destroyed their ability to live at peace with their families. They destroyed their villages,

their water systems, et cetera, and more than that, they tried to destroy their ability to worship God as they saw fit.

As we were marching through the devastation of Afghanistan, as I have a sip of water right here, at times there was not even water for hours at a time and perhaps one full day of hiking, and these people did not have enough money to have canteens. They did not have enough money to have sunglasses. So they would put pencil lead into their eyelids and swirl it around so that a coating of pencil lead would serve as a shield against the sun as we marched across the desert. These people, as I say, had almost no food, very little water.

We gave them the arms they needed to fight for their independence, but every day they would pray five times, thanking God for what they did have. I got back right before Thanksgiving, and I had Thanksgiving dinner with my family that year, and we had so much, so much in abundance in the United States. Sometimes we forget how wonderful it is a place that we have. Sometimes we forget that we have so much to be grateful for, and in America, believe me, every day should be Thanksgiving Day. Every day should be a day when we thank God. These brave people did it five times a day when they had nothing, and it was their strength and courage, as I say, that helped bring the Soviet military to its knees and eventually forced them to retreat from Afghanistan.

After the Russians retreated from Afghanistan, the United States simply left. We had been providing them with a billion dollars a year to finance that war and then we simply walked away. We left the Afghans to their own fate after all of this destruction and death, after so many of them had become maimed, their children were maimed. They had no way to take care of their own families. We left them to sleep in the rubble. We did not even help them clear the land mines that we had given them during the fight against the Soviet army.

This was a sin that we committed against the people of Afghanistan, and it came back to haunt us. We left them, as I say, to sleep in the rubble, and we left them with no leadership. The leadership we supposedly left them with was that of Pakistan and Saudi Arabia, and these two countries, I might add, played a shameful role in Afghanistan in the years since the end of the Afghan war with the Soviet Union, and these two countries, supposedly our friends, the Pakistanis and the Saudis, they bear a great deal of the responsibilities, a great burden of the responsibilities for the fact that we suffered the attack on September 11.

So perhaps when we left Afghanistan, and then again this was not this administration or even President Clinton's administration, again it was at the Cold War, the end of the Cold War during President Bush, Senior's administration, perhaps that is one of the policies that we put in place that led to September 11.

After the collapse of the Communist regime in Afghanistan, the Mujahedin factions who had fought the Russians with no direction or no leadership from the United States began to bicker and to fight among themselves. This was one of my first years in Congress when this was going on, and I remember that even then I could see that it was important for us to try to support a positive alternative for Afghanistan. Why is it that the United States Government could not step forward with saying look, here is a positive alternative, let us push a plan of our own that, if it works, people will be able to live in peace, and if it works, the country can rebuild, but we had no plan of our own and in fact we left it to the Pakistanis and the Saudis.

I myself took it upon myself because I was involved in Afghanistan to go into the region and to go into Afghanistan and to argue aggressively that there was a strategy that would bring peace to Afghanistan and that was bringing back the old king of Afghanistan who had been overthrown in 1973, King Zahir Shah. Zahir Shah had been a coup. He had been removed from power in 1973, and that is what began the cycle which caused the horrible bloodshed.

All of the Afghan people had a warm place in their hearts for King Zahir Shah. King Zahir Shah was a man who, because he had such a good heart, some evil people felt that he was vulnerable and removed him in a military coup when he was visiting another country at one point, but Zahir Shah was so beloved by his people. I went to see Zahir Shah when he was in exile in Rome and he committed to me that if he would return to Afghanistan that he would lead a temporary government only that would stay in power long enough to institute democratic elections and permit the country's governmental infrastructure to be put in place, that would give the people of Afghanistan a chance, a chance to have a decent government and to have free elections and to bring in outside people to help them set up the democratic process and to observe the elections and permit the people throughout the country to form political parties. Zahir Shah had agreed to that because he wanted to go back to Afghanistan to prove to his people that during that time of their travail, when he had been forcibly removed from office, that he was with them and that he cared about them and that he wanted to make this last contribution because he was becoming an older man.

That was 10 years ago when I went to almost every area around Afghanistan, to almost every country around Afghanistan, as well as going into Afghanistan itself, to advocate that Zahir Shah be returned to Afghanistan, and guess what? Everywhere I went I was followed by a representative of the United States State Department, and right after I would speak to the various leaders, the State Department official would announce that DANA ROHRABACHER is speaking for himself. It is not the position of the United States Government. In other words, they were saying do not listen to DANA ROHRABACHER because he is just a bunch of hot air, he represents nobody. What was the State Department's alternative? They had no alternative.

□ 1500

I do not mind people disagreeing with me. I do not mind people undercutting me. But the State Department was tearing my efforts down to bring back Zahir Shah to try to establish democratic government and they had no alternative. Their alternative was to let the turmoil continue in Afghanistan. Their alternative was to ignore what was going on in Afghanistan. That was our State Department's position. And that position continued into the Clinton administration, time and again undercutting Zahir Shah.

And what was their position on Zahir Shah? He is too old. Zahir Shah was too old. At that time, of course, he was younger than Ronald Reagan was when he ended the Cold War. Now, 10 years later, he is still alive and he is not too old now. No, there was something else at play. Whatever was at play, whatever convinced our State Department to undercut the efforts to have a democratic alternative during the early days after the Soviet troops left, they will have to explain someday. But as it was, this Member of Congress took enormous efforts, I took enormous efforts to try to have an alternative and offer that alternative to the people of Afghanistan. Because I knew that if our country did not do what was right, it would come back and hurt us someday.

And so I went forward over the years, and the confusion and the chaos continued in Afghanistan. And then, like a flash upon the sea, just a surprise move that was happening, being played by somebody, but all of a sudden there was another force at play in Afghanistan. And that was a force that was called the Taliban. In the mid-1990s, a fresh, well-equipped, well-armed, well-rested, well-trained military unit entered Afghanistan from Pakistan. These people by and large had not been fighting the Soviet Union but were, instead, kept out of the war and in schools in Pakistan. And at these schools, by the way, many of them were and continue to be illiterate.

The United States provided a great deal of money and resources for the Mujahadin during their war with the Soviet Army. That money went through the Pakistani, the equivalent of the Pakistani CIA. It is called the ISI. And apparently the Pakistani ISI had siphoned enough of our money off to keep that third force and to create that third force which would be used after the war to do their bidding. The

Taliban was the creation of Pakistan and the creation of the Saudis, and they were set up to be the attack dogs of these people in power in those countries so that they could dominate Afghanistan.

When the war with the Soviet Union was over, and after the bickering among the factions themselves, which of course had been instigated a great deal by Pakistan, who continued to support evil people like Hekmahtri Gulhbahdeen, but when all the democratic forces, or people who wanted a decent government in Afghanistan, were blood white, the Taliban were just thrust upon the scene.

And, as I say the, Saudis were also involved. The Saudis bankrolled this effort. During the war with the Soviet Union, the Saudis had provided several hundred million dollars a year. The United States provided at times up to a billion dollars a year for the anti-Soviet insurgence in Afghanistan.

I once asked General Turki, who is the head of Saudi intelligence, why they should not bring back the King of Afghanistan, Zahir Shah, in order to end this bloody cycle; and that he could be someone who everyone could rally behind because they all trusted him not to kill them. Zahir Shah, while he was no one's first choice, everyone knew that Zahir Shah was incapable of committing atrocities against them, and they trusted him not to be someone who would hurt them. So at least he offered everyone safe haven. Well, General Turki, the Saudi general who was in charge of their intelligence, told me that the Saudis wanted nothing to do with King Zahir Shah and they had their own plan for this third force with Pakistan: the Taliban.

And when the Taliban arrived on the scene, let us admit that there had been so much chaos and confusion in Afghanistan, many people thought that they might become a force for stability; and they were welcomed in many parts of Afghanistan, mainly because the Taliban carried huge pictures of King Zahir Shah, claiming that they were going to bring back Zahir Shah. When I heard about those pictures, I said, well, maybe they will. Maybe they will create stability and bring him back. Maybe my conversations had some effect.

Well, it did not take long before the people of Afghanistan realized what the Taliban were all about. Luckily, they were not able to occupy the northern provinces of Afghanistan because the commanders there were very hesitant to let troops into their part of the country who they did not know anything about. So we soon learned that instead of a force for stability, the Taliban, which had been created by our Pakistani and Saudi friends, was a monster, a monster that threatened stability of the world, a monster that was eating up any chance for peace and any chance for a decent government and a decent standard of living in Afghanistan.

The Taliban were medieval in their world and religious views, they were violent and intolerant, they were fanatics; and, as such, they were an aberration of Islam. They were totally out of sync with Muslims throughout the world and even totally out of sync with the Muslims in Afghanistan.

Let us note the reason the Taliban were defeated so quickly was that the people of Afghanistan did not like the Taliban, which is exactly the opposite of what we were being told by the State Department and others all along. The Taliban are best known, of course, for their horrific treatment of women, but they were also the violators of human rights across the board. They jailed and threatened to execute Christian aid workers, allegedly for doing nothing more than espousing the belief in Jesus Christ. They ended personal freedoms, they ended freed of speech and freedom of the press. These things were not even a consideration. They ruled by fear.

This is the Taliban that was put in place by Pakistan and Saudi Arabia, and it was clear that that was what was going on after a very short period of time. The Taliban believed they had a private line to God. The rest of us, who have different religious convictions, according to the Taliban, are not only wrong but we are evil, of course. And perhaps that is why they gave safe haven to the likes of bin Laden, a Saudi terrorist who has been in Afghanistan and was in Afghanistan for years training terrorists and planning his attacks on the United States and other countries.

Oh yes, by the way, bin Laden let us not forget this as well, had several thousand gunmen with him. We know that. We do not know where they have all gone, but during the time when the Taliban were in power in Afghanistan, bin Laden's armed militias or legions were marauding around Afghanistan murdering any Afghan that would try to resist Taliban power. So the Taliban and bin Laden were despised in Afghanistan, even though we were told by the State Department and others how horrific it would be for us to try to dislodge the Taliban from power.

Remember, during the years of the Taliban, they had the support from Saudi Arabia and Pakistan; and in fact during those years, during the 1990s, the Taliban captured all but a very, very small portion of Afghanistan. They beat back all of those people who were against them in the northern part of the country so only a sliver, only 10 percent, of the country in and around the Panjer Valley remained free of Taliban control.

The only reason they did not really take over the entire country is there was one leader in the northern part of Afghanistan who captured the imagination of his people and the people of Afghanistan and other people throughout the world. His name was Commander Masood. Commander Masood led his forces in the Shamali Plains and up in the Panjer Valley, and he was never conquered by Soviet troops nor was he ever conquered by the Taliban.

I went to see Commander Masood in the mid 1990s, and through the years before and after that I maintained a relationship with him. I have spoken to his brother on many occasions and kept a line of communication going. Commander Masood was a very decent and honorable man and, as I say, a much beloved person. But the Taliban domination of Afghanistan was not bad enough for the United States to support Commander Masood or anybody else who was fighting against the Taliban.

For years during the Clinton administration I begged and I pleaded to provide some kind of help to the Northern Alliance, which were then resisting the Taliban in Afghanistan. In fact, the Taliban did not need to have taken over all of Afghanistan, except for that little 10 percent. The Taliban could have been stopped when it was holding perhaps 70 percent of the country or 60 percent of the country. But at no time was President Clinton and his administration willing to have anything to do with trying to resist the Taliban forces.

And every time I suggest that the Clinton administration policies of the last 5 years led to this atrocity committed against us on September 11, people go bananas. They automatically say that I am being partisan. Let me note that in this speech already I have highlighted several of the major mistakes made during Republican administrations. But let us not be so hesitant to place responsibility where it belongs when it comes to September 11. Today, I have no doubt that if the policies during the Clinton administration would have been different, the murderous attack on our people on September 11 would not have happened and we may well have spared the people of the world this horrendous, horrendous war that we are going through right now.

Of course, this war could be a lot worse than it is. The fact is our military is doing a terrific job. But this is not partisan. I am a senior member of the Committee on International Relations. And over the years, as I watched what was going on in Afghanistan, I realized that during the Clinton administration there was a pattern, a consistent pattern going on that appeared that the United States policy was not actually opposing the Taliban but, instead, we actually had a covert policy of supporting the Taliban.

Let me repeat that, in case anyone misses the significance of it. During the 1990s, when we had a chance to support those people who were opposing the Taliban, when we had a chance to undermine the Taliban's strength so that they could be replaced by others who were more closely aligned to democratic principles or even to bring Zahir Shah back and establish a democratic government, our government had exactly the opposite policies.

Every time the opportunity arose to overthrow the Taliban or to undermine the Taliban, the Clinton administration actually did things that helped bolster the strength of the Taliban.

When I noticed this trend as a member of the Committee on International Relations, I called on the Clinton administration and the State Department to provide me the documents so that I could peruse the official State Department documents, the cables coming in from overseas, the briefing papers, to determine what our policy was.

Now, I am a member, as I say, a senior member of the Committee on International Relations; I am on the upper rung there. When you see hearings, I am on the very top level of those hearings now because I have been a Member of Congress now for 14 years. My job in that committee is to oversee American foreign policy. Making a request to see documents of the State Department to determine what American foreign policy is is not only justified, it is something that should be expected of Members of Congress. Of course we should see the documents and find out what the policy is and talk with the administration and make sure that we are doing our oversight responsibility.

For 2½ years, the Clinton State Department refused to provide me the documents. It is called stonewalling.

□ 1515

The Assistant Secretary of State, Rick Inderfurth, repeatedly gave me documents that were irrelevant to the request that I made so he could claim that he gave me documents. Some documents included newspaper clippings, which is an insult, a Member of Congress asking for internal documents and getting newspaper clippings.

Why was the State Department stonewalling my request? Is it illogical for someone reading the RECORD or for me or my colleagues to believe that if I was stonewalled in a request for documents from the State Department and that I have a legitimate right to oversee that activity, that the State Department was trying to hide something from me and thus hide something from the American people? Is that irrational? No, I think that flows directly from that action.

During the latter part of the Clinton years, even though Secretary Albright agreed to provide me the documents necessary to determine America's foreign policy towards the Taliban, I was repeatedly thwarted from getting those documents, and I have to believe that Secretary Albright herself knew that I was being thwarted because she had been asked that in congressional hearings on the record in front of the whole world under oath.

Thus, the Clinton administration when it came to the Taliban made a joke out of Congress's right to oversee American foreign policy. Well, guess who the joke is on? The joke is on the American people, but nobody is laughing after September 11.

The Clinton administration, I repeat, was involved in policies that actually supported the Taliban. This at a time when we knew their nature. This at a time when we knew that they had terrorists there, bin Laden, who had already killed Americans; this when we knew they were some of the most horrendous human rights violators on the planet.

An example of ways the Clinton administration helped support the Taliban, in 1996, for example, the Taliban had overstretched their forces. This is at the beginning of their rule. Thousands of their best fighters were captured in northern Afghanistan. I was watching this very closely. The Taliban regime was vulnerable as never before and never since. It was a tremendous opportunity, and by then we knew that the Taliban were going to be the monstrous regime they proved to be.

The Northern Alliance, which existed then, had defeated the Taliban in a way that made the Taliban incredibly vulnerable. A knockout blow could have been unleashed easily by the Northern Alliance and the Taliban could have been kicked out.

At the time I was in personal contact with the leaders of the Northern Alliance, and I recommended to them a quick attack and bringing back the old King Zahir Shah until the democratic process could be established; and, thus, we could turn around the whole situation in a very quick movement. Who saved the day? Why did the Northern Alliance not take advantage of this opportunity? I can tell Members who saved the day. President Clinton saved the day. Probably personally he made the decision. Again, I beg Members of Congress, please do not dismiss what I say. Any time someone says anything bad about Bill Clinton, it is suggested to us that we are being partisan. Please, that is not the case. We are talking about policies that were in place. We are not talking about individuals. His actions and policies saved the day, and those decisions were made and responsibility should be placed.

What happened was at this moment when the Taliban could have been eliminated, President Clinton dispatched Assistant Secretary Rick Inderfurth and Bill Richardson, who was then our United Nations ambassador, to go personally to northern Afghanistan and convince the anti-Taliban forces not to go on the offensive, but instead to accept an immediate cease-fire and an arms embargo.

Mr. Speaker, these people in northern Afghanistan were pretty impressed by the United Nations ambassador and the President's personal representative flying into northern Afghanistan. They wowed the Northern Alliance, and the advice of the gentleman from California (Mr. ROHRABACHER), the State Department did everything they could to convince them to ignore what the gentleman from California was saying.

This was like having a time when Adolf Hitler could have been eliminated, but we were convincing the forces in Germany to sit down and talk with old Adolf. Instead, they decided to accept a cease-fire and an arms embargo. The minute there was a cease-fire, the Saudis and the Pakistanis began a massive arms resupply of the Taliban.

So the Clinton administration instituted an arms embargo against the Taliban's opponents, at the same time that we knew, our CIA clearly knew what was going on, that there was a massive arms resupply of the Taliban. Within a very short period of time after the Northern Alliance was crippled by an arms embargo and the Taliban was smothered in new weapons and supplies, the Northern Alliance was driven almost completely out of the country. Only 10 percent was left after the Taliban offensive.

For years I begged the Clinton administration to support those who were resisting the Taliban regime. Not only did they not support those who resisted the Taliban, but they actually undermined their efforts. I said, what about King Zahir Shah? And again, Zahir Shah was not acceptable. Too old. There was every reason in the world why we could not do anything to oppose the Taliban in terms of actual actions instead of just words, confetti words that America's President was just throwing out.

Bin Laden was even able to kill Americans and kill military personnel while in Afghanistan, and we still did not take the actions necessary to try to overthrow the Taliban. We shot off a couple of cruise missiles. We destroyed a few mud huts. All of the while bin Laden, who has killed American military personnel already, was given a safe haven to set up a terrorist network throughout the world. During that time period, some of bin Laden's network tried to assassinate the Pope in the Philippines. Throughout Southeast Asia, terrorist groups were forming, all with the support of bin Laden having been given safe haven in Afghanistan.

I believe that the United States did this and that the Clinton administration was involved in this because they had made some kind of deal or had some kind of understanding with Pakistan and Saudi Arabia. And Saudi Arabia and Pakistan, they have their own reasons and their own motives and their own value system; but let us take a look. Pakistan is not a democratic country today. Musharraf, the guy who is in charge there, is a general who overthrew a democratically elected government. If he wants to bring peace to that country, I hope that he provides the reform and heads back toward a democratic regime. I suggested when he took power that he have a plebiscite to give himself the legal authority to conduct that reform. He decided not to do that.

The Saudis, of course, are a medieval dictatorship, a family that controls their country, these people who basically have some of the same anti-Western feelings that bin Laden has. No, the

Saudis do not have our same values. They have been allies to the United States, and I give them credit. We should not forget that during the Cold War, the Saudis were allies, as were the Pakistanis; and for that we should be grateful. But we cannot let our gratitude for Saudi support during the Cold War, and Pakistani support during the Cold War, to bind us into policies that will undermine our well-being in a totally different world that is emerging since the post-Cold War.

Bin Laden, of course, was a Saudi, and I say ''was'' because we still do not know where he is. Let us hope that bin Laden has moved on to his just rewards, and that would be burning in hell right about now. He was preaching that the killing of innocent people, of thousands of unarmed people was in some way consistent with his faith. There are Muslims all over the world that would call him to task for such an obscene statement. And I am sure that he is finding now that he is not surrounded by all these dark-eyed virgins that he was promising these people who committed these atrocities against us. He is finding that he and the rest of his gang are heading in a different direction than that.

I warned again and again, yet the Clinton administration did nothing; and it did come back to hurt us. I am on the record on at least 14 different occasions suggesting that unless we changed our policy against Afghanistan, it would have serious repercussions for the United States of America.

Bad policy is at fault. Something else is at fault for what we suffered, and we need to face that as well. The bad policy I hope has changed. Although since our offensive in Afghanistan, let me note that some of the same people in the State Department and elsewhere, even after the attack on September 11, were hesitant to suggest that the Taliban be eliminated from power. In fact, some were suggesting that our game plan should be a coalition government between the Taliban and the Northern Alliance, and all the Taliban had to do was give up bin Laden. That is like asking Rudolph Hess and some of the rest of the Nazi crowd to give up Hitler, and they can stay in power. Well, thank goodness we have a President of the United States that was smart enough and courageous enough to ignore that kind of advice and told the Taliban that they are part and parcel of this, and made a goal of eliminating the Taliban regime from power.

Our forces did this job in such a professional way. We worked with those people in the Northern Alliance. Remember when we were told that the Northern Alliance would take months and months and it would be such a quagmire. The Northern Alliance have proven to be fighters able to defeat the Taliban.

The Northern Alliance has won, and we have to make sure now that we do not walk away again. We have to make sure that we do not leave the Afghan people to sleep in the rubble; that we stick with those people who are anti-Taliban who worked with us to eliminate bin Laden and the Taliban. Let us help them rebuild a democratic, strong, prosperous Afghanistan.

Already there is thought that the King of Afghanistan should be coming back to Afghanistan. This after 12 years. Let me say, 12 years ago I was told he is too old. The State Department would tell me he has no support. He is too old. The King of Afghanistan is the only one who has the loyalty of the hearts of the people of Afghanistan. They love that man because he is a father figure who was King at a time period when there was no killing.

□ 1530

There was no chaos. People lived at peace with their families. They remember that. The sooner the King gets back to Afghanistan, the better.

I was able to go to the conference in Bonn after we had basically won on the ground in Afghanistan in which the Afghan leaders got together and chose an interim leader, Prime Minister Karzai, who is there now. I was there to talk to them about the King and about Mr. Karzai and talked to the various factions in Bonn, and it was my honor to have been there, and I hope I made a small contribution to laying down a plan that would permit Afghanistan to have some stability and prosperity and peace in the future.

We do that by what was the original plan, and this is ironic. The King has agreed to come back and open a Loya Jirga, which is a meeting of the elders of his country. That meeting will help establish the rules for a constitution which, over a transition period, will become a democratic government for the people of Afghanistan. Finally. But we cannot walk away.

They had a meeting in Tokyo a few days ago for donor countries. The United States has committed, I think, about $350 million or so. I will have to say I do not think that is legitimate. I will have to say that I think the United States Government over a period of time should be kicking in much more than $300 million to help the people of Afghanistan.

To put that in perspective, we have been able to spend hundreds of billions of dollars less every year on our military for all these years since the end of the Cold War because the Afghans helped us end the Cold War. For pete's sake, let us help the Afghans build their country. They have only provided $27 million for demining in that country, $27 million. They think there are 8 million land mines. Three hundred children every month end up becoming maimed by land mines in Afghanistan that have been planted there. Think of the drain that would be on our society, much less their society.

Let us make sure we ensure the peace and do the right thing, and the right thing is making sure we do not walk away; that we bring the King back; and we make sure there is an inclusive government, not like the Taliban. They had their exclusive clique who had their own vision of God, which they superimposed on everybody else. Let us instead, let us instead, support an inclusive government, and that is what Zahir Shah would do.

Unfortunately, now there are several people in Afghanistan, Mr. Khalili and some others, Ismail Khan and some others, who worked against the Taliban, who feel they may be being left out. We should not let any government leave anyone out, and our own United States Government should express its appreciation to those on the other side, whom Mr. Khalili and Ismail Khan and others are associated with, and others like that who fought against the Taliban, and everybody should be included.

By the way, the Iranians, the Iranians are promising $560 million worth of support, 50 percent more support for Afghanistan than the United States of America. That is not right. We have benefited by the end of the Cold War. We should make sure we repay the Afghans amply, and that is what is right, and that will be good for us as well.

Let us remember as we move forward, now that the resistance of the Taliban is gone down to just a few areas, there are a few hot spots left there, but there is still a threat to democratic government in Afghanistan. We must play a positive role, both in the economy and in establishing democratic government. Mullah Omar, the head of the Taliban, is still there somewhere with a thousand or so fighters in Afghanistan. We have to make sure Mr. Karzai's interim regime is successful in establishing the foundation that will sweep away the Mullah Omars and bin Ladens forever, because the people of Afghanistan are not fanatics. They are not fanatics.

The people who flew the airplanes into our buildings on September 11 were not Afghans. They were, by and large, Saudis. The people of Afghanistan are devout in their faith, but they are not fanatic about their faith, and Muslims throughout the world resent bin Laden and his murderers for trying to talk for their religion.

President Bush has been magnificent in his outreach to the Muslim countries of the world, letting them know that we will not succumb to the temptation that bin Laden would like us to succumb to, which is making an enemy out of all Muslims in the world. In fact, we are not only not making enemies out of the Muslims from Afghanistan, we in fact are reaching out to them, and need to do so with a heavier financial commitment to help them rebuild their country.

Now, as we proceed, as I say, let us note that in the war against terrorism there will be steps one, two and three. Number one was in Afghanistan, and it is coming to a close, although it is not at a close right now. Step two may be in Southeast Asia. I just returned from

Malaysia where they have found bin Laden's network. In Singapore, they just arrested 13 people who were part of bin Laden's network who were planning to blow up a bus that carried American people from our embassy every day. So there would have been 60 or 100 Americans who would have been murdered there by bin Laden's terrorist network in Singapore.

In the Philippines we have already some Special Forces on the ground, after 10 years of ignoring, by the way, during the Clinton Administration. Again, I would say we have got to help the Philippines. I realized that. I went to the Philippines time and again to try to get them together. They were a target of the Communist Chinese and they were a target of bin Laden's network.

Today we have a chance to save the Philippines, but it will be close. We need to work with the Philippines. We have some Special Forces teams on the ground, and we need to make that commitment. I think President Bush has made that commitment. Whether or not that is going to be the next front in the war against terrorism or whether it will be to finish the job that we did not do against Saddam Hussein, this will be a war on terrorism, and it will be a war that is conducted sequentially, and it will be a war that we will be proud of because we will be standing for freedom and democracy and peace.

I salute the members of our Armed Forces who have conducted such a gallant fight, who are leading us on to victory and to create a better world, and to have a better world we must have the courage to do what is right and stand for the principles our country believes in.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. INSLEE (at the request of Mr. GEPHARDT) for January 23 on account of official business in the district.

Ms. WATERS (at the request of Mr. GEPHARDT) for today on account of official business.

Mrs. ROUKEMA (at the request of Mr. ARMEY) for January 23 and the balance of the week on account of illness.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. DICKS) to revise and extend their remarks and include extraneous material:

Ms. NORTON, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. DICKS, for 5 minutes, today.

Mr. BENTSEN, for 5 minutes, today.

(The following Members (at the request of Mr. PAUL) to revise and extend their remarks and include extraneous material:)

Mr. PENCE, for 5 minutes, today.

Mr. BURTON of Indiana, for 5 minutes, January 30 and 31.

Mr. THUNE, for 5 minutes, today.

Mr. HUNTER, for 5 minutes, today.

Mr. SWEENEY, for 5 minutes, today.

## ADJOURNMENT

Mr. ROHRABACHER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 38 minutes p.m.), the House adjourned until tomorrow, Friday, January 25, 2002, at 10 a.m.

## MOTION TO DISCHARGE A COMMITTEE

JANUARY 24, 2002.

To the CLERK OF THE HOUSE OF REPRESENTATIVES:

Pursuant to clause 2 of rule XV, I, JIM TURNER, move to discharge the Committee on Rules from the consideration of the resolution (H. Res. 203) entitled, a resolution providing for consideration of the bill (H.R. 2356) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform, which was referred to said committee on July 19, 2001, in support of which motion the undersigned Members of the House of Representatives affix their signatures, to wit:

1. Jim Turner.
2. Stephen Horn.
3. Christopher Shays.
4. Michael N. Castle.
5. Lindsey O. Graham.
6. Todd Russell Platts.
7. Marge Roukema.
8. Ken Lucas.
9. Brad Carson.
10. Thomas H. Allen.
11. Sherrod Brown.
12. Marion Berry.
13. James H. Maloney.
14. Leonard L. Boswell.
15. Ron Kind.
16. Robert E. Andrews.
17. Joseph Crowley.
18. Louise McIntosh Slaughter.
19. Nick Lampson.
20. John Lewis.
21. Hilda L. Solis.
22. Zoe Lofgren.
23. Steve Israel.
24. Gary L. Ackerman.
25. James R. Langevin.
26. Michael M. Honda.
27. Dale E. Kildee.
28. Ted Strickland.
29. Joseph M. Hoeffel.
30. James P. McGovern.
31. Jay Inslee.
32. Rush D. Holt.
33. Darlene Hooley.
34. Carolyn McCarthy.
35. Ellen O. Tauscher.
36. Charles A. Gonzalez.
37. Shelley Berkley.
38. Lynn C. Woolsey.
39. Ruben Hinojosa.
40. John B. Larson.
41. Amo Houghton.
42. Stephanie Tubbs Jones.
43. Mike McIntyre.
44. Baron P. Hill.
45. Earl Blumenauer.
46. Rick Larsen.
47. Brad Sherman.
48. John W. Olver.
49. Grace F. Napolitano.
50. James C. Greenwood.
51. Xavier Becerra.
52. Ciro D. Rodriguez.
53. Gene Green.
54. Steven R. Rothman.
55. Susan A. Davis.
56. Barney Frank.
57. Steny H. Hoyer.
58. David E. Bonior.
59. Charles W. Stenholm.
60. Peter Deutsch.
61. Nancy Pelosi.
62. Charles B. Rangel.
63. Maurice D. Hinchey.
64. Michael E. Capuano.
65. Eva M. Clayton.
66. Edward J. Markey.
67. John F. Tierney.
68. Henry A. Waxman.
69. Jerrold Nadler.
70. Nita M. Lowey.
71. John Elias Baldacci.
72. Lois Capps.
73. Martin T. Meehan.
74. James P. Moran.
75. Sam Farr.
76. Chet Edwards.
77. Tom Udall.
78. Jim Davis.
79. Tim Holden.
80. Luis V. Gutierrez.
81. Tom Sawyer.
82. Frank Pallone, Jr.
83. Richard A. Gephardt.
84. Ken Bentsen.
85. Allen Boyd.
86. Diane E. Watson.
87. David E. Price.
88. Chaka Fattah.
89. Gerald D. Kleczka.
90. Jim McDermott.
91. Rosa L. DeLauro.
92. Bob Etheridge.
93. Ed Pastor.
94. Mike Thompson.
95. Melvin L. Watt.
96. Nydia M. Velazquez.
97. David D. Phelps.
98. Adam B. Schiff.
99. Betty McCollum.
100. Robert A. Borski.
101. Bob Filner.
102. Robert T. Matsui.
103. Peter A. DeFazio.
104. John M. Spratt, Jr.
105. Tammy Baldwin.
106. Ike Skelton.
107. Bob Clement.
108. Diana DeGette.
109. Dennis J. Kucinich.
110. Robert Wexler.
111. George Miller.
112. Janice D. Schakowsky.
113. Lane Evans.
114. Jim Matheson.
115. Constance A. Morella.
116. Brian Baird.
117. Benjamin L. Cardin.
118. Lucille Roybal-Allard.
119. Silvestre Reyes.
120. Harold E. Ford, Jr.

121. Anna G. Eshoo.
122. Marcy Kaptur.
123. Bill Pascrell, Jr.
124. Bart Gordon.
125. Adam Smith.
126. Eliot L. Engel.
127. Dennis Moore.
128. Lynn N. Rivers.
129. John J. LaFalce.
130. Patsy T. Mink.
131. Martin Frost.
132. Christopher John.
133. Thomas M. Barrett.
134. Max Sandlin.
135. Tom Lantos.
136. Major R. Owens.
137. Anthony D. Weiner.
138. Patrick J. Kennedy.
139. Karen McCarthy.
140. Barbara Lee.
141. Jane Harman.
142. Norman D. Dicks.
143. David Wu.
144. Earl Pomeroy.
145. Bernard Sanders.
146. Michael R. McNulty.
147. Tony P. Hall.
148. John D. Dingell.
149. Vic Snyder.
150. Gary A. Condit.
151. John Conyers, Jr.
152. Paul E. Kanjorski.
153. Lloyd Doggett.
154. James L. Oberstar.
155. Sander M. Levin.
156. Gene Taylor.
157. Elijah E. Cummings.
158. Karen L. Thurman.
159. Mark Steven Kirk.
160. Carolyn C. Kilpatrick.
161. Calvin M. Dooley.
162. Robert A. Brady.
163. Bill Luther.
164. Mark Udall.
165. William J. Coyne.
166. Jerry F. Costello.
167. Edolphus Towns.
168. Gregory W. Meeks.
169. Howard L. Berman.
170. Donald M. Payne.
171. William D. Delahunt.
172. John S. Tanner.
173. Carolyn B. Maloney.
174. Julia Carson.
175. William J. Jefferson.
176. Carrie P. Meek.
177. Nancy L. Johnson.
178. Jesse L. Jackson, Jr.
179. James A. Leach.
180. Zach Wamp.
181. Frank Mascara.
182. Jose E. Serrano.
183. Rod R. Blagojevich.
184. Nick J. Rahall II.
185. Alan B. Mollohan.
186. Michael F. Doyle.
187. Bart Stupak.
188. James A. Barcia.
189. Neil Abercrombie.
190. Solomon P. Ortiz.
191. Robert E. (Bud) Cramer, Jr.
192. Rob Simmons.
193. Mike Ross.
194. Tim Roemer.
195. Danny K. Davis.
196. Sheila Jackson-Lee.
197. Bobby L. Rush.
198. Jim Ramstad.
199. Loretta Sanchez.
200. Robert C. Scott.
201. Robert Menendez.
202. David R. Obey.
203. Fortney Pete Stark.
204. Juanita Millender-McDonald.
205. Joe Baca.
206. Wayne T. Gilchrest.
207. Maxine Waters.
208. Cynthia A. McKinney.
209. Frank R. Wolf.
210. Stephen F. Lynch.
211. Alcee L. Hastings.
212. Eddie Bernice Johnson.
213. Greg Ganske.
214. Peter J. Visclosky.
215. Thomas E. Petri.
216. Charles F. Bass.
217. Corrine Brown.
218. Richard E. Neal.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5205. A letter from the Secretary of Defense, transmitting report pursuant to Section 1041 of Public Law 106–398, the Floyd D. Spence National Defense Authorization Act for FY 2001, as amended by Section 1033 of the National Defense Authorization Act for Fiscal Year 2002; to the Committee on Armed Services.

5206. A letter from the Director, Office of Management and Budget, transmitting appropriations reports, as required by the Balanced Budget and Emergency Deficit Control Act of 1985, as amended; to the Committee on the Budget.

5207. A letter from the Director, Office of Management and Budget, transmitting appropriations reports, as required by the Balanced Budget and Emergency Deficit Control Act of 1985, as amended; to the Committee on the Budget.

5208. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Amendments to the Requirements on Variability in the Composition of Additives Certified Under the Gasoline Deposit Control Program; Partial Withdrawal of Direct Final Rule [FRL–7132–3] (RIN: 2060–AJ69) received January 18, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5209. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Protection of Stratospheric Ozone: Removal of Restrictions on Certain Fire Suppression Substitutes for Ozone-Depleting Substances; and Listing of Substitutes [FRL–7130–7] (RIN: 2060–AG12) received January 18, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5210. A letter from the Attorney, Federal Communications Commission, transmitting the Commission's final rule—Numbering Resource Optimization [CC Docket No. 99–200]; Implementation of the Local Competition Provisions of the Telecommunications Act of 1996 [CC Docket No. 96–98]; Telephone Number Portability [CC Docket No. 95–116] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5211. A letter from the Legal Advisor, WTB, Federal Communications Commission, transmitting the Commission's final rule—Implementation of 911 Act [WT Docket No. 00–110]; The Use of N11 Codes and Other Abbreviated Dialing Arrangements [CC Docket No. 92–105] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5212. A letter from the Attorney, Federal Communications Commission, transmitting the Commission's final rule—2000 Biennial Regulatory Review—Comprehensive Review of the Accounting Requirements and ARMIS Reporting Requirements for Incumbent Local Exchange Carriers: Phase 2 [CC Docket No. 00–199]; Amendments to the Uniform System of Accounts for Interconnection [CC Docket No. 97–212]; Jurisdictional Separations Reform and Referral to the Federal-State Joint Board [CC Docket No. 80–286]; Local Competition and Broadband Reporting [CC Docket No. 99–301] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5213. A communication from the President of the United States, transmitting a 6-month periodic report on the national emergency with respect to the risk of nuclear proliferation created by the accumulation of weapons-usable fissile material in the territory of the Russian Federation that was declared in Executive Order 13159 of June 21, 2000, pursuant to 50 U.S.C. 1641(c) and 50 U.S.C. 1703(c); (H. Doc. No. 107–174); to the Committee on International Relations and ordered to be printed.

5214. A communication from the President of the United States, transmitting a report on the status of efforts to obtain Iraq's compliance with the resolutions adopted by the United Nations Security Council, pursuant to 50 U.S.C. 1541; (H. Doc. No. 107–175); to the Committee on International Relations and ordered to be printed.

5215. A letter from the Director, Defense Security Cooperation, Department of Defense, transmitting the listing of all outstanding Letters of Offer to sell any major defense equipment for $1 million or more; the listing of all Letters of Offer that were accepted, as of September 30, 2001, pursuant to 22 U.S.C. 2776(a); to the Committee on International Relations.

5216. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

5217. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting Report on Withdrawl of Russian Armed Forces and Military Equipment, pusuant to paragraph 5(D) of the Senate's resolution of advice and consent of the ratification of the CFE Flank Document; to the Committee on International Relations.

5218. A letter from the Chief Administrative Officer, transmitting the quarterly report of receipts and expenditures of appropriations and other funds for the period October 1, 2001, through December 31, 2001 as compiled by the Chief Administrative Officer, pursuant to 2 U.S.C. 104a; (H. Doc. No. 107–176); to the Committee on House Administration and ordered to be printed.

5219. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airspace and Flight Operations Requirements for the 2002 Winter Olympic Games, Salt Lake City, UT [Docket No. FAA–2002–11332; SFAR No. 95] (RIN: 2120–AH61) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5220. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Implementation of the National Invasive Species Act of 1996 (NISA)

[USCG–1998–3423] (RIN: 2115–AF55) received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5221. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Pollution Prevention for Oceangoing Ships and Certain Vessels in Domestic Service [USCG–2000–7641] (RIN: 2115–AF56) received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. RANGEL (for himself, Mr. GEPHARDT, Mr. STARK, Mr. MATSUI, Mr. COYNE, Mr. MCDERMOTT, Mr. KLECZKA, Mr. LEWIS of Georgia, Mr. NEAL of Massachusetts, Mr. JEFFERSON, Mr. BECERRA, Mr. DOGGETT, Mr. LAFALCE, Mr. LEVIN, and Mr. MCNULTY):

H.R. 3622. A bill to amend the Internal Revenue Code of 1986 to extend the golden parachute excise tax to sales of company stock by corporate insiders occurring when the company prevents rank-and-file employees from selling company stock held in their 401(k) plan, and to ensure more accurate reporting of liabilities to workers and shareholders; to the Committee on Ways and Means.

By Mr. BENTSEN:

H.R. 3623. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to prohibit knowing misrepresentations by fiduciaries of 401(k) plans which may induce participants and beneficiaries to act contrary to their own best interest in controlling the assets in their own accounts, and to amend title 11 of the United States Code to protect claims based on such misrepresentations; to the Committee on Education and the Workforce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CANTOR:

H.R. 3624. A bill to prohibit assistance to the Palestinian Authority and any instrumentality of the Palestinian Authority; to the Committee on International Relations.

By Mr. CARDIN (for himself, Mr. STARK, Mr. LEVIN, Mr. MCDERMOTT, and Mr. DOGGETT):

H.R. 3625. A bill to reauthorize and reform the program of block grants to States for temporary assistance for needy families, and for other purposes; to the Committee on Ways and Means.

By Mrs. EMERSON (for herself and Mr. ROSS):

H.R. 3626. A bill to amend title XVIII of the Social Security Act to provide for an outpatient prescription drug benefit under the Medicare Program; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GRAHAM (for himself and Mr. GOSS):

H.R. 3627. A bill to protect the United States and its allies by imposing sanctions on countries and entities that aid and abet individuals or entities engaged in terrorist activity or fail to cooperate in the war against terrorism, and for other purposes; to the Committee on International Relations, and in addition to the Committees on Ways and Means, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HASTINGS of Florida:

H.R. 3628. A bill to authorize the President to present posthumously a gold medal on behalf of the Congress to Sammy Davis, Jr. in recognition of his achievements and service to the Nation; to the Committee on Financial Services.

By Mr. KELLER (for himself, Mr. BARR of Georgia, Mr. PUTNAM, Mr. OSBORNE, Mr. CRENSHAW, Mr. FATTAH, and Mr. EHRLICH):

H.R. 3629. A bill to amend the Internal Revenue Code of 1986 to allow employers a credit against income tax for wages paid to employees while participating in mentoring programs for elementary and secondary school students; to the Committee on Ways and Means.

By Mrs. MEEK of Florida (for herself, Mr. HASTINGS of Florida, and Ms. ROS-LEHTINEN):

H.R. 3630. A bill to direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida and the suitability and feasibility of its inclusion in the National Park System as part of Biscayne National Park, and for other purposes; to the Committee on Resources.

By Mr. PASCRELL (for himself and Mr. FARR of California):

H.R. 3631. A bill to amend the Internal Revenue Code of 1986 to modify the electric motor vehicle credit, including an expansion of the credit to certain 3-wheeled vehicles; to the Committee on Ways and Means.

By Mr. TANCREDO:

H.R. 3632. A bill to ensure that labor dues and fees are used only for collective bargaining purposes and exclusive representation; to the Committee on Education and the Workforce.

By Mr. TRAFICANT:

H.R. 3633. A bill to provide compensation for the United States citizens or legal permanent residents who were victims of the bombing of the Murrah Federal Building in Oklahoma City, Oklahoma on April 19, 1995, on the same basis as compensation is provided to victims of the terrorist-related aircraft crashes on September 11, 2001; to the Committee on the Judiciary.

By Ms. WATERS:

H.R. 3634. A bill to permit certain funds assessed for securities laws violations to be used to compensate employees who are victims of excessive pension fund investments in the securities of their employers, and for other purposes; to the Committee on Financial Services, and in addition to the Committee on House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ROTHMAN:

H. Con. Res. 302. Concurrent resolution urging the Department of Justice to seek subrogation from the terrorists responsible for the attacks against the United States on September 11, 2001, with respect to claims paid under the September 11th Victim Compensation Fund of 2001, and urging the President to deposit amounts belonging to such terrorists which have been blocked or confiscated by the United States in the general fund of the Treasury; to the Committee on the Judiciary, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BACHUS (for himself, Mr. ARMEY, Mr. DELAY, Mr. WATTS of Oklahoma, Ms. PRYCE of Ohio, Mrs. CUBIN, Mr. COX, Mr. TOM DAVIS of Virginia, Mr. BLUNT, Ms. DUNN, Mr. GRAHAM, and Mr. WICKER):

H. Con. Res. 303. Concurrent resolution expressing the sense of the House of Representatives that the tax relief provided for by the Economic Growth and Tax Relief Reconciliation Act of 2001 passed by a bipartisan majority in Congress should continue as scheduled; to the Committee on Ways and Means.

By Mr. DAVIS of Illinois (for himself, Ms. LEE, and Mr. PAYNE):

H. Con. Res. 304. Concurrent resolution expressing sympathy to the people of the Democratic Republic of the Congo who were tragically affected by the eruption of the Nyiragongo volcano on January 17, 2002, and supporting an increase in the amount of assistance provided by the United States to the people of the Democratic Republic of the Congo; to the Committee on International Relations.

By Mr. GIBBONS:

H. Con. Res. 305. Concurrent resolution permitting the use of the Rotunda of the Capitol for a ceremony to present a gold medal on behalf of Congress to former President Ronald Reagan and his wife Nancy Reagan; to the Committee on House Administration.

By Mr. TRAFICANT:

H. Con. Res. 306. Concurrent resolution expressing the sense of the Congress that the Attorney General should appoint an independent counsel to investigate and report on campaign contributions made to the Democratic National Committee from the People's Republic of China; to the Committee on the Judiciary.

By Mr. TRAFICANT:

H. Con. Res. 307. Concurrent resolution expressing the sense of the Congress that the Attorney General should appoint an independent counsel to investigate and report on campaign donations made to federally elected officials by Enron Corporation; to the Committee on the Judiciary.

By Mr. TRAFICANT:

H. Con. Res. 308. Concurrent resolution expressing the sense of the Congress that the Attorney General should appoint an independent counsel to investigate and report on the granting of pilot's licenses to foreign nationals by the Federal Aviation Administration; to the Committee on the Judiciary.

By Mr. SCHAFFER (for himself, Mr. BOEHNER, Mr. FOSSELLA, Ms. HART, Mr. PASCRELL, Mr. KING, Mr. TANCREDO, Mr. CHABOT, Mr. HAYWORTH, Mr. FOLEY, Mr. CANTOR, Mr. FERGUSON, Mr. TIBERI, and Mr. DIAZ-BALART):

H. Res. 335. A resolution honoring the contributions of Catholic schools; to the Committee on Education and the Workforce.

## ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 97: Mr. PASCRELL and Ms. WATSON.

H.R. 111: Mrs. LOWEY and Ms. CARSON of Indiana.

H.R. 116: Mr. KILDEE, Mr. CUNNINGHAM, and Mrs. NORTHUP.

H.R. 200: Mr. FORBES.

H.R. 218: Mr. SOUDER, Mr. CARSON of Oklahoma, and Mr. KILDEE.

H.R. 280: Mr. WILSON of South Carolina and Mr. PICKERING.

H.R. 281: Mr. WILSON of South Carolina.
H.R. 292: Mr. OWENS.
H.R. 330: Mr. WILSON of South Carolina.
H.R. 476: Mr. WILSON of South Carolina.
H.R. 506: Mrs. CLAYTON.
H.R. 536: Mr. SHAW.
H.R. 537: Mr. LANGEVIN.
H.R. 579: Mr. FORBES.
H.R. 648: Mr. WILSON of South Carolina.
H.R. 649: Mr. WILSON of South Carolina.
H.R. 650: Mr. WILSON of South Carolina.
H.R. 739: Mr. FRANK.
H.R. 760: Mr. OSE.
H.R. 831: Mr. FORBES and Mr. WILSON of South Carolina.
H.R. 869: Mr. UDALL of Colorado.
H.R. 938: Ms. WATSON.
H.R. 953: Mr. WILSON of South Carolina.
H.R. 969: Mr. WILSON of South Carolina.
H.R. 1110: Mr. WILSON of South Carolina.
H.R. 1144: Mr. OWENS.
H.R. 1198: Ms. VELAZQUEZ, Mr. MOORE, and Mr. DOYLE.
H.R. 1296: Mr. WALSH, Mr. HOLDEN, and Mr. MASCARA.
H.R. 1331: Mr. PITTS, Mr. BOYD, Mr. LUCAS of Kentucky, and Mr. CROWLEY.
H.R. 1354: Mr. WILSON of South Carolina.
H.R. 1371: Mr. BLAGOJEVICH.
H.R. 1377: Mr. DAN MILLER of Florida.
H.R. 1412: Mr. WILSON of South Carolina.
H.R. 1438: Mr. WILSON of South Carolina.
H.R. 1444: Mr. WILSON of South Carolina.
H.R. 1450: Mr. JEFF MILLER of Florida.
H.R. 1459: Mr. WILSON of South Carolina.
H.R. 1613: Mr. LYNCH.
H.R. 1645: Mr. TERRY and Mr. WILSON of South Carolina.
H.R. 1700: Ms. HOOLEY of Oregon and Mr. ROTHMAN.
H.R. 1810: Ms. DELAURO and Mr. NEAL of Massachusetts.
H.R. 1822: Mr. PLATTS, Mr. LANGEVIN, Mr. UPTON, Ms. BROWN of Florida, Ms. MCKINNEY, and Mr. ANDREWS.
H.R. 1859: Mr. FILNER.
H.R. 1904: Mr. PLATTS.
H.R. 1948: Mr. BARRETT of Wisconsin.
H.R. 1984: Mr. STUMP.
H.R. 1987: Mr. MCCRERY and Mr. FLETCHER.
H.R. 2074: Mr. MALONEY of Connecticut.
H.R. 2138: Mr. MATSUI.
H.R. 2189: Mr. WILSON of South Carolina.
H.R. 2332: Mr. FILNER.
H.R. 2377: Mr. WEINER.
H.R. 2574: Mr. BARR of Georgia.
H.R. 2631: Mr. WILSON of South Carolina.
H.R. 2638: Mr. LARSON of Connecticut, Mr. LIPINSKI, Mr. THOMPSON of California, Mr. GREEN of Texas, Mr. OLVER, Mr. HYDE, Mr. SIMMONS, Mr. COSTELLO, Mr. DELAHUNT, and Mr. JENKINS.
H.R. 2667: Mr. JEFF MILLER of Florida.
H.R. 2709: Mr. MATSUI.
H.R. 2755: Ms. KILPATRICK.
H.R. 2847: Mr. HILLIARD.
H.R. 2878: Mr. EVANS.
H.R. 2942: Mr. BARCIA.
H.R. 2946: Mr. GRUCCI.
H.R. 2957: Mr. TRAFICANT.
H.R. 3014: Mr. SAXTON.
H.R. 3022: Mr. ACKERMAN.
H.R. 3124: Mr. CRANE.
H.R. 3192: Mr. SANDERS, Mr. RANGEL, Mrs. MORELLA, Mr. SIMMONS, Mr. WYNN, Mr. CANTOR, Mr. CHABOT, Mr. STEARNS, Ms. BERKLEY, Mr. WELDON of Pennsylvania, Mrs. JO ANN DAVIS of Virginia, Mr. HUNTER, Mr. HALL of Texas, Mr. GOSS, and Mr. ROHRABACHER.
H.R. 3206: Mr. CUMMINGS and Mr. MCDERMOTT.
H.R. 3236: Ms. BALDWIN, Ms. KILPATRICK, Mr. ACKERMAN, Mr. FILNER, Mr. BONIOR, and Ms. SCHAKOWSKY.
H.R. 3238: Mr. MALONEY of Connecticut.
H.R. 3244: Ms. CARSON of Indiana and Mr. PASTOR.
H.R. 3247: Mr. MCDERMOTT, Mr. PAUL, and Mr. BERRY.
H.R. 3284: Ms. SCHAKOWSKY.
H.R. 3288: Mr. JACKSON of Illinois.
H.R. 3296: Ms. SCHAKOWSKY, Mr. SIMMONS, and Ms. CARSON of Indiana.
H.R. 3301: Mr. WILSON of South Carolina.
H.R. 3324: Mr. FILNER and Mr. MATSUI.
H.R. 3333: Mr. PICKERING.
H.R. 3337: Mr. KILDEE, Mr. PLATTS, Mr. HOSTETTLER, Mr. WILSON of South Carolina, Ms. MCCOLLUM, and Mr. BARR of Georgia.
H.R. 3339: Ms. SLAUGHTER and Mr. FALEOMAVAEGA.
H.R. 3347: Mr. BOSWELL and Mr. GILMAN.
H.R. 3351: Mr. PASCRELL, Ms. CARSON of Indiana, Mr. SOUDER, Mr. SERRANO, Mr. CALVERT, Mr. HUNTER, Mr. GRAVES, Mr. WOLF, Mr. REGULA, Mr. DEFAZIO, Mr. TOOMEY, and Mr. SMITH of New Jersey.
H.R. 3352: Mr. LIPINSKI, Ms. HART, and Ms. MCCARTHY of Missouri.
H.R. 3358: Mr. GREEN of Texas, Ms. HART, Mr. GOODE, Mr. ETHERIDGE, and Mr. BOSWELL.
H.R. 3412: Mr. TOM DAVIS of Virginia, Mrs. MINK of Hawaii, Mr. UNDERWOOD, Mr. GIBBONS, Mr. FROST, Ms. GRANGER, and Mr. RANGEL.
H.R. 3450: Mr. PHELPS, Mr. BISHOP, and Mr. HALL of Texas.
H.R. 3461: Ms. MCKINNEY.
H.R. 3482: Mr. GOODLATTE, Mr. INSLEE, Mr. BRADY of Texas, Ms. HART, and Mr. FORBES.
H.R. 3565: Mr. LANGEVIN.
H.R. 3569: Mr. CARSON of Oklahoma.
H.R. 3594: Ms. VELAZQUEZ, Ms. RIVERS, and Mr. TOWNS.
H.R. 3614: Mr. CROWLEY.
H. J. Res. 67: Mr. WALSH.
H. J. Res. 81: Mr. FLETCHER, Mr. MASCARA, Mr. HILLEARY, Mr. PLATTS, and Mr. WILSON of South Carolina.
H. Con. Res. 33: Mr. WILSON of South Carolina.
H. Con. Res. 99: Ms. SOLIS and Ms. WOOLSEY.
H. Con. Res. 173: Mr. HASTINGS of Florida and Mr. SIMMONS.
H. Res. 225: Mr. JACKSON of Illinois, Mr. WYNN, Mr. HILLIARD, Mr. PAYNE, Mr. RUSH, Mr. TOWNS, Mr. LEWIS of Georgia, Mr. CLEMENT, Ms. KILPATRICK, Mrs. CHRISTENSEN, Mr. CUMMINGS, Mr. DAVIS of Illinois, Ms. BROWN of Florida, Mr. JEFFERSON, Ms. ROS-LEHTINEN, Mr. SCOTT, Ms. CARSON of Indiana, Mr. WEXLER, Mrs. KELLY, Mr. FROST, and Mr. WATT of North Carolina.

United States of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 107th CONGRESS, SECOND SESSION

Vol. 148 WASHINGTON, THURSDAY, JANUARY 24, 2002 No. 2

# Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable DEBBIE STABENOW, a Senator from the State of Michigan.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Dear God, You have promised to keep us in perfect peace if we would allow You to stay our minds on You. We join with millions of Christians, Jews, Muslims, and Buddhists, in unity on this Daylong Prayer for Peace initiated by the Pope. In the midst of the treachery of worldwide terrorism, the conflict in the Middle East, the tensions between nations, the turmoil of race relations in every nation, we cry out to You for peace in our time. We ask You to instigate in the leaders of nations the desire for peace, to inspire all warring peoples with the yearning for peace, and to imbue in all humankind the longing to negotiate peace with justice. Bless America in our peacemaking and peacekeeping responsibilities throughout the world. We claim the promise through Isaiah that You ''. . . shall judge between the nations, and rebuke many people; they shall beat their swords into plowshares, and their spears into pruning hooks; nation shall not lift up sword against nation, neither shall they learn war anymore.''—(Isaiah 2:4). Lord, we pray for peace! Amen.

## PLEDGE OF ALLEGIANCE

The Honorable DEBBIE STABENOW led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, DC, January 24, 2002.*

*To the Senate:*

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DEBBIE STABENOW, a Senator from the State of Michigan, to perform the duties of the Chair.

ROBERT C. BYRD,
*President pro tempore.*

Ms. STABENOW thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader is recognized.

## SCHEDULE

Mr. REID. Madam President, morning business will continue until 10 a.m. this morning with Senators permitted to speak for up to 10 minutes each, the time equally divided between the two leaders or their designees. At 10 o'clock the Senate will resume consideration of H.R. 622, with the Daschle economic recovery amendment the pending matter. Senator DASCHLE will be on the floor at that time to start the debate. Rollcall votes are possible throughout the day.

## RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

## MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for up to 10 minutes each with the time to be equally divided between the leaders or their designees.

Mr. REID. Madam President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent the order for the quorum call be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Madam President, because I asked for the quorum call, the time would run against this side. I ask unanimous consent the time be equally divided.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMAS. Madam President, I ask unanimous consent the order for the quorum call be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## THE SENATE AGENDA

Mr. THOMAS. Madam President, we are all back, hopefully after a good recess and a good opportunity to visit with the folks at home and can now evaluate some of the things that have been done over the last year and, maybe more important, talk a bit about those things that are yet to come. There are many, and they are things that we must do.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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Certainly the stimulus package is one. I am delighted we are going to take that up and take a look at it. In some ways I think it would be well if we could hold our fire until after we hear the President's notions next Tuesday. I am sure he will talk a great deal about the stimulus package as well as the other domestic and terrorism needs.

But, as we do that—as I guess in everything—I hope we take a real look, the best we can, as to what our expectations are on a stimulus package. It is easy to talk about it. It sounds good. On the other hand, in the Finance Committee, where last year we held a number of hearings and talked to quite a number of professional economists—the best in the country, as a matter of fact—as the Presiding Officer will recall, there was no real consensus as to what is best done to have the immediate impact that we would like to have on the economy.

So I hope we give some thought, individually and collectively, to what it is that our goals are with respect to a stimulus package. It would be easy to begin to use that as a means for funding other kinds of things that may very well be justified as issues but not justified in this economic stimulus package.

Further, I am pleased to hear, at least from some, that the prospects for the economy seem to be better even than they were when we left here back in November or December. I hope that is the case. Again, no one knows exactly what that will be.

But I hope we do give this some thought and seek to move in a way that creates a better economy and creates jobs. There are people out there who need help, for various reasons. That is going to be part of it. But the real purpose is to create a better economy so there are jobs for people. It is not always easy. It is hard to get a feel for it.

I was interested, a while back, to hear that in 1996, which was one of the good times for the economy, unemployment was 5.7 percent.

We are never going to get rid of unemployment because obviously there is always some.

I hope we do that.

Second, of course, I am hopeful we can move on to agriculture, and to our farm bill. The current farm bill expires this year. Of course, we will have a new farm bill. I think all the work we have done on it over the last several months can now be picked up again and we can go forward.

Again, I hope we can sort of give an image as to what we want agriculture to be over time so that we don't just deal with short-term issues. What do we want the image to be for agriculture? Do we want it to be market oriented so production is generally related to the potential of selling those goods? That is the economic system for most everything. At the same time, of course, because agriculture is unique and has unique problems, I think there needs to be a safeguard somewhere underneath. It is going to be difficult to do that. We don't want to doing something that is going to increase production for a product so that it then doesn't have market demand. At the same time, we want to protect farmers and ranchers from some of the things over which they certainly have no control.

There has been quite a bit of discussion about AMTA payments that were made to the farmers over the last 6 years in the farm program. I think at least that is the perception. I think it is true the big payments have gone to relatively few. Even though we always talk about family farmers, it is also true that family farmers are getting large payments. But many are corporate farmers who get large amounts of money. We need to look at what we can do about that issue.

There are a number of things I think are very important. I come from Wyoming where livestock is our largest agricultural issue, and we have lots of public land. The country of origin labeling is in our bill. It is very important. I think it is important for consumers to be able to look at a package of meat and see that it came from the United States, or, if it didn't, from where it came. That is fine. Let them have a choice.

I just can't imagine why that is not labeled. Almost everything we buy has the country of origin on the label.

I hope we also deal with this question of concentration of packaging. As I understand it, we have about three packers that control 80 percent of the kill.

Under the marketing system, the producer goes to the auction market and gets what the livestock is worth that day. We also have an amendment on ownership of livestock. It has already been on the floor. I think that is very important.

In this bill, there are provisions on conservation of land. I think that is excellent.

As we talked about this bill last year, I traveled all over our State talking to people about what they wanted and what they believed the need was for their counties, their cities, and their families. One of the things they want is open space. We want to continue to have open space and some planning for those lands. CPP has been one thing, but now we are talking about something a little different—whether it is timber or grasslands—some protection for open space for family farmers and ranchers who can't really afford to set aside.

Technical assistance to farmers and ranchers on waterfall is important, so they are able to continue to use water, and to protect water quality is important. That is in the bill as well, and it is increased substantially. I think that is a very good thing.

There are some things in the bill about which we will differ on the floor. It will be difficult to come together on them. But I think we have an obligation to do that.

One of the difficult issues is the drought issue. In the West, we are faced with many places in the third year of drought. In the West, again, where there is relatively low rainfall, one of the important issues is to have snow pack in the mountains so when it thaws out in the spring it runs into reservoirs and then it is used for irrigation. The reservoirs have been at unusually low levels—not only because of the drought this year but because of droughts in previous years.

Those are some of the things with which we need to grapple. I look forward to the opportunity to do that.

Another bill that will be coming up soon is the energy bill. We have heard a great deal about that. It is interesting that 6 months ago or so we had $2.50-a-gallon gasoline. We had problems. Now gas prices are down. California has apparently managed to overcome its difficulties to some extent. There has been some polling that shows many people understand that an energy policy over time is very important.

I hear the accusations that all the administration wants to do is drill and produce. That is true. We worked with the bill. We have seen the drafts of policy that we put together with the administration. It has in it a number of items—production being one of them, of course, and another is alternative fuels. Another is research for alternative fuels, and another is transportation, such as electricity and transmission lines. There have to be generators to move it.

I think there are some real opportunities for us to evaluate where we need to be. Clearly, the upheaval in the Middle East has something to do with our imports. We find ourselves being 60-percent dependent on imports of energy, which is more than we are comfortable with.

We have some real challenges, and some real opportunities. I am hopeful. Certainly the reason we are here is because we have different views on some things. We have different views on needs, depending on where we are from and what our philosophies are. That is part of being here. There is nothing wrong with that. But we need to put those differences out there and come to some conclusions supported by the majority.

I think it is going to be an exciting time. Hopefully, we can look back at the end of this year and say: Yes, we have been able to deal with the crisis of terrorism. We need to look back and be very proud of what this Congress has done in that regard.

I think we need to be very proud of the American people. I have never seen such a reaction of commitment to do something about terrorism in my State, and I am sure in other places. I am very proud of America for that dedication. I certainly hope we can continue it because it is not going to

be a short-term proposition. Also, because of that requirement, I think we will have to be more careful with how we spend money in the domestic area where there is additional emergency spending such as this. You can't necessarily keep spending without some consideration for emergencies.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. EDWARDS). Without objection, it is so ordered.

## CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

## HOPE FOR CHILDREN ACT

The PRESIDING OFFICER. Under the previous order, the hour of 10 a.m. having arrived, the Senate will now resume consideration of H.R. 622, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

Pending:

Daschle/Baucus amendment No. 2698, in the nature of a substitute.

The PRESIDING OFFICER. The majority leader.

AMENDMENT NO. 2698

Mr. DASCHLE. Mr. President, I appreciate the opportunity that we now have to revisit the question of economic stimulus. This was a contentious debate before we ended the First Session of the 107th Congress last December. Over the course of the last several weeks, of course, we have made an effort to try to find what I call ''common ground'' in an effort to expedite the consideration of economic stimulus and to move this process forward.

I don't have a calendar in the Chamber at this point, but I remind my colleagues that we have very little time between now and the Founders' Day recess to do all of the work that Republicans and Democrats have indicated is important to both our agendas. Both caucuses have indicated a strong desire to deal with economic stimulus, a strong desire to deal with election reform, a strong desire to finish the farm bill, and, certainly, a strong desire to deal with energy. My hope is we could deal with all of those pieces of legislation prior to the Founders' Day recess. In order to do that, we have to maximize the use of every day.

We have 2 days this week. We have only 2 days next week because of the Republican retreat. Then we have 2 weeks following that to complete our work on all of the bills I have just mentioned.

In an effort to move the process along, I will propound a unanimous consent request within the hour to see if we might find an agreement on procedure on the economic stimulus bill. I would propose, as I suggested to Senator LOTT yesterday, four amendments on a side. I am not wedded to that. If people have a desire to offer more amendments than that, we could do that. But we have to get this ball started.

I am concerned, frankly, about reports I have received overnight that there are some on the Republican side who want to slow walk this bill, who don't want to bring it to closure, who, for whatever reason, have decided now that we are on this bill that they don't want to have a vote on final passage until perhaps 2 weeks from now. Keep in mind, we are not in session next Wednesday. Some have suggested that we should not have a vote on this bill until after the State of the Union Message—that is Tuesday night—which means we then wouldn't be able to complete our work until the following week.

I know of all the cries and anger and the anguish expressed by some for the fact that we were not able to complete our work on the economic stimulus bill last December. How ironic it would be that some of those who have criticized the inability to come to some conclusion would now be responsible for delaying it even further.

I hope that is not the case. I hope we can get an agreement that will allow us to reach some procedural conclusion so we can complete the substantive work on this bill prior to the end of the week.

Let me briefly lay out exactly what it is we are suggesting. Two circles on this chart depict virtually all of the proposals that have been made by either Republican or Democratic Senators, and oftentimes Members of the House, with regard to economic stimulus. Democrats have proposed increasing unemployment benefits, adding unemployment compensation coverage for part-time workers and recent hires, and providing affordable group health coverage for the unemployed. The job creation tax credit for businesses was also something that we felt would go a long way to addressing the need to stimulate the economy from the business side.

We also supported extending the unemployment benefits for 13 weeks, tax rebates for those who didn't get them the last time, the bonus depreciation that would accelerate the depreciation on investments in business, and then the fiscal relief for States.

States are very concerned that bonus depreciation, in particular, is going to cost them about $5 billion. They are also concerned that the Medicaid costs are going up dramatically. So the fiscal relief for States is something that has been the subject of a number of very urgent letters to us from Republican and Democratic Governors alike.

Our Republican colleagues suggested accelerating rate reductions, the repeal of the corporate AMT—the alternative, and health coverage for unemployed workers through individual insurance markets. They also suggested extending unemployment benefits. They suggested the tax rebates. They proposed bonus depreciation and fiscal relief for States.

Several weeks ago we began considering, well, how can we move this bill forward? The suggestion was, let's just take the common elements in the two circles, the overlap you see here on this chart, and consider that as sort of the base proposal that might be used as a way to move the bill forward, while not denying Senators the right, of course, to offer other ideas, other suggestions, if the requisite 60 votes on points of order can be acquired.

So that is really what is before the Senate right now. We have taken a House vehicle, the adoption tax credit, and we are amending the adoption tax credit procedurally with this proposal as a way in which to allow Senators to begin the debate on economic recovery.

The CBO has provided a real service to us over the last couple of weeks, and I don't know if all of our colleagues had the opportunity to see it. If they have not, I urge them to take a look at it. But the CBO made an evaluation of the stimulative impact of all of the proposals I have just listed here in these circles. The stimulative impact, obviously, is a very significant factor, I believe, on what it is we decide we want to offer for economic stimulus. The payroll tax holiday offered by Senator DOMENICI is one of the provisions that had the biggest bang for the buck, according to the CBO. Of course, we suggested that that might be a component, but because there isn't agreement on it, unfortunately, it certainly doesn't fit into this common ground proposal at this point. I would have supported it. I still do. But that has a large bang for the buck. Additional tax rebates have a medium bang for the buck according to the CBO.

We are proposing in this common ground proposal the tax rebate for those who didn't get any help the first time. Temporary investment incentives, such as the bonus depreciation —again, that is a medium bang for the buck—better than some, not as good as others. That is also in the common ground proposal. So you have two of the items in the common ground proposal, according to the CBO, that have a medium bang for the buck, medium stimulative value.

Look at what the CBO said about accelerated rate cuts. They said it had a small bang for the buck, and a corporate AMT repeal falls into the small category, very little stimulative value.

Now, this isn't a Democrat position, this isn't an analysis made by one of my staff; this is the Congressional Budget Office which has provided the analysis. So, again, if we want to do what we say we are doing here—provide

some common ground on stimulative proposals that have the most effect—according to the CBO, some of the proposals in here, such as tax rebates, bonus depreciation, go a long way.

Let me address the unemployment benefits as well because that, too, is something I think we ought to say something about. The CBO didn't address that question, but the CRS did. The Congressional Research Service said:

> Extending unemployment compensation is, in fact, likely to be a more successful policy for stimulating aggregate demand than many other tax/transfer changes. Individuals who are unemployed and who are not or will not be receiving unemployment benefits are much more likely to spend additional incomes than, say, higher income individuals who receive tax cuts.

That is in a memo provided by CRS to Senator BAUCUS last fall.

Mr. President, I simply say again, if we are serious about moving this forward, let's take those proposals that analysts and economists have said have stimulative value. If we are serious about finding compromise, what could possibly be wrong with taking the proposals that both sides had in their initial proposal as a way with which to at least get to conference? This is a ticket to conference. Then we can have another debate about what ought to be in the bill. That is what we are doing here. I just hope our colleagues will recognize that and will recognize how limited a timeframe we have to address this issue and move this legislation forward.

So I am asking my colleagues on the other side, let's come to some agreement on amendments procedurally, let's come to some agreement on amendments substantively, but let's come together. Time is wasting. I don't want to see this bill slow-walked, or see this legislation languish on the floor for days, when we can do this and move on to other things that need to be done sometime very soon.

I thank the Chair and my colleagues. I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, our status is, am I right, that we are on the Finance Committee bill, the tax bill before us?

The PRESIDING OFFICER. The Daschle amendment No. 2698 is pending.

Mr. GRASSLEY. Mr. President, I think my colleague from South Dakota, the distinguished Democrat leader, has made it very clear where we are compared to where we were before Christmas. Let me repeat that we had been working on an economic stimulus package in various ways for several weeks, most of it not here on the floor of the Senate but in small groups, and different groups, and bipartisan groups, and partisan groups, to come together to see what we could get to get through the Senate—a stimulus package—and the need for it was directly related to the downturn in the economy that came mostly as a result of September 11 terrorist attacks. And then what finally happened was just before we adjourned. A White House-centrist package that was put together by mostly Republican and Democrat centrists, working with the White House, was a bill that passed the House of Representatives before the bill came here to the Senate. Then in the closing days of the Senate, prior to adjournment for the holidays, the bill did not come up on the floor of the Senate.

So we are back here now, afterwards, to a point where we are dealing with something that is still very important to help dislocated workers and to help bring the economy back from the recession caused by September 11, the war on terrorism, and the attacks against America.

I emphasize again that where we ended up before Christmas was the House of Representatives passing a bill that had been worked out by, I think for the most part—and I hope I am not unfair to the House of Representatives on this—by a group of centrists in the Senate, made up of both Republicans and Democrats, who came up with a plan that had White House support. The President said he would sign it. You never know for sure until you take a vote, but it looked as if this White House-centrist package would have had in the low fifties—but a majority of the Senate—to pass the Senate, if it had been able to be brought up.

We were not allowed to bring it up and discuss it. That is a decision, under our Constitution, that the majority leader can make. I may find fault with the decision; I do not find fault with his right to do that.

Now on the second day we are back in session in the new year, this bill has been brought up. The sad commentary is we are 1 more month into the recession, 1 more month of 800,000 people unemployed because of the September 11 terrorist attacks, and a lot of people who used to have health insurance do not have health insurance and dislocated workers are not being given the help the bipartisan White House-centrist stimulus plan would have given them. Also, we do not have those tax incentives that will stimulate the economy.

As the distinguished majority leader just said, there are certain tax rebate plans the CBO said would be of help in stimulating the economy. There are certain accelerated depreciations that were in the bipartisan package that would help the economy. So, effectively, we have lost 30 days, and people who needed help are not getting the help.

I am glad to be back here, though, and I am glad the majority leader has taken the initiative of bringing this issue up. Hopefully we can get an agreement to pass a bill and get it to the President.

I need to reiterate that we had a bill worked out by a group of Democrats and Republicans in the middle of the political spectrum in the Senate. That is why we call them centrists. They worked out a bill with the White House. The White House said the President would sign the bill. The bill received a favorable vote in the House of Representatives, and here we are.

I would like to get back to where we left off before the holidays, so I am going to spend my time this morning before other speakers come to the Chamber to speak on this very important issue of why the bipartisan White House-centrist stimulus package ought to still be the package before the Senate, even more so than the amendment about which the distinguished majority leader just spoke and why it should pass the Senate, although I sensed in the majority leader's statements that he is willing to look at things beyond his proposal—at least I hope I interpreted that right—so that we can get something to the President.

I hope somehow our debate can persuade him to come back to what we have: a bipartisan White House-centrist stimulus plan that was before the Senate because we know that it has passed the House, and all it has to do is pass the Senate and the President will sign it and these 800,000 unemployed workers who do not have health insurance, if they have exhausted their first 26 weeks of unemployment, will still have unemployment compensation.

I am going to start with some discussion of the tremendous commitment to displaced workers that the White House-centrist stimulus plan has in it. The plan's unemployment insurance proposal represents what I consider a very unprecedented commitment to dislocated American workers and, in the end, probably may be something, if one looks at long-term solutions to the problems of uninsured, to help uninsured people as well.

I start with the fact that it provides an additional 13 weeks of unemployment benefits to eligible workers. Remember that about 10 percent of the unemployed people use up to 26 weeks. Maybe that is even higher than 10 percent now because of the recession. There is always a need for some more unemployment compensation for some people. We do not always respond to that with an additional 13 weeks. We are doing it because there was a calamity on September 11 which has speeded up the unemployment index as a result by 800,000.

We have an estimated 3 million unemployed workers who would qualify for benefits averaging $230 a week. These benefits would be 100-percent federally funded.

The bipartisan White House-centrist plan would also transfer an additional $9 billion to State unemployment trust funds. This transfer would provide the States with the flexibility to pay administrative costs, provide additional benefits, and avoid raising unemployment taxes during the current recession.

Consider the bipartisan White House-centrist commitment to providing

health care for dislocated workers. This commitment goes further and wider than any other proposal, and it gets more help to more people more quickly than any other proposal.

It commits over $19 billion, out of the total package of about $100 billion, to health insurance assistance. This is over six times as much money for temporary health insurance assistance as provided under the original stimulus proposals.

The bipartisan White House-centrist plan takes a three-pronged approach to get health insurance to people in need.

First, the plan provides a refundable, advanceable tax credit to all displaced workers eligible for unemployment insurance, not just those eligible for COBRA. The value of the credit is 60 percent of the premium. The credit has no cap and is available to individuals for a total of 12 months for the next 2 years, including 2001 to 2003.

The individuals can stay in their employer COBRA coverage, or they can choose policies in the individual market that may better fit their family's needs. This only makes sense because we should not lock people into one straitjacket of health insurance which under some proposals would be just the COBRA approach because sometimes these policies are too expensive for people to keep. I say that even with the 60-percent subsidy that we would provide.

The bipartisan White House-centrist proposal also includes a major new insurance reform to protect people who have had employer-sponsored coverage and go out into the private market for the first time after being laid off. The bipartisan White House-centrist proposal makes COBRA protection available to people who have only had 12 months of employer-sponsored coverage rather than 18 months under current law. By doing this, we greatly expand the group of displaced workers who cannot be turned down for coverage or excluded because of a preexisting condition.

The new 12-month standard is especially important to people with chronic conditions who have difficulty getting affordable insurance.

The second prong of the White House-centrist bipartisan proposal is $4 billion in enhanced national emergency grants for States which can be used to help all workers—not just those eligible for a tax credit—pay for health insurance because they have become unemployed.

The third prong of the proposal includes $4.3 billion for a one-time temporary State health care assistance payment to States to help bolster those States' Medicaid Programs. We are seeing almost all 50 States in trouble with their Medicaid Program because of the recession. As we know, the Medicaid Program is an important safety net program for low-income workers and families of disabled workers.

I yield the floor now to other colleagues, but I suggest that we have a lot in this bipartisan White House-centrist proposal that can immediately, when the President signs the bill, help the 800,000 workers who are unemployed because of the September 11 terrorist attacks on America.

We ought to get the show on the road. It should have been done before Christmas. It is not too late to do it right now. I hope people would study this proposal that has been developed by a group of people in the center of the Senate, both Democrats and Republicans, and move this bill along. We have 50 votes for it, and if people will study, I think we will even get a much higher percentage.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, in politics, like everything else, common sense dictates what is sensible and reasonable and really what people should do, and common sense in this debate indicates the two sides, Democrats and Republicans, should separate what they do not agree on and move forward on what they agree.

Senator DASCHLE has offered a very reasonable approach to stimulating the economy. He has said the Democrats have certain things they want that the Republicans will not support. The Republicans have legislation they want to initiate that we will not support. There are things we both agree on, Democrats and Republicans. There has never been any question about the fact there are certain things we agree on.

Senator DASCHLE outlined four things we agree on. As an example, extending unemployment benefits. Everyone agrees we should do something to help the unemployed. If we want to stimulate an economy, give money to people who have no money and they will go out and spend it on things, and that is stimulative.

Now we are in a situation where we are being told: Of course, we agree on those things, but we do not want to go forward with it. And I say, why?

With all due respect to the Republican leadership and the people on the Republican side, maybe there is a game being played called a ''blame game.'' In yesterday's Daily Monitor, which comes out actually in the evening, the publication reports they had a conversation with Senator LOTT.

A paragraph out of the Daily Monitor reads:

> Lott predicted many amendments would be offered. Asked whether that would mean debate would likely last through next Tuesday, the day of President Bush's State of the Union Address, Lott said it might, paused, then winked.

Those people were saying there was a lot of laughter after his wink.

> Bush is expected to propose his own stimulus plan in the speech.

That is what this is all about. This is what it has been about for a long time. We are trying to come forward with a stimulus package that helps the American people.

Some of their proposals have merit, some of our proposals have merit, but not enough to get 60 votes. So why do we not do those things we agree on? The answer is not blowing in the wind. The answer is the minority does not want a stimulus package to pass prior to the State of the Union Message next Tuesday. It is as simple as that.

So no matter how much good faith Senator DASCHLE might show, no matter how much common sense Senator DASCHLE may pronounce, the fact is it appears they are not going to let us do anything until after next Tuesday, which is too bad.

I attended a meeting at the White House yesterday with the President, Senator DASCHLE, and the Republican leadership. Statements were made, and there was a lot of feel-good stuff about ''we need to work together,'' and we do. But winks and nods are not the way to pass legislation. The way to pass legislation is to agree on things we agree on and move forward with that.

As far as the things we do not agree on, Senator DASCHLE has suggested yesterday and on several occasions, let us come with the package he has suggested and have each side offer amendments, two amendments, three amendments, four amendments. We could complete those by week's end. Certainly we can do it by the State of the Union date.

I assume we could go one step further. It was even suggested we put time limits on each of those amendments, an hour or 2 hours on each amendment. But, no, we waited. The Republicans held a conference yesterday evening starting at 5:30 and it went for a couple of hours to determine whether they should proceed on the suggestion of Senator DASCHLE that we go forward with what both parties agree on.

Now maybe there should be more stimulus to this economy than that, but at least it would be something to start with. Think of the unemployed as an example. Think also of the small businesspeople who could really use a depreciation allowance that was bigger and broader than the one now. That is one of the things everyone agrees on, but yet they are waiting in the wings.

What about States who are desperate for Medicare help, why are we not doing something there? Everybody says we should do it. Well, I am sorry to say it is because of the wink. We are going to stall things until Tuesday night, and then the President can come and speak on national television and say, why can Congress not get together and give us a stimulus package?

I say to the American people, I say to the people in my State of Nevada, we could have a stimulus package in the next day or two if we go forward on this proposal to agree on what is agreed upon by everyone. There is no dispute. No one is coming and saying we do not agree on those four things that Senator DASCHLE wants. Everybody agrees on those. What they are unwilling to do is to take away the fact

that President Bush has already written his speech and he has a paragraph or two long paragraphs, about the country being in an economic strait and we need a stimulus package, and why will Congress not work with him to get a stimulus package.

I could help write that speech because that is what it is going to be about. I do not think I need to help write the speech because it has already been written and they do not want to change any words of that speech. They want to proceed and try to come up with a political advantage in saying the Democrats, led by Senator DASCHLE, will not allow them to go forward on a stimulus package. I am saying that is untrue. It is unfair. It is unrealistic.

Common sense dictates we should go forward with a program that everyone agrees we should go forward with, costing about $70 billion. It would be $70 billion worth of stimulus that would be reciprocated numerous times and help the economy.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I will take a few minutes to explain what I think is really going on. There is an old saying that if you let me define the terms of the debate, I will win the debate every time. That, I think, is what the majority leader and the assistant majority leader are trying to do today. They are suggesting, with a straight face, that the proposal is agreed to by both sides, so why should we not proceed with it and who would want to amend it?

Well, it is not agreed to by both sides. Let us get back to the definition. Something that is called an agreement, that both sides have agreed to the provisions of, would seemingly be something that could pass very quickly, and that would not be amended.

So why are those of us on this side of the aisle saying, ''Wait a minute, you are trying to hijack the President's stimulus package, redo it the way you want it, and still characterize it as something that we agree with?'' We do not agree with it.

What happened is after September 11, whether the economy was beginning to improve by then or not, it was clear the events of September 11 were driving our economy down, especially in the travel and tourism area but all throughout the economy. Large and small businesses both were beginning to suffer. People stopped traveling. They did not invest as much. Businesses were not investing as much. The President very quickly called for a proposal that would stimulate the economy and protect and create new jobs.

That was the essence of his proposal, to protect jobs and to create new jobs. In fact, he was able to put together a program and propose it on October 4 and 5, about 3 weeks after the September 11 event, and he called upon Congress to join him in this effort.

Some of us on this side of the aisle were urging the President to propose certain things we thought would be very effective in stimulating the economy, and the President said no. He said that while he agreed with us that cutting the capital gains tax and making the tax cuts permanent and doing things of that sort would really help to stimulate the economy and protect jobs, he was not going to propose that in his package because now that we are in a time of war, he believed that he had to act in a bipartisan way to promote unity among our leaders in Washington, and to get both Democrats and Republicans to quickly agree on a package we can pass in Congress and he could sign into law. That is what is needed for the American people. He said, I am going to propose a package that includes a few of the things that Republicans think are good ideas to stimulate the economy and a few of the things our friends on the Democratic side believe should be in such a package, and I will present that in a bipartisan way.

He did that on October 4 and 5. There were ideas that represented the main themes of both political parties. Republicans had primarily asked for a repeal of the corporate alternative minimum tax, acceleration of all marginal income tax reductions, and accelerated enhanced depreciation. Those were the kinds of things that Alan Greenspan and others who came before our Finance Committee said would help stimulate the economy and get over what he defined as an ''investment recession.'' In other words, businesses were not doing enough to make capital expenditures. These kinds of provisions would help provide the incentive for those capital expenditures.

Democrats had called for other things: Payments to nontaxpayers who were not part of the rebate program from the original tax cuts of 2001, an extension of unemployment insurance, and grants to States for health benefits for displaced workers.

The President said: I will take those three components that our Democratic friends supported, I will take the three components that some Democrats and Republicans support, and I will put them together in a bipartisan bill in the hope we can quickly, in a unified, bipartisan way, enact this package for the benefit of all Americans.

By the way, the House quickly passed a version of what the President proposed, but not exactly what he proposed. The majority leader in the Senate said no.

Let me fast forward, before going through the rest of the history, what the majority leader and the assistant majority leader have talked about this morning, something they call a lowest common denominator package, something to which both sides agree. They have defined it that way. What they have done is take the things from the President's original proposal that they wanted and said: We agree to those, so that is our package. By the way, we will take one of the things the President wanted and stick it in there. That means we have a bipartisan, lowest common denominator package. Why can't we just pass this little bill? At least we both agree on it.

As the assistant majority leader said: Maybe there should be more stimulus in the bill. Indeed, there should be more stimulus in the bill. There is only one item in the bill that provides any kind of stimulus to the economy, only one item, the accelerated depreciation—which we still don't know the details of—that provides investment incentive to protect and create new jobs. It is clearly not a stimulus package.

However, by defining what we have agreed upon as what you have agreed upon, they have tried to hijack the President's proposal and recharacterize it as something it is not. It is not something we have agreed upon. The President would never have proposed just the items in this bill and said, that is good enough for me, it is a balanced package.

It is designed to provide benefits to people who are unemployed. That does not stimulate the economy. But the President believed that was important to do. At the same time, it included limits that would actually provide more incentive for investment—that critical element of capital that is needed to spur the economy and protect and create jobs.

The Democratic leader has said: Fine, I will take one part—the part I like—say we have not agreed on the rest, and define that as a bill upon which we have all agreed. It reminds me of the old saying: What is mine is mine, and what is yours is up for grabs.

They basically pocketed what the President was proposing as a compromise, a bipartisan proposal, taken the part they liked, rejected what they did not like, and then said: Why not bring that to the floor and have a vote on it? After all, it was part of what the President proposed. Exactly. It was ''part'' of what the President proposed, but not, importantly, the part that would stimulate the economy.

I am all for helping those who are unemployed. The President made a big point of wanting to help those who are unemployed and therefore to extend the unemployment benefits. However, I think we all agree, people would rather have a paycheck than an unemployment check. This bill does virtually nothing to stimulate the economy, to protect jobs, and to create new jobs. It would be a sham.

When the minority leader yesterday said, you bet it will take beyond next Tuesday to get this right, all he was doing was stating a fact that, without amendments to this bill which provide real stimulus, of course we could not, with a straight face, vote on this bill and call it a stimulus package. Of course, the President is right next Tuesday to urge us to do what he asked us to do in early October, throughout the month of October, throughout the

month of November, and then December, until we finally went home on December 22 without having acted on a stimulus package.

The economy is still not doing very well. People are still out of work. What the President is going to be asking is to please get on with the job of enacting a bill and to not redefine this by simply taking what you like out of his proposal and recharacterizing that as a lowest common denominator agreement upon which we both agreed.

I see the distinguished majority leader is here. Before I conclude my remarks, let me make this statement. I think the proposal he has made here treats the President in a very unfair way. I know the President was trying to reach out to the other side, to include things the other side wanted, and that he wanted, in an effort to be bipartisan, in an effort to try to get this done quickly, so we wouldn't be into next year, the year 2002, when we finally passed a stimulus package. I do know for a fact, he left things out I would have liked to have seen in there. I don't think the distinguished majority leader probably would have liked them very much. The President knew that. He didn't want to have a highly partisan bill. He didn't want to have a particularly controversial bill. That is why he proposed a balanced package.

I think it takes unfair advantage of the President, in his offer to be bipartisan and to try to get this done quickly, to just take the part you like and say, that is the part we agree with, we reject almost all the rest of it, but why not pass that?

Let me go back a little bit in time to review what happened. After the President made his proposal on October 4 and 5, the House passed a bill. The Finance Committee, on which I sit, began to work on the bill. By the way, remember, the Finance Committee enacted a bipartisan tax cut proposal earlier in the year, so it is a committee that has in the past and even began last year working together in a bipartisan fashion to get things done. I thought I could do that with the stimulus package, taking the President's proposal, perhaps modifying it, but trying our best to come up with something that would be passed in a bipartisan and quick fashion. It turned out that the Finance Committee was not going to write the bill. It would be written in a partisan fashion by just one party, not both. When the package finally came before the committee, I thought it was interesting, I never could figure out who claimed parentage of it.

Several leaders on the Democratic side said actually they didn't write it, and with good reason: It was not something of which to be proud. It had $54 billion in new spending; only $21 billion could be characterized remotely as stimulative measures. Out of a total of $117 billion in the bill, it had $5 billion in extra agricultural spending, provisions added in the dead of night to bring Democrats on board—and also, in my personal view, as a means of getting some of the special interests on board on the bill.

For example, the Commodity Purchase Program, and expenditures for things such as soybeans, pumpkins, snap beans, rum, tuna—all kinds of things—special tax credits for Amtrak, almost all of which have virtually nothing to do with getting the economy going again as a result of the September 11 events, but all of which were designed to bring more people on to support the bill.

Needless to say, that bill could never pass. It was voted out of committee on a strictly party line vote and obviously did not pass before the end of the session. The President, in an effort to try to move this thing along, kept encouraging us to develop a bill that could pass. The House passed another bill which I thought was a much better bill than the first bill they passed and much more along the lines that some of our colleagues on the Democratic side were proposing. Still, that bill did not come before the Chamber.

Finally, in desperation, in mid-December, a group of Democrats and Republicans in the Senate—the so-called centrist group—got together and developed a proposal that they thought would at least be an approach to stimulus as well as taking care of unemployed workers and be representative of the compromise that might bring about the President's agreement, and which they could then propose to the Senate and get it passed.

They took it down to the White House and met with the President. He said: OK, you have a deal. It isn't what I originally proposed, but it is a great effort at compromise, and I will agree to it, and I will agree to sign it; it is passed.

The President urged those of us on the Republican side of the aisle in the Senate to lay aside the other things we wanted to try to accomplish in this bill in an effort to get this finished before we went home for Christmas—to agree to the centrist coalition approach the Senator from Iowa, Mr. GRASSLEY, described, part of which was in his remarks earlier.

I also confess that I wasn't enamored by some of the provisions of the bill. I thought it did far too little to stimulate the economy. But in an effort to reach bipartisan compromise and get this done before the end of the year, as far as I know, virtually all of my colleagues on the Republican side of the Senate agreed to support that centrist, bipartisan approach which the President said he would sign.

Still, the majority leader said no. Instead of taking that proposal up, we took up the railroad retirement bill, a big agricultural spending bill, and some other items before we went home for Christmas and the New Year's recess. We didn't do a stimulus package.

Now, we come back in January after the recess when a lot of criticism has been heaped upon those who prevented us from getting a stimulus package voted on, passed, and sent to the President. The American people are not happy with the status quo. I think they understand with the President that we should have done something a long time ago but that it still is not too late to try to help our economy. People continue to be laid off around the country. We have to help them, not only by temporarily extending their unemployment benefits but, as I said before, to get them a paycheck and not just unemployment checks. That means providing the capital for investment that will create the jobs that will put them back to work and get the economy moving again.

That is what the President proposed today. It is what the second House proposal did. It is what, at least to some extent, the centrist coalition proposal would do, and it is necessary that we get on with that job.

What is before us today is not that kind of proposal. What is before us today is not a compromise. What is before us today is not something that has been ''agreed to'' by both sides. It has been characterized by our colleagues on the other side of the aisle as moving forward on what we agreed on. That is a mischaracterization. As I said before, it is taking some pieces of the bipartisan proposal the President suggested, pocketing those, and saying: Well, we both agreed on that. We are going to reject the rest of what you proposed, Mr. President, but since you proposed this as part of your package, we will characterize that as what we agreed on, and that is what we will vote on here.

That is incorrect, and, as I said before, I think it is taking advantage of the President's good faith efforts to try to move something forward with which both sides could identify and which would have gotten the economy moving back in October of last year.

That is why on this side we have said we are happy to now have this stimulus bill on the floor. We can finally begin debating what is necessary to get this economy moving again, take care of the people who are unemployed today, and make sure we can get them back to work tomorrow. That is the key. But in order to do that, we are going to have to put something in this bill that actually provides stimulus and will help to actually put more capital investment into the system so jobs can be created and people can go back to work.

We can't simply accept what has been put on the floor here, which, as I said before, has essentially no stimulus effect in it. That is why we are not going to agree to a process which would terminate our ability to offer amendments which we see as necessary to try to get this bill back to a more balanced kind of a bill and to try to provide something that will actually stimulate the economy.

I will have more to say about this. I see some of my colleagues on the other

side. I am, frankly, curious to see what their approach to this is, given the fact it should be very clear by now that they can no longer characterize this as a bill comprised of things we agreed upon, because we don't agree to them.

Three of the four items were in the President's package. In one form or another, they were in packages we were willing to support as long as they were accompanied by other provisions, but not standing alone. Standing alone, there will be virtually nothing to stimulate the economy. And I don't think we can with a straight face, therefore, say this is a job creation, stimulus package. With the amendments we could propose, we could get them. If our colleagues on the other side will be open minded about some of those amendments, I think we can get there.

As a matter of fact, we have a couple of amendments ready to go. We will, I think, have majority support on the other side of the aisle. I regret that probably it is going to take 60 votes to pass any amendment because of the rules of the Senate. I am not objecting to the rules. I understand those rules. But because any amendment is probably going to take 60 votes, it will be very hard for any amendment to pass. As a result, we will probably be stuck with the bill that has already been laid down.

But I think it will be interesting to see whether a majority of our colleagues will actually agree to certain proposals such as that offered by the centrist coalition. That should suggest there is a bipartisan way to proceed here.

I just hope my colleagues on the other side of the aisle will agree that in that circumstance, if at least a majority of the Senate is willing to vote on a compromise package that will have a stimulative effect, we have an obligation to get this done for the sake of the American people sooner rather than later and that maybe we could work together and accomplish this result without too many more days having elapsed.

I will have a little more to say about this in the future. I hope very much that we can over the next few days get to a point where we can pass a bill, go to conference with the House of Representatives, and quickly present the President with a bill that will get people back to work in this country and get our great economic engine moving forward full steam ahead.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that I be able to follow the majority leader.

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

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. REED). Without objection, it is so ordered.

The majority leader is recognized.

Mr. DASCHLE. Mr. President, about an hour ago I noted that we have a lot of work to do in a very short period of time. We have talked jointly—Republicans and Democrats—about the need to do not only economic stimulus but the farm bill, the energy bill, and the election reform bill. We have 2 days this week. We have only 2 days next week. And then we have 2 weeks before the Founders' Day recess.

I do not know how we can accommodate all of those unless we can move this legislation forward. We had lengthy debates about the economic stimulus bill for weeks in the remaining period prior to the end of the last session.

I suggested to Senator LOTT yesterday that perhaps one way we could expedite the consideration of this bill, without any time limits, is simply to get a limit on amendments. I have been told there are some on the Republican side who would rather not complete work on this bill perhaps not only not this week or next week but until the week after. I hope that is not the case.

There is much to be done. As I said, I think there is mutual advantage to getting it done. So I indicated about an hour ago that I would propose a unanimous consent request that would simply recognize the facts I have just stated. I am not wedded to the particular amendment limit I have suggested in this unanimous consent request. I am going to be proposing we limit amendments on either side to four each. That would accommodate Senators on either side who may wish to add to this common ground package I have suggested. They can offer a substitute. They can do any one of a number of things. If four does not work, I am happy to entertain an alternative number. But we have to start with something. So that is my intention.

UNANIMOUS CONSENT REQUEST

Mr. President, I now ask unanimous consent that there be four first-degree amendments in order for each leader or their designees to the pending matter; that if the Senate passes H.R. 622, as amended, then the Senate immediately turn to the consideration of H.R. 3529, the House stimulus bill; that all after the enacting clause be stricken and the text of H.R. 622, as passed, be substituted in lieu thereof; the bill be read a third time and passed; the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees.

The PRESIDING OFFICER. Is there objection?

Mr. KYL. Mr. President, I object and just note that I do so on behalf of the minority leader as well as myself. I note there is no intention to delay. If we could pass the bipartisan Centrist Coalition amendment and not have a point of order raised on that, we could have this done by this afternoon. So the object is not to delay. The object is to try to make sure we have a good bill.

The PRESIDING OFFICER. Objection is heard.

Under the previous order, the Senator from Minnesota is recognized.

Mr. NICKLES. Will the Senator from Minnesota yield just for a couple of minutes?

Mr. WELLSTONE. I will be pleased to yield. I will follow the Senator.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. I tell my good friend and colleague, the majority leader, his request was to take up the bill he introduced and have a few amendments on it, and objection was heard on that—I think for good reason. But I will tell my friend and colleague, if the majority leader is willing to take up the House-passed tax bill, I will work with him to come up with a limited number of amendments and see if we can't get that passed in the next couple of days.

So if he will modify his request, and instead of using the bill he introduced, to make that the House-passed tax bill, I will work with him to come up with an agreement to limit the amendments and try to get it passed in a very expedited fashion.

I yield the floor. I just wanted to let my colleague know that.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. If the majority leader wants to respond, I will withhold for the majority leader.

Mr. DASCHLE. I thank the Senator from Minnesota.

I will be brief. Let me just say, the whole purpose in this exercise is to find common ground. If this isn't the common ground, I am willing to entertain any amendment that might be viewed as better common ground. But we know that whatever common ground proposal we find has to attain at least a 60-vote threshold.

We know the House-passed bill will not reach a 60-vote threshold. We know the Democratic proposal will not reach a 60-vote threshold. So simply to take up a bill that we know will fail does not get us any further along.

The whole idea, as I said at the beginning, is to seek some compromise that would allow us a 60-vote threshold. So we are still waiting. We are still searching. We are still hoping we can offer amendments in the effort to accommodate that goal—a 60-vote threshold.

So I appreciate the kind offer of the Senator from Oklahoma, but I think he knows, as I do, that isn't going to get us where we need to go if we are going to complete our work on this bill.

Mr. DORGAN. Will the Senator from South Dakota, the majority leader, yield?

The PRESIDING OFFICER. The Senator from Minnesota controls the time.

Mr. DORGAN. I ask if I might inquire of the majority leader.

Mr. WELLSTONE. Please.

Mr. DORGAN. I just listened to a rather lengthy discussion by the Senator from Arizona about where we are and how we got here. He characterized the position of the majority leader as having been unwilling to compromise on virtually anything at any time for any period of time. That, it seems to me, is at odds with what has happened in the last couple months in relation to economic recovery or the stimulus package.

I wonder if the Senator from South Dakota could respond to those rather lengthy comments about his so-called failure to compromise on these provision.

My observation, I would say, has been that the majority leader has been willing to compromise on virtually all of these provisions in order to try to reach an agreement. But despite those compromises, there has not been any budging on the other side.

Could the Senator from South Dakota, the majority leader, respond to the assertions we have just heard from the Senator from Arizona?

Mr. DASCHLE. Unfortunately, I was not in the Chamber when the Senator from Arizona made his remarks, so it would be difficult for me to comment specifically. But if that is the tenor of the comment made by the Senator, let me simply refer him to my opening remarks today which I made about an hour ago.

I had a chart that showed, in a circle, the proposals made by the Republicans and, in a circle, the proposals made by the Democrats. There is an overlap of those two circles.

The list of items in that overlapped part of the two circles is what we have before us. They are not word for word identically proposed. They are different. The concepts are different.

I appreciate the senior Senator from Minnesota helping me with my visual aids, handing me this chart. On this chart is shown the common middle area which comprises several issues that are common to both Republican and Democratic proposals.

We both have proposed unemployment benefits. We both have proposed tax rebates. We both have proposed bonus depreciation. We both have proposed fiscal relief for States.

Mr. NICKLES. Will the Senator yield?

Mr. DASCHLE. As I said, they are not identical, but the components are found in both bills. If that isn't the definition of ''compromise,'' I honestly do not know what is.

All I am suggesting is, we take that as the base vehicle and use it as the subject for whatever amendments Senators wish to offer. So that is really the issue.

The Senator from Minnesota has been very kind with his time. I appreciate him yielding to me.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I just will build on what I think the majority leader was saying. I will be very honest. I was listening to him propound this unanimous consent request, and I was thinking: We are talking about four provisions. I don't know how any Senator can disagree with any of them: The tax rebates, the business relief—we can go over all of them—the State stimulus which is critically important for Medicaid, and the extension of 13 weeks of unemployment benefits.

Then I think the request was saying there would be two—how many amendments on each side?—four amendments all together.

Mr. DASCHLE. No. No. If the Senator will yield, let me make sure everyone understands the proposal. The proposal was that either caucus have a minimum of four amendments to offer in addition. So there would be amendments to the package proposed as the common ground vehicle.

Mr. WELLSTONE. So what I was thinking about was: Look, I can think of a number of amendments I would want to do alone, which would extend unemployment benefits beyond 13 weeks, which would bump up the benefits, which would increase the eligibility. What about health care assistance? I am thinking that might not be enough.

But then I was thinking: Look, here is what we agree on; and then Senators from both sides of the aisle can bring other amendments to the floor. And I am sure the distinguished Senators from Oklahoma or Wyoming have other ideas. So do several other Senators. And then we just move forward. We have amendments. We vote on them.

We are all accountable for our votes. But we do the work of democracy as opposed to one big, gigantic stall, which is what we are actually experiencing right now. That is what this is about.

I simply want to say that, to me—I keep struggling to do this. I keep struggling to connect all this sort of strategy and tactics with people's lives back home. Sometimes it is hard to do it. We get here and get so caught up in how we are going to get it done.

The majority leader is trying to move this forward now. But I will tell you, there are so many people who are flat on their backs through no fault of their own. They are running out—if they have not already—of unemployment insurance. They do not have any health care coverage.

The States are in a world of trouble right now in terms of their own budgets and Medicaid costs. We could pass this. And maybe there will be some amendments that will be introduced on both sides that will improve upon this. Political truth is elusive.

My guess is the definition of ''improvement'' of several of my colleagues from the other side might not be my definition. I will have amendments. I will want to make sure that families can afford to purchase health insurance for themselves and their loved ones. I will want to make sure that part-time workers and working poor are eligible for unemployment insurance and that they get better benefits. And colleagues from the other side will have other amendments.

Let's be very clear about this. This is one big, gigantic stall. The whole idea is, let's just put it off. Let's not move forward. It is just one big coordinated political strategy. Maybe it is a great political strategy. But from the point of view of people back home, it is not.

I heard my colleague from Arizona—and this is the last thing I will say about the past; then I will look forward from today on—about how we didn't do the work before the break and how the Democrats didn't do this and didn't do that and there was no ''stimulus plan.'' If my memory serves me correctly—again, the Senator from Arizona might not agree—indeed, we had an economic recovery plan. There were 53 votes or maybe 54 votes, and it was blocked on a procedural point. Some would view it as filibuster. We didn't get 60 votes. We had a plan. There were some Republicans who supported it. It was terribly important, and it was blocked.

Now my colleagues are just dying to bring over the House measure. I can't remember whether it has the big Enron bailout money in it now or not. Frankly, the House of Representatives tried so hard to reach back to the mid-1980s and get as many billion-dollar or half-a-billion-dollar breaks to this large company or that large company or this family with an income over $500,000 or this family with an income of $1 million, I can't even remember all they were trying to do.

With all due respect, ''Robin Hood in reverse'' tax cuts with 50 percent plus of the benefits going to the top 1 percent, not even scheduled to take effect for a couple of years, much less giving $1 billion here and $1 billion there to a different multinational corporation, Enron at one point in time included—that may be too embarrassing to do any longer—I don't think it has a heck of a lot to do with economic recovery.

Economic recovery is the here and now. Economic recovery is how you help people who are flat on their backs. Economic recovery is how you help people consume. Economic recovery is Keynesian economics. Economic recovery is how you have a stimulus that really jump starts the economy now. Economic recovery is strategic investment in the economy to get the economy going, not ''Robin Hood in reverse'' tax cuts, not $1 billion here or a half a billion there for this big company and that big multinational corporation, not even scheduled to take effect right now, having nothing to do with getting the economy going right now.

But I will tell you what it does do. We will see a lot of this over the next couple of weeks. What it does do is assure a huge, ideological victory for Senators who believe that when it comes to the most pressing issues of people's lives, there is not much the

Government can or should do which, by the way, is a great philosophy when you own your own large corporation. It doesn't work for the vast majority of families and working people in our States.

If we go forward with what my colleagues are talking about—and I certainly would love for us to go forward; I would like for this unanimous consent request to be accepted—we will start with what Senator DASCHLE has offered. I don't think very many Senators are opposed to any of these provisions. The Senator from Oklahoma is. In which case, we will have debate. Then we will have an up-or-down vote. Then there will be other amendments. And all of that will work out.

But the other part of this is, with all due respect, I think what is happening here right now is, it is about more than economic recovery. That is part of it. This is a big, gigantic stall. My colleagues from the other side of the aisle don't want to move forward on this economic recovery package. We could move forward. We have a minimum of four amendments on each side. We debate them, and we vote on them. And people back home hold us accountable. In addition, what we can agree on, we agree on, which will provide at least some help for people and maybe even some help for the economy.

I am not sure actually whether or not we have anywhere near enough of an economic recovery package here, but I sure would like to start with what we agree on. I would sure not like to see this stalled out.

The other agenda I want to speak on for a minute or two is this gigantic stall today in the context of trying to add on to the tax cuts which are going to bleed this economy. The truth is, all this discussion, CBO analysis about deficits and where we are going, not only raises questions about the surplus, but you are going to see it in the President's budget plan. You will see a budget plan that basically is going to say, forget the commitment to fully funding IDEA, kids with special needs, and helping out schools and education in our States.

That is all I am hearing about back in Minnesota. When I go to the school board meetings, 1,000 people show up at a time. The surpluses are gone. Teachers are being eliminated. Class sizes are going up. Afterschool programs are being eliminated, huge fees for co-curricular activities, be it music or athletics, on and on. And people are saying to me: PAUL, thanks. The Senate did a pretty good job on this, a real good job, bipartisan, voted for full funding for kids with special needs. It would have been $2 billion more for our State over the next 10 years. It would have made a difference. It would have been $45 million this year.

It was blocked by House Republican leaders, blocked by the administration. I do no damage to the truth. That is what happened. Do you think now we are going to get more of a commitment? Are we going to get anywhere near full funding? Are we going to get anywhere near the resources from the Federal Government back to our school districts, including what we promised? No.

And now my colleagues want to add even more ''Robin Hood in reverse'' tax cuts, going to the top 1 percent big multinational companies. That means we have no resources. That is what it is all about. If you don't think we should be doing much by way of education and you don't think we should live up to our promise of prescription drug benefits for the elderly, building on to Medicare, and if you don't think we should do anything about the crisis in affordable housing, I argue to the Chair, who does so much work in education, that affordable housing is becoming the second most important educational program in the country. When 8-year-olds are moving two and three times a year because their families can't afford housing, it is real hard for them to do well in school.

I could go on and on because, frankly, it is going to all go on and on. You are going to see it when it comes to the commitment to transportation infrastructure. Veterans are going to ask, what happened to them; how come people are not saying this to them any longer, above and beyond the Fourth of July parades? Across the board, that is what we are going to see.

We are heading for a huge debate where the differences make a difference. That is fine with me. It doesn't need to be done. The Senator from Oklahoma came by. We shook hands, had a good time. I like to mix it up with people. It is my nature to like people. But we will just have the differences.

The Senator from Texas is out here. He knows what that is about. That is fine. It will be an intellectually honest debate about the role of government, about pressing issues in people's lives, about priorities, about where we make our investments, about how we raise money, about who we support, about how we invest in the economy, about what we do for our children, about whether or not we protect the environment. All of these issues can be debated and should be.

What I am little bit skeptical about now is just a big stall. This isn't like a big debate. This is a big stall. That is what my colleagues on the other side of the aisle are about right now.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I listened with interest today to my colleague from Arizona, and now my colleague from Minnesota, on this subject of economic recovery. This is a critically important subject. This is not the normal run-of-the-mill policy that we debate here in the Senate. Our economy is in some trouble, and I am not sure any of us quite understand how much trouble. It is a new economy. We don't have models by which we can judge what happened in the past and therefore project what might happen in the future. This is a new global economy that operates and behaves in ways that are different than perhaps represent our conventional understanding.

I know my friend from Minnesota mentioned that our colleague from Texas, who is in the Chamber, came from a background of teaching economics, I believe, in college. I, too, briefly taught economics in college. I like to say that I have gone on, nonetheless, to overcome that experience and lead a reasonably productive life.

The field of economics is not much more than psychology pumped up with a little helium. We have all kinds of economists in this country who will give us their best guess of what has happened and what will happen. But nobody really knows.

We have heard suggestions from respected economists in America, Nobel Prize winners no less, that we have an economy that is in a recession; that we have rather substantial overcapacity in this economy, and the most effective way to jumpstart this economy is to do the kinds of things that represent a boost in consumption. This morning, one of my colleagues talked about increasing business investments. Perhaps there is a need for some of that. But most economist will tell you that during a time of recession, when you have overcapacity, the quickest way to jumpstart an economy is to boost consumption.

What menu of plans has been introduced that would do that? One of my concerns is that there is almost no room to be critical of a plan these days because if you are critical, somehow you are taking on the President in an unfair way.

I gave the response to the President's radio address a couple weeks ago, and I received a letter from a guy who said he was listening and almost drove off the road when he heard me. It was a shrill, partisan letter. Some of us receive those periodically. My response to the radio address—about the first one-third of it was about what a outstanding job this President has done prosecuting the war against terrorism. I complimented him and Secretary Powell and Secretary Rumsfeld and others. I talked at great length about that.

Then I said, on the subject of economic recovery, that we have differences. I talked about those differences. I debated the differences in policy. Norman Vincent Peale once said: Most people would rather be ruined by praise than saved by criticism.

There is nothing, in my judgment, that injures this country by having a full-scale debate break out on something that represents important public policy.

Let me talk a bit about some of the ideas that have been brought forward on the subject of economic recovery. In my judgment, the goofiest idea, if I can

use that term, came from the House Ways and Means Committee. We just had a colleague suggest that we start with that bill here on the floor of the Senate. The proposition is that we go back to 1988 and provide tax rebates to large corporations for the alternative minimum taxes they paid over the last 14 years. Somehow that is represented to be a piece of economic recovery policy.

That is not going to promote economic recovery. It doesn't have the foggiest thing to do with economic recovery. It has everything to do with writing a very big check to some of the biggest corporations in this country. They paid tax under what is called a ''minimum tax'' because in the 1980s we decided we didn't want to have companies making billions of dollars in net profit and paying zero in taxes. We thought there ought to be some minimum at least. That was the proposition.

But, of course, the House Ways and Means Committee, on which I used to serve, wrote a bill that said, by the way, let's provide rebate checks to all those companies that had to pay minimum taxes dating back to 1988, such as IBM. We will give them a $1.4 billion check. Ford Motor Company—give them a billion-dollar check.

Does anybody think that will promote economic recovery in this country, when we are in a recession and have overcapacity in the economy. No, that is just a giveaway. I will not apologize to anybody for having passion about public policy and saying, when somebody recommends doing something that will increase the deficit, that augurs against the interests of the average American citizen and will do nothing to help the economic recovery but will enrich those who don't deserve that by giving them rebates for taxes they should have paid—minimum taxes, not regular taxes. Nobody deserves an apology from those of us who say that makes no sense; that won't help this country.

So we have a debate about those kinds of policies. I use that just as one example. My colleague, the majority leader, said let's take those areas of intersection between what the President and others have proposed, and where there is common ground, let's offer that, have amendments to it, and pass it.

One area is extended unemployment benefits to those who have lost their jobs. Two months in a row, we have had news that 400,000 American people have lost their jobs. So 400,000 additional Americans came home from work one night and had to tell their families that they got a notice that they had lost their jobs.

Do you know who most of them are? Most of them are families who know about second shifts, second jobs, secondhand, and second mortgages. These are the families at the bottom of the economic ladder, and they know about these things. They are the first to lose jobs in a recession.

Now, we asked 11 of the leading economists in this country what we could do to give this economy a boost, what would really promote economic recovery. Virtually every single one of them said this: If you extend unemployment benefits to those who have lost their jobs during an economic downturn, that money is immediately spent by those who receive it because they need it. They need a helping hand during tough times. When they are down and out, they need a hand. They will spend that money immediately. That is exactly the kind of help that stimulates the economy. That is what we have done in every economic downturn in the last 25 years.

So that is a provision the majority leader brings to the floor today that says: Look, the President says he supports that; we support that. Let's take that provision and pass that provision. Three additional provisions represent the same approach—common provisions agreed to by virtually everyone. He says let's move that which we can move, allow people to offer amendments to it, but let's not drag our feet any longer on these issues. Let's have some movement and action to try to give the economy a lift, with policies that we know and which economists tell us will help this economy recover.

We talked a great deal in this Chamber about policies in kind of an antiseptic way. There is not much about real people and the effect of policies on real people. Just take one of those 400,000 people who, in October, had to tell their family they had lost their job, or one of those 400,000 people, in November, who had to tell their family: I have lost my job, but it wasn't my fault. This economy is in a recession.

It was in a recession prior to September 11, and then those two airplanes that ran into that World Trade Center and murdered thousands of innocent Americans. That act of terror and mass murder cut a hole in this country's belly and created additional victims. They are people who lost their jobs because this economy continued to slow down even more following those terrorist attacks. So those people came home at night to say to their families: I have lost my job, my ability to make a living.

It is said that the unemployment rate is 5.8 percent. For someone who goes home having to tell their family they have lost their ability to make a living, their unemployment statistic is 100 percent. They have lost their job. That is pretty tragic for families to have to explain to others that they no longer have a paycheck coming in. In most case, these are hard-working Americans. They are at the bottom of the economic ladder, scratching and clawing and trying very hard to move up and do well for their families.

In a recession, in an economy that turns sour, it almost always injures them first.

That is why this provision at the very least ought to be embraced by everyone immediately.

Mr. President, I will make one additional comment. If politics was hot air, there would be enough to lift this building. I understand all that. But, frankly, on both sides of the aisle, we have men and women of good faith who really want to do the right thing. Let's try to find a key today to unlock this and find a way for Democrats and Republicans, conservatives, liberals, and moderates to understand that we all live in the same country. We all live on this same spaceship Earth. We are all Americans, and we want what is best for our country.

It is not disloyal to break out in open debate about one policy or another, but at the end of the day, we must compromise. We must find a way to reach common agreement in ways that will help the American economy. I hope that is the case.

Let me finish as I started. I think this President deserves the praise of the American people and this Congress for many things in recent months. I think the leaders of this Congress—my colleagues, Senator DASCHLE and Senator LOTT—deserve praise in many ways for a lot of the things they have done to bring us together to deal with the threat to our country. I want to provide the same kind of praise to all of us for coming together—the President, yes, Senator LOTT and Senator DASCHLE—to reach agreement now on an economic recovery package.

What the majority leader has proposed makes good sense to me. He said we have all kinds of plans out there. Let's take that area where those plans intersect and we have reasonably common agreement. Let us move those and then come back and see if we can reach agreement on others, or take those areas of common agreement, offer some amendments to them, and see where the votes are and then move forward.

What the majority leader has proposed makes good sense. I hope others will embrace it today.

In the end, I am not interested in what is good for the Republican or the Democratic Party or the President or Congress. There is not a Republican or a Democratic way to go broke. There is not a Republican or Democratic way to lose your job. It is not a partisan thing to have to tell your family that you lost your job yesterday.

This is not about politics. It is about whether we are going to do the right thing for the American people. Yes, for businesses, many of which are struggling, and especially for families, many of whom have received the news of a job being lost in an economy that has turned sour.

What can we do to help this economy? A lot of the problems of this country we have talked about in recent days will be solved by a growing economy that provides opportunity and hope once again to families, to workers, and to businesses.

It is interesting, there is one story going around about a corporation that failed in this country. That is a tragedy as well. But it is always the case when we see these situations, somehow those at the top end up doing real well and those at the bottom end up losing their shirts.

In many cases, that is what happens in a recession as well. I hope we can understand that as we grapple with the questions of how do we pass legislation that gives this country's economy a chance to survive and how do we give American families and businesses some hope that tomorrow will be a better day, that they understand the American economy will offer opportunities for them again in the future.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I want to begin by talking about the history of how we came to where we are today. Then I want to talk about where we go from here.

When it became clear that the country was in a recession—in fact, before many people in Congress recognized that we faced an emergency situation—the President started to talk about a stimulus package. The President met with Democrats and Republicans.

I remember a day I went down to visit with the President as he was soliciting advice as to what should be in a stimulus package. My advice was that there are two things we could do that would dramatically help the economy and that during the recession not only would not cost us money, but incredibly would probably put money in the Treasury. Those two proposals—not surprisingly, given that I made them—were to cut the capital gains tax rate and to make the tax cut permanent.

From the time of John Kennedy, in each and every case where we have reduced the capital gains tax rate, we have encouraged people to more efficiently manage assets, we have encouraged investment, and people have actually paid higher taxes—at least in the short run and often in the long run—as a result of those changes.

It seemed to me then and it seems to me now that cutting the capital gains tax rate would be the cleanest, most efficient, least expensive way of stimulating the economy. In fact, for the remainder of this recession that action would almost certainly put money in the Treasury, not take it out.

In terms of making the tax cut permanent, what could be more destabilizing than having a Tax Code that is going to expire in 10 years? We tell people about how we are cutting their tax rates, we are eliminating the marriage penalty, we lowered the 15 percent rate, we will repeal the death tax, and yet everybody who has read the fine print knows in 10 years, because of a budget technicality, the old Tax Code comes back and a massive increase in taxes occurs in 1 day.

In fact, there is the absurdity that if you die today, you face one set of taxes on your small business or your family farm that you built up; if you die 9 years from now, you face no death taxes; and if you die 10 years from now, the Government takes 55 cents out of every dollar you have earned in your lifetime and takes it away from your family, often forcing people to sell their small business or sell their family farm.

What do you think people think about the prospects that if you die in 9 years, you pay no death tax, but if you die in 10, the Government takes 55 cents out of every dollar you earn? I, quite frankly, am concerned as to what is going to happen in that ninth year, with the kind of perverse incentives we have created.

I proposed to the President that we make this tax cut permanent. Supposedly, we intended it to be permanent and I thought the stability that would come from having that certainty would help the economy.

The President's response was that we had to come up with a package that was going to be bipartisan and that he did not believe those policies would be accepted by our Democratic colleagues and that they would become a lightning rod in the debate. Obviously, I did not agree with that, but the President came up with a proposal where over half the proposal came not from recommendations that Republicans made but from recommendations that Democrats made.

The President, however anybody wants to criticize him, basically sat down thinking that after September 11, something had really changed. I remember a colleague of mine sitting in my office saying: After the 11th, things have changed forever. I suggested that forever is a very long time. By January, the things that had changed in Congress about cooperation had pretty much changed back, unfortunately. But the President—and I say this as a great compliment to him—when he wrote his initial stimulus package, tried to take Democratic ideas and Republican ideas and come up with a bipartisan compromise that he thought might be adopted on a bipartisan basis.

So the debate started, and the House passed a bill. They passed it on a partisan basis. We had a debate in the Senate, but nobody could get to the 60 votes necessary to pass a bill, and we had an impasse.

Then a series of our more moderate Members—I was not a member of this group—got together, Democrats and Republicans, and came up with a bipartisan proposal. That bipartisan proposal basically picked and chose among various stimulus proposals that had been made. Based on the fact we clearly had a majority of Members of the Senate who were for this bipartisan proposal that emanated from the Senate, the House of Representatives passed that bipartisan proposal in the waning hours of the last session. That proposal then came to the Senate. However, Senator DASCHLE decided to not allow it to be considered, even though clearly a majority of Members of the Senate—Democrats and Republicans—were for that bill.

That is the way the last session ended. We are now in the new session. Senator DASCHLE approached our leadership and said: I am willing to bring up a stimulus package. But he was not willing to bring up the stimulus package the President proposed. He was not willing to bring up the stimulus package the bipartisan coalition proposed. What he wanted to do, in essence, was to take the provisions from the President's proposal that he agreed with, all of them in one form or another things the majority of Democrats were for, and he wanted to bring that up.

Now we are perfectly supportive of bringing that bill up. The majority leader ultimately can bring up any bill he wants to bring up, but our basic position is simple and straightforward, and I think anybody who is trying to be objective about this will see it makes sense. If we bring up the bipartisan bill that was put together by moderate Republicans and moderate Democrats, I think within that context we could have an agreement limiting the number of amendments we would debate. Senator DASCHLE and others would have an opportunity to offer a substitute or other amendments. Those of us who might want to strengthen the package from an economic stimulus point of view would have an opportunity to offer a couple of amendments, and that would be it. That would have been a reasonable and acceptable proposal.

The proposal the majority leader made, however, was to bring up a totally new bill, one-quarter of which—giving money to the States—was never in any of these other proposals I have seen. The President did not propose that. The House did not adopt that. Where that came from, I do not know.

The point is: We have a bill before the Senate, and my suggestion is we let the Senate work its will; that we have a series of amendments, a Democrat amendment, a Republican amendment; that we debate these issues. There clearly will be an amendment to expand the accelerated depreciation part of this bill. We have a bill before us that provides accelerated depreciation for about 9 months. We had a proposal initially for 3 years. There will almost certainly be an amendment on that and it ought to be voted on. We have had a lot of debate about overturning the tax cut, not letting it go into effect. Clearly, I think we can provide some certainty to investors and to consumers by having the Senate go on record that we are not going to overturn the tax cut.

I personally believe we will benefit the economy if we have the Senate make the repeal of the death tax permanent. I would like to have a vote on it. I am sure there will be many amendments, or some amendments, on the Democrat side, but it seems to me that

if one wants to make up their own proposal—and when they are the majority leader, they have the right to do that—they have to recognize other people may not support it and they will want an opportunity to present their ideas. That is how the Senate rules work.

If we had gone to something that had been agreed to by the majority of our Members to begin with, I think we might have limited amendments, but now I think what we need to do is to simply start the process of offering amendments. I do not know how long this is going to take. I do not think, quite frankly, it is going to take a terribly long time. I think there are issues that need to be voted on.

Finally, let me say we have a deficit. We have a deficit primarily because we have a recession. The second largest cause of the deficit has been the explosion in spending, most of which occurred in the last 3 months of the Clinton administration. An increase of over $120 billion in spending above the level we set out in the bipartisan balanced budget agreement occurred in a 3-month period, with a Republican Congress. I am not only pointing at Bill Clinton. A Republican Congress and Bill Clinton had a spending orgy, the likes of which I have not seen in almost a quarter of a century in the Senate.

The third thing is we have adopted a tax cut of $38 billion. Altogether, we have had over a $300 billion decline in the surplus. Some of our colleagues say the problem is the tax cut. But, that is only about one-tenth the size of the collapse of the surplus.

I know there are people on the Democrat side of the aisle who would like to raise taxes and to eliminate that tax cut. We certainly will have an opportunity to vote on that. But the bottom line is, we need a stimulus package. We are in a recession, and every penny we use to stimulate the economy we are going to have to borrow. That is a dollar we are going to be taking away from somebody who might have used it in another way. So if we are going to have a stimulus package, I think it is very important it be a package that stimulates the economy.

I find it incredible—some people might find it unbelievable, and in some ways it is both—that if we look at the Daschle proposal that is now before us, if someone paid income taxes last year as an individual, they will get no benefit from this stimulus package. We give big tax cuts to people who do not pay taxes. We have massive increases in spending, but if someone paid taxes last year; if they are working and saving and investing; if they are anybody who is currently making the American economy go and paying taxes in the process, this bill does not deem them worthy of having a stimulus provision that would encourage them to work more or save more or invest more.

I do not know how the economy is stimulated without providing incentives for people who are engaged in productive activities. I do not understand that. I know the proposal that was in the bipartisan package and that was in the Bush proposal that would accelerate the tax cut that is coming for individuals who make more than $28,000 a year—that there was opposition to it. I do not understand, if the objective is to get people to work and save and invest, why no incentives are provided for people who are working and saving and investing.

So some will remember that when this bill was presented yesterday, these two intersecting circles—the Republican proposal and the Democrat proposal—were presented, and where the union of those two circles was, was supposedly what Senator DASCHLE was proposing. Well, it turns out a quarter of it I have never heard of before; and that is, we have a bigger deficit than all the States combined, but now we are going to run a bigger deficit to give them money.

I don't understand it. What it really looks like to me, looking at this so-called stimulus package, is spending. You look at the words ''spending'' and ''stimulus,'' and the only similarity is they both start with an ''S.''

Here is my point and I will conclude: We can stand and talk about provisions that were in old bills that nobody has debated in months. I could rant and rave about stimulating the bison industry. That was a provision dealt with and laughed out of the of the Democratic version of the bill. I could taunt my Democratic colleagues with it forever, but what good would it do in this debate? None. Bringing up retroactive provisions in the original House bill that have never been considered by the Senate, that no Republican Senator has endorsed, that are not in the bipartisan consensus bill, I don't think is very productive, either.

The path we have chosen, quite frankly, I think is the hard path. If we had brought up the bipartisan bill, we might have adopted it; it might have gone to the President and been signed. Instead, we brought up a bill nobody has ever seen. It will be amended, probably at great length. Then if it is adopted, it will go to conference, where there might be more mischief and the potential of not getting a bill. If there is an easy way and a hard way, we have decided, it seems to me, to do it the hard way.

I think it is important to start the amendment process. I urge my colleagues on both sides of the aisle, we have a vehicle before the Senate. Whether Members are for or against it, everybody claims—with the exception of two or three Members of the Senate—that they want a stimulus bill. We have a proposal before the Senate. If we do not like it—and I don't like it—we should offer amendments to it. I believe we will be ready, hopefully this afternoon, to begin that amendment process. It may be, as we start debating amendments, as we start voting on them, that we could yet form a consensus and adopt this bill. That would be very beneficial if that were the case. I hope it will be the case.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. I thank the Chair for recognizing me for a moment or two. I will use a few minutes to talk about where we are on the question of economic stimulus. It is appropriate to say where we are is where we have been. The phrase ''been there, done that'' comes to mind, and I think it is very appropriate. When we left for the holidays, the recess that we enjoyed back home with our families, we left the Senate in a situation where neither side had a sufficient number of votes to move on something that was significantly important to the American people.

It is clear we as a nation are in difficult economic times. I imagine people back home wonder whether Congress is going to do anything about it. I wonder whether sometimes we have the capacity to do anything about it because of the situation we find ourselves in.

It is interesting and important to point out that neither side has the ability to do whatever they want. We as Democrats do not control the White House. We as Democrats do not control the House of Representatives. We as Democrats do not have the 60 votes in this body in order to accomplish things that we might like to do if the other side insists on filibustering that effort.

On the other side of the coin, it is also important to note that the Republicans do not have the ability either to do whatever they want in these areas. They, too, do not have 60 votes to push through what they think is an appropriate remedy to the economic conditions we find ourselves in.

It is, therefore, obvious, in order to get anything done we will have to reach some type of a middle ground or an agreement that takes the best of both parties and puts them together in a package that might do something on a positive note for the American people who are suffering a great deal because of the downturn in the economy.

It is true that the two parties have fundamentally different approaches on how to assess this. I have tried to compare it to the question of people who make widgets and people who buy widgets. It seems appropriate to point out that the other side tends to say if we are going to get this economy going, we will have to help the people who make the widgets. We will have to help the businesses that produce the products because they are not producing at full capacity. We will have to help the companies that make the widgets. We have to help them with bonus depreciation, and we have to help them with net operating loss carrybacks. Those are some of the ideas we have talked about. We will help them with alternative minimum tax and remove that burden so that these companies can make more widgets.

On the other hand, on my side of the aisle, we tend to concentrate on those who buy the widgets and say it doesn't matter how many companies make how many widgets. If you don't have individuals able to buy the widgets, they are not going to be able to sell the widgets. Therefore, it is important for economic recovery to do something for those actually trying to buy the products who find themselves in an economic situation of not being able to do so.

We said, all right, we have a lot of people unemployed and we have to help them with unemployment insurance, to give them a longer period to try to find a job. We will help those people who are without health insurance because they cannot be productive citizens if they do not have health insurance for their children and families. We want to do that. We also want to help the most unfortunate among us by making sure we give them some benefits because they did not receive those benefits during the last tax cut. We do that by providing $14 billion worth of rebates in terms of direct grants to those individuals.

That is where we were when we left. That was the Democratic position and that was the Republican position. Neither side had 60 votes. We come back after the recess and we are right back where we were: Been there, done that. We can continue to do that and face each other off and blame the Republicans for failure because they don't agree with us and listen to our Republican colleagues blame us for failure because we don't agree with them. They think they are right and we think we are right. But outside the beltway and outside Washington I imagine there are an awful lot of people who are scratching their heads and saying: Look, these are grownups that we send to Washington and the job that we send them to do is to make government work for those who are not in government. Unfortunately, what they see is that in too many cases, we cannot simply compromise to the point of agreeing and getting something done.

Last year, Democrats filibustered the economic stimulus bill. Republicans filibustered the farm bill. Neither side was able to accomplish anything in these two important areas. We can continue to do that. We can continue to take the position that we want to help the people that buy the widgets, and we are not going to move. And our Republican colleagues can say, we will continue to try to help the widget manufacturers, and we will not compromise. We can continue to make the arguments and continue to blame each other for failure. But the end result is the people that need the help do not get the help they need.

I commend very strongly the majority leader, Senator DASCHLE, who has said, I will not continue in that vein. I want to break this logjam. I want to end this gridlock. What I am willing to do is to give up some things that those who want to take care of the widget buyers are really interested in, like health insurance for unemployed people—a very big issue and one to which I think there is an answer. I am willing to step aside and give that up in order to get this process moving. But the other side will have to also give a little in order to get a package that can pass this body.

Senator DASCHLE has said: Enough of business as usual. Let's make the first important step toward getting something done that can, in fact, help the people we intend to help. He has suggested that we have extended unemployment insurance. That is important. We don't know how long people are going to be unemployed. It is obvious Congress will have to address this. He does it in his proposal. And I add, the other side has agreed on that. He says we will give some additional help to people who did not get much help the last time, and has proposed $14 billion in rebate checks.

The other side has said they could support that. They said that before we left for the recess. Some people say you are trying to help people who do not pay taxes. Those people may not pay income taxes, but they certainly pay payroll taxes. I am not sure if one tax is less painful than the other. If you are paying taxes, you are paying taxes. Therefore, we ought to help those people who are paying taxes. The rebate proposal is a common idea to which both sides have essentially agreed.

We said we are going to help States. The Senator from Texas was pointing out that Texas is in bad shape, as well as some of the other States. But States have different problems and additional problems. We can, in fact, operate at a manageable deficit on the Federal level, which I do not have problems with. We are in a position to help States. The concept was to say, all right, we are going help States with Medicaid by giving them a little bit more of a Federal share to help pay for the health care of indigent people who need the greatest amount of health care of all.

I think the proposal says we are going to give a 1.5-percent increase in the amount of Federal money paid for the purpose of helping Medicare. That would allow States to do a better job in helping people who are sick and poor, and also perhaps give them some additional money from the Federal share which they could use for other priorities within the State. That is something that has been sort of a common idea that both sides have said in the past they could support.

Another thing in the Daschle proposal is something to help the widget manufacturers.

I had dinner last night with a group of high-tech chief executive officers, who are some of the best and brightest in the country. Every one of them said: If you could do something on bonus depreciation to help us buy new equipment this year to help us expand or grow our businesses, that would be very important. These are the top people in their industries. Telecommunications and computer manufacturing are American companies. They said that bonus depreciation would be very important for them.

I think the House said they are going to do a bonus depreciation bill for 3 years. The Senate said 1 year. Is there not a number in between 1 and 3 on which we could probably agree? Of course, I think that is an important ingredient.

Some of my colleagues on this side said if you add it up—it is like the score for a football game. If you have three things the Democrats like and only one thing the Republicans like, that is not really fair. The bonus depreciation is part of the $69 billion. The 1-year package is about $42 billion.

One item that Republicans like—I like it, too—was the most expensive by far of the four. It is $42 billion for bonus depreciation with a 40-percent accelerated bonus depreciation for 6 months and 20 percent for the second 6 months. It averages out to 30 percent.

There is some flexibility. I think the majority leader indicated this is something which is a good concept for the widget manufacturers and for business and people who produce products in this country.

As has been referred to, we have a centrist plan. I plead guilty to being a part of that effort and will continue to do so because I think it brings together centrists in both parties to try to break the logjams in which we find ourselves far too often.

We had a plan that addressed health care needs. It is not in here. I wish it were. I think we suggested it in terms of a tax credit for unemployed people without health care insurance. It is an incredibly positive thing that Democrats should embrace and run with. It is something that will eventually happen at some point. Some said: Your plan only said the Federal Government was going to pay for 60 percent of the cost of premiums for unemployed workers' health insurance. That means the poor worker would have to pay 40 percent of the cost of his premium, and they probably can't afford that.

Let us think of what the current situation is. Right now, unemployed people who lost their jobs can continue their health insurance, but it is at their own expense—100 percent. You have to pay 100 percent of the cost of the premium. For the very first time, we were saying the Government should pay 60 percent of the cost of that premium. That is 100 percent more than they pay now.

I think it is a movement in the right direction. I think it has merit. I think it should apply to people who do not have a job and can't afford health insurance, whether or not they are a so-called COBRA-covered person who had health insurance at their previous job.

It is another subject, but I think we ought to have mandatory health insurance in this country. It is the best way

to help solve the problem. That is something about which we as centrists felt very strongly. That is not in here. But am I going to say, because it is not in here, I will not support this package? Of course, not.

Let me move towards concluding my remarks by saying what Senator DASCHLE has done is create a strategy and a process that will allow us to get to the next step. We can continue to stop everything we do and continue to not let anything else come up the rest of the year until we craft a package in the Senate to which 100 percent of the people can agree. If we take that approach, we will not get anything done, not only on the stimulus package, but we don't do anything else in the year. We don't do an agriculture bill or anything else important, such as an energy bill, or any other high-priority item. It is absolutely critical that leaders are able to say we are going to make some moves here. We want to make this Senate function as it should.

I think what Senator DASCHLE said was, I am going to offer a streamlined package. We give up a lot of things that we would like to see in it. The other side will have to give up a lot of things they would like to have in this bill. But let us at least get this package through the Senate, take the common ideas and pass it, and do it today, tomorrow, but do it, and quickly, in order for us to get to a conference with our colleagues in the other body. That will be a very difficult conference because their bill is far different from ours. It is far different in emphasis. It is far different in costs. It is far different in whom it attempts to help and how it attempts to help them. But we have to get to conference if we have any hope of reaching a conference agreement. This strategy allows us to do that.

I would say to the conferees that it doesn't do them any good if we get to that point and bring it back to the House or the Senate with things in it that are not going to be adopted. I will take half an apple rather than no apple at all. I think if you can't get everything you want, you get as much as you can in an agreement and then save the rest for a later date. But last year we got nothing. The people who were unemployed last year still do not have health insurance. They still have not received any rebate help or assistance from the Federal Government. They still have not received any health insurance or extended unemployment insurance benefits. What they got was an argument. As I said before, you can't take an argument to the grocery store and buy food. They do not accept that. You can't walk into a store and say: I need to buy groceries for my family this week, and, by the way, I will pay for it with the promise that Congress will do something to help me in the future. It doesn't work that way. We actually have to get something done. Arguments don't buy food. Blame does not buy groceries.

It is incumbent upon us to try to reach an agreement with which we can get to conference and let the conference work its will. I urge all of those who say we have to have it just like I like it or we are not going to have it at all—that approach on both sides of the aisle does not help the people we were elected to help. I think they are sort of getting wise to the ways of Washington. I want to change their thinking. I want to give them the encouragement to say Congress can at times work out difficult problems with positive solutions, with both parties reaching out to each other, recognizing that we have to give a little in order to get a lot.

Senator DASCHLE's proposal in fact does that. It is a good proposal. It is not the final proposal. It is not the final answer to this difficult problem of economic stimulus. But at least let us move one step down the line in order to try to reach an agreement that can actually be something everybody can be proud of, and, even more importantly, get the job done for those who need the help.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. CARNAHAN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SCHUMER. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

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

Mr. SCHUMER. Madam President, I see my friend from Oklahoma, the minority whip, is in the Chamber. I will try to be no more than maybe 6 or 7 minutes. Would that be OK, because a Democrat spoke last?

I thank my friend from Oklahoma.

Madam President, I would like to address two issues. The first is this stimulus package of the majority leader, Senator DASCHLE.

Let me just say, in a town that is wracked by partisanship, and where the differences often seem insurmountable, only one person has cut through that to try to come up with a compromise that is not going to make either side or any Senator 100-percent happy but is the basis for moving forward and getting a stimulus package. That person is Majority Leader DASCHLE.

I cannot heap enough praise on the majority leader for this effort. We know our economy is squishy. Every one of us goes back to our community and we hear of layoffs, of consumer uncertainty. We hear people are afraid the next 6 months will be considerably worse than the present, and they are looking to Washington for leadership, not only for a stimulus package in terms of the number of dollars that it will put into the hands of people and businesses, but also for a sign that we can work together to give them a sign of confidence, a sign the stewardship of the economy is in good hands and partisan differences are outweighed by what is good for the Nation.

I have to say, the only effort that has had some traction, the only effort that has made some sense in this regard is the effort of the majority leader. I am sort of confounded by the many attacks upon him. This is a man whom we all know well. These editorials and things like that do not comport with the real TOM DASCHLE who is somebody who always goes out of his way and takes that extra step for a compromise.

I do not like every piece of the package he has put forward. I wish there were other pieces that could be in there—I will talk about one in a minute—but I certainly think both sides of the aisle should be on their feet applauding the effort, the effort to break the logjam and get us moving.

Let anyone who starts saying that TOM DASCHLE is ''Mr. Partisan'' or ''Mr. Obstructionist'' look at the actions that have occurred in this Chamber today and look for the one Senator, of the 100, who has stepped forward and said: Here is a basis for compromise. I am not just saying it has to be my way. I am not just saying why I don't like what the other side or another Senator does, but rather here is a place where we can meet pretty much in the middle of the road.

I think I speak on behalf of many of my fellow Senators and many millions of Americans in thanking Majority Leader DASCHLE for trying to bring us together, for trying to create compromise that can move us forward, for trying to give us that basic centerpiece we can then use as a way to get a stimulus package done and add other pieces that are necessary.

I mention to my colleagues one piece that I believe is necessary to add. I know we have been apart for a little more than a month. Every one of us went back to our State and back to our family. I, for one, was glad to be home every night with my girls. I was glad to be in my State seeing everybody and touching base with them. But as you may remember when we left—I believe it was December 20—we were very close to passing a bipartisan House-Senate compromise to help Lower Manhattan with certain kinds of tax breaks that would encourage businesses to go down there, that would encourage businesses to stay there. It was worked on by Senator BAUCUS and Senator GRASSLEY. It was worked on by Congressman THOMAS and Congressman RANGEL. We were almost there. But at the last minute, because we were doing things in the final moments, people said they needed a little more time to study it.

First, let me discuss the need. It is urgent. Even though we lost close to 30 million square feet in downtown Manhattan, we have many businesses that left and are unwilling to come back yet. Businesses—large and small—were scratching their heads and saying: Does downtown Manhattan have a future?

Our Governor and our new mayor are rapidly putting together plans to try to

figure out how to rebuild downtown Manhattan. But the question on everybody's lips is: Will the kind of very necessary tax breaks to bring businesses back to downtown Manhattan—given the fear factor and given everything else that has occurred—be forthcoming from Washington?

This is not a partisan issue. We have had support from both sides of the aisle. This is not even a bicameral dispute. The House has passed a bill already. I certainly give the White House credit for being amenable to a compromise.

All I can speak to is the necessity. The attack on the Twin Towers on September 11, of course, is still with us. It was not an attack on downtown Manhattan or even New York State. It was an attack on all of America.

It would be an admission of defeat—we have had such success overseas—if downtown Manhattan does not rise up, rebuild itself, and be revitalized. What could be a stronger message to the terrorists of the world, to the anti-Americans of the world, to those who hate us for our very freedom, than if downtown Manhattan rises anew like a phoenix? I can tell my colleagues without these tax breaks it is going to be hard to do.

I have spoken to Senator CLINTON. We will be working very hard to get these breaks passed, hopefully, as part of the stimulus package; and if there is no stimulus package, then in some other way. I hope all of my colleagues will be supportive. We need the help.

All of America has admired the bravery of the victims' families, many of whom the President graciously invited to the White House yesterday—the firefighters, police officers, and rescue workers, and just average New Yorkers who rose to the occasion. We now need to back up our admiration with real help. The future of downtown and Lower Manhattan depends on what we do in this body in the next month, the House having already acted.

I urge my colleagues, if they have any questions about the compromise proposal that has been put together, if they have any changes they seek to make, if they have any objections to any of the small parts of it, please let us know ahead of time. At the end of December 21, when we were very close to passage, many of my colleagues came to me and said: Look, I am very sympathetic. I just want a little time to study it.

Well, now we are in studying time. But soon it will be time to act.

Again, I plead and beg with my colleagues to make sure that we don't hold up this package so necessary for downtown Manhattan's survival, so necessary to send a concrete message that we are not going to let the terrorists destroy any part of our country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Madam President, I appreciate the comments of my colleague from New York. He mentioned his desire to bring up the New York City package. I requested earlier that we take up the House-passed tax bill that has a New York package in it. We are having a debate right now as to what should be the underlying bill.

So people understand, I suggested that we take up the House-passed bill. That would be the logical thing to do. If we are going to pass a stimulus package, the House has already passed it. I told the majority leader I would work with him to come up with a finite list of amendments, a mutually agreed-upon list of amendments or number of amendments, and work to pass it. He wasn't agreeable to that yet. Maybe a little later he will be. Instead, he wanted to come up with a list of amendments he thought were mutually agreeable.

I don't think there is a consensus on a list of amendments. I will just go over a couple of them.

The underlying bill I wanted to take up had New York in it. I will tell my colleague from New York, this amendment does not have New York in it. That doesn't mean I agree with everything that is in the House bill; I don't. So if we start with that as the package, I will probably try to make some changes and some deletions to the House bill.

I look at the package the majority leader wants to bring up, and I say: Wait a minute, where is the beef? Where is the stimulation? There is no assistance for New York. I am looking at the bill that was just introduced yesterday. I am almost amazed. I heard one of my colleagues say Republicans are filibustering this bill. We are not filibustering this bill. We didn't object to bringing it up.

A bill we have never seen before is now pending on the floor of the Senate. We could have asked for it to be read. We could have asked for a vote on the motion to proceed. We didn't do any of that. We wanted to take up and pass a stimulus package. But we would also like to know what is in it. And just for elementary purposes, we would like to have it stimulate the economy. We would like to have it create jobs.

I looked at the package the majority leader introduced. It fails in that regard.

I will go through the various elements in this package for my colleagues.

Mr. SCHUMER. Will the Senator yield?

Mr. NICKLES. I am happy to yield.

Mr. SCHUMER. I thank the Senator. I don't want to get into any disputation about the underlying package. The Senator was very helpful to us in the final moments of the session last time about getting a New York package. I thank him for that and hope we can work together in whatever comes out to get a New York package done early this year.

Mr. NICKLES. I appreciate my colleague from New York. I will tell him I read with interest today an article from the Washington Post that said that not only did we pass the legislation that my colleague and friend from New York alluded to to provide tax relief for the victims of the New York and Virginia disaster but also the Oklahoma City disaster, so they wouldn't have to pay taxes in the year 2001 or in the year 2000 for this recent 9–11 tragedy, but also in Oklahoma it is for 1994 and 1995.

The Washington Post said we also passed the $5 billion package of benefits. That wasn't accurate.

Mr. SCHUMER. If my colleague will yield, if it were only so.

Mr. NICKLES. I understand.

Looking at the package that the majority leader has introduced, there is only one thing that anybody could remotely say is really stimulative. There are four elements to the majority leader's package, one of which deals with accelerated depreciation. Then there are three others that would fall into spending categories.

Some people say it is rebates of tax cuts, $14 billion; people who didn't get anything from the tax cuts. They didn't get anything because they didn't pay taxes. Anybody who paid Federal income taxes got a tax cut of $300 for individuals, $600 for a couple. We have already done that. What we didn't do is give tax cuts for people who didn't pay taxes. That is the proposal pending.

Some people say everybody has agreed with that. I don't agree with it. I don't think it is good policy for us to go out and borrow $14 billion to have to pay over $1 billion a year in interest basically to hand out money and call it a tax cut when they didn't pay taxes. I find that objectionable. Maybe I am unique in that way. Maybe the majority will pass it. That may well be. It did pass the House of Representatives. I don't think it is good policy. I think it does spend $14 billion. It does add that much to the deficit, to the amount of national debt.

We don't have a surplus anymore. Some people say it made sense last year when we were distributing the surplus. But to me, it doesn't make sense today. I don't think that should be in the package. So not everybody agrees with everything in the majority leader's package.

It has the extension of unemployment compensation. That will increase spending and will not stimulate the economy. It also gives the States $4 or $5 billion. I am sure they would be very appreciative of that. States are going through some difficult times; so is the Federal Government. I don't know if this is the right time for us to be implementing a new revenue sharing approach.

The House has done it. Now it is being proposed by some on this side. Maybe the votes are there. We may find out. I am not particularly excited about it. I am not sure it is the right thing to do. Some people would easily say we are taking money out of the Social Security trust fund and giving it

to the States. I am not sure that makes good sense to do that either.

If we look at those three proposals, extending unemployment compensation, that costs money, it is a spending program; $14 billion in checks to people who didn't get checks last time, but they didn't pay taxes last time, so basically a spending program for $14 billion to low-income people for last year; and then a new program to give the States some money, maybe calling it Medicaid, maybe calling it revenue sharing, basically contributing, I believe, under Senator DASCHLE's proposal, about $5.5 billion. The House passed $4 billion. Those are the three spending proposals, and then the accelerated depreciation.

Accelerated depreciation is the only thing that anybody could say legitimately is going to give incentive to create jobs. Looking at this proposal, I have heard people say the House-passed bill had 30 percent depreciation for 3 years, 30-percent accelerated depreciation. That means if you have 100-percent depreciation for the life of the asset, and you have to depreciate it over X number of years, let's say 10 years, you can put a greater percentage of that in the first year and expense it. That will encourage investment. The House did that with 30 percent for 3 years. So any investment made in the next 3 years could qualify.

Senator DASCHLE's proposal says it is 30 percent for 1 year. I just looked at the language and it says: Special allowance for certain property acquired after September 10, 2001, and before September 11, 2002.

January has already gone. You are talking about, if we enacted this tomorrow, maybe 7 months. But by the time people understand it and by the time it passes the conference, by the time it gets out, you are looking at a provision that is probably less than 6 months. In other words, hurry up and purchase your equipment or whatever you are going to do in the next few months.

That might be good for disposable items, but for anybody who is going to purchase something that needs to be manufactured, it is not enough time to do any good.

The proposal Senator DASCHLE has introduced has a worthless stimulative impact. It will not create jobs. It fails the test, and I don't think we should pass it. Why don't we take the bill the House passed and have some amendments to it?

I count votes around here. At one time, that bill had well over 50 votes. It may not have had 60, but it had over 50. It had a lot of provisions that some of us didn't like in there, but it had a majority of votes, I believe. Senator DASCHLE doesn't want to take up that bill. As a matter of fact, he wants to take up a different House bill, strike the language—take out House bill 622; insert his bill in it, amend it for a little while, and then, when we are finished, take up the House-passed bill, strike that language, and put this bill in.

I suggest, why don't we take up the House-passed stimulus bill and amend it? We can go through the regular order and have amendments. I will help him get a limitation on amendments. Or we don't have to have that; we can just take it up, debate it, amend it, and pass it. That would be the regular order. I don't want anybody to say the Republicans are filibustering. I am ready to amend Senator DASCHLE's proposal. But I think we ought to take up the House-passed bill. Then I will work with him to come up with language. But to say we have a consensus bill and call it stimulus—when three or four elements of the bill are spending provisions, and the one thing that might be considered stimulative—accelerated depreciation—doesn't last long enough.

Senator BREAUX suggested a compromise of 2 years. That would be a lot better than the 6 months I have seen for the accelerated depreciation. 4 or 5 months have already gone by since September 11. There is not much time left. There is not much stimulus to this bill.

The other side wants to act as if they tried to bring up a stimulus bill and get it done, but because they could not get a unanimous consent agreement to pass it in 2 days, they will pull it down and say: We tried; it was their fault.

There is no stimulative impact to that bill whatsoever. The Democrats held up the package for the last couple of months. President Bush asked for it in early October, but we didn't get it done, even though we tried to get it up in November and December. And there was some criticism—I think rightfully—delivered toward the Democrats for not letting that happen.

I heard Senator GRASSLEY say let's take up the bipartisan bill—Democrats and Republicans supporting the bill—on which the administration worked. That bill is H.R. 3529. Let's take that up, amend it, and pass it, and see if we can't do some good.

Tax legislation happens to be important. Then I look at Senator DASCHLE's accelerated depreciation, and I want to see the good in this bill, I want to see something that will create jobs and provide economic relief. I don't think this will create very many jobs. I am disappointed in it. We can do better. We must do better.

Some people say let's just pass something and send it over in the House and maybe we will fix it in conference. I would like to do better than that in the Senate. We should do better. We should be embarrassed if we can't do any better than that. We should not call this a stimulus package. You can call it a spending package, aid for States or for unemployment extension; you can call it expanded welfare payments for people who didn't pay taxes—we are going to give $14 billion out—or if you cram through a purchase in the next 6 months, we might give you a little better deal. You can't call this a stimulus package.

It is political cover for the Democrats to claim they tried to do something and didn't get it done. It is unfortunate to try to blame the other side. I would like to see us take up a package that would, hopefully, be agreed to by Democrats and Republicans, work on it, amend it, improve it, pass it, send it to conference, and see if we can't get a bill out of conference in the next couple of weeks to create jobs.

If we are not going to create jobs, let's not do it. We don't need more excuses to spend money. We are spending a lot of money. The President is coming up with a budget proposal that has more money for national security, defense, and homeland defense. We spent a lot of money last year. We don't need excuses to spend more money and use the guise of a stimulus bill with the title of a stimulus bill.

This bill that Senator DASCHLE introduced, in my opinion, fails the test. It has the title: ''To provide incentives for economic recovery, and for other purposes.'' The other purposes are ''let's spend more money,'' because it does very little, if anything, toward helping stimulate an economic recovery.

I really hope we will work together and try to come up with a package. I don't want to stall anything. I am happy to begin considering amendments if that is Senator DASCHLE's request. We can have amendments on the floor. I see Senator GRASSLEY is on the floor, the ranking member of the Finance Committee. We can start considering a lot of amendments today. I know Senator WELLSTONE mentioned he has some, and I have some. They probably won't be the same but let's consider them. Let's get to work on a true economic stimulus plan.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Madam President, I thank the Senator from Iowa for his graciousness.

This morning and this afternoon, we have engaged in a discussion with respect to the stimulus package. Senator DASCHLE, the majority leader, has fought for a sensible position which represents, really, as he says so well, the common ground that exists between both parties. Recognizing that we need 60 votes to move to passage of a legislative initiative, his approach has the most merit and the most probability of passing. So I encourage my colleagues to support the proposal of Senator DASCHLE.

In a sense, what he has done is combine the common elements of both Republican and Democrat proposals to find the provisions that will garner the necessary 60 votes to go forward so we can provide real relief in a timely fashion to millions of Americans who are facing difficult economic times.

At the core of his proposal is extending unemployment benefits for an additional 13 weeks. Routinely, during previous recessions, we have done so. This is a recognition that there are literally millions of people who have been

thrown out of work because of economic circumstances as well as the areas of New York City and around the Pentagon, in some cases, because of the attacks of September 11 and the recession that began in March 2001.

The reality is that there are millions of Americans who need assistance. The unemployment rate is growing. More important than that, perhaps, for our consideration is that the number of people who have been unemployed for a long period of time is growing. In the robust economy of the nineties, when people lost jobs, they quickly found other jobs. Today, they find themselves, if not permanently, then in many respects for a much longer period of time, without access to work. They need these benefits.

Extending unemployment compensation also stimulates the economy. Typically, someone who is relying upon unemployment benefits will take those checks and immediately pay their bills, go to the store, provide food for their children, pay their rent, immediately infusing those dollars into the economy, increasing the consumer spending, the lack of which is one of the causes of the recession we face. So it is a proposal that is commendable on two major points: It helps hard-working Americans and will get our economy moving.

Similarly, the Daschle approach talks about tax rebates for those people who did not enjoy the previous tax rebates enacted last spring.

These are individuals who may not pay income taxes, but they pay a great deal of their hard-earned wages in payroll taxes. For those individuals, they deserve the kind of rebate that others received.

There has been an insinuation in some of the discussions on the floor today that these people do not contribute to our economy, that somehow they are not part of the great economic enterprise in our country, I must disagree very strongly with that proposition. These are the men and women who get up each day, go to very difficult jobs in hotels, driving trucks, small businesses, running them and sometimes working in them. These people deserve the same kind of benefits others receive.

In addition, a rebate for these individuals also achieves a second important goal. Typically, money received by wage earners will go right back into the economy because in a household living on minimum wage or near minimum wage, struggling to raise children, struggling to get by, there is always the opportunity to spend a little bit more on the children, to spend a little bit more to defray the cost of life.

Again, Senator DASCHLE's proposal has touched upon a topic that is very important to both sides, and that is bonus depreciation for business: Give business incentives to make sure they go back into the capital markets, to go ahead and buy capital equipment, to make investments which we hope will be both productive and also get the economy moving.

One of the key differences between the Daschle proposal and other proposals is that Senator DASCHLE recognizes that in order to be effective as a stimulus, it has to be timely, it has to be limited to this year, not 2 and 3 years from now when this recession, we hope—indeed, we believe—will be something in the past. If we want to be effective, if we want to stimulate the economy, then we have to focus and target this bonus depreciation for business.

The final element in this package is fiscal relief for the States. We have to recognize that the States are under extraordinary pressure because of this recession. Their tax revenues have fallen, but their commitments to human services and to a host of other programs will not abate. They must have the resources to provide for medical assistance for working Americans. They must have the resources for the child protection system, which the States run. They must have the resources for education, which the States primarily run.

Those obligations will not be held in abeyance during this recession. We have the opportunity, if we support this initiative, to provide resources to the States, and if we do not provide those resources, many States—most States—will be required constitutionally to balance their budget by raising taxes or slashing their social services budgets, which will only worsen the impact of the recession on some of our most vulnerable citizens.

One of the ironies of our debate today is that while many of my colleagues are talking about accelerating tax cuts, if we do not provide assistance to States, we may very well see the States raising taxes which will be a further check on our recovery.

Senator DASCHLE's legislation makes eminently good sense on economic grounds, and it is the only proposal which has received the support of a sufficient number of Senators so that it can be enacted into law, or at the very least passed by this body and sent to conference with the other Chamber.

The resistance to moving forward quickly on this package, is truly something to behold even in light of Senator DASCHLE's offer to allow for amendments from both sides of the aisle. But frankly, this is the core of the economic initiatives that we agree upon and which will provide real relief, first, to struggling Americans and, second, overall to an economy that is in recession.

Madam President, I have the responsibility of serving as the vice chairperson of the Joint Economic Committee. Our staff has been doing an outstanding job trying to pull together the economic analysis that should provide us at least a roadmap, if you will, for any economic stimulus legislative. Let me summarize the consensus view of our current economic situation.

First, despite some encouraging signals about the economy, it remains weak. Just ask anyone who reads the newspapers and they can tell you that. When Ford Motor Company lays off thousands of people, when a major retail chain, Kmart, goes into bankruptcy reorganization—interestingly enough, I was talking to someone who is connected to one of our larger toy manufacturers in the United States, who told me there are only four major distribution channels for toys in the United States, the four major department store chains, and one of them, 25 percent of the retail market, is in bankruptcy reorganization. So we have a very weak economy.

There are many conditions in place already for a recovery, and most forecasters believe that within 3 to 6 months, there will be an economic recovery. But most also believe this recovery will be rather anemic, rather weak; it will not be the kind of robust growth that we saw in the nineties.

Indeed, all of these forecasts are based on some significant uncertainties. Two significant uncertainties are the condition of foreign economies such as the economic meltdown in Argentina. The question is: Will it be contained to Argentina? Will it spread to other parts of South America? Will other countries find themselves in economic distress?

Generally speaking, this recession is not unique to the United States. It is a worldwide phenomenon. Those economies will affect whether we come out of this in a robust fashion and when we will come out of this recession.

There is something else, too, that is an uncertainty: consumer spending. Will it bounce back to the levels that have sustained this economy over the last several years, or will people for many reasons, because of concern about their safety, because of a sense in this moment of national danger? Will those psychological factors and sociological factors undermine a robust response by our consumer sector? It may be that the patterns of past economic recoveries are not applicable today.

Even though forecasters are projecting recovery, there is much uncertainty. Even when the recovery comes, one of the great tasks will still be undone, and that is to provide support and help for those who are out of work today, who deserve the opportunity to support their families while they wait for this economy to recover.

One of the interesting facts about economic trends is that even when the economy begins to respond, when gross domestic product becomes positive again and starts growing, usually unemployment continues to increase for many months after that. In the nineties, when the recovery took hold unemployment continued to increase for about 15 months.

For most Americans, the economy is measured by one simple fact: Do I have a job? And, collectively, what is the unemployment rate for this country?

We can foresee even with a modest rebound this year or next year the single factor that confronts most families, their economic index—do I have a job?—is still going to be questionable. So we have to act.

Again, Senator DASCHLE's proposal, at its core, at the heart of it, has a very simple, time-tested provision: extending unemployment benefits. At a minimum, we should be able to agree to do that this week.

I mentioned there were some encouraging signals about the economy, and it is fair and, I think, appropriate to mention those.

First, we have seen an increase in the average weekly hours worked in manufacturing. Up until recently, those hours were declining, signaling a weakness in our manufacturing sector, which because of the relatively high pay of that type of work is a pillar of our economy. And we are beginning to see that initial claims for unemployment are not increasing with the same level each and every week.

We have seen some increases in new orders for capital equipment, particularly information technology. Again, a great deal of the boom over the last decade was fueled by increased investment in information technology, computers and routers and service and a host of other equipment. That appears to be coming back.

Once again, it is very fragile. If we listen to the commentators on the business channels, one week Intel will do well because they are shipping a lot of chips, and the next week their projections are down and their stock goes up and down. So we are certainly not out of the woods, but there is some encouragement.

There also seems to be increased optimism among the purchasing managers in the country. Those business men and women who are in charge and want to go ahead and order equipment, seem to be much more optimistic. So there is encouraging news.

All of this is good news, but as I said before, our economy is still weak and a well-tailored, well-timed, and well-targeted stimulus package would still be a boost to our economy.

The economy is weak in many different ways. The unemployment rate rose to 5.8 percent in December. That is 8.3 million people; not statistics, people, 8.3 million people who were told they did not have a job, who had to go home in the evening and tell their spouse they did not have a job, who had to look at their children knowing they did not have a job. They deserve our assistance now, not our rhetoric.

As I indicated before, within those statistics one of the most alarming trends is the increase in long-term unemployment. Nearly 1 in every 7 of those who are unemployed, 1.2 million people, had been jobless for more than 26 weeks, exhausting their benefits or on the verge of exhausting their benefits. So not only do they not have a job, they do not have an unemployment check either, unless we act.

We were looking very closely last December at the holiday sales. They seemed to be better than expected, but I might point out still much weaker than a year earlier.

So we are in a position economically where there are mixed signals, weakness but some encouraging signs. There are also some structural issues that will, I hope, bode well for the future.

First, inflation has been relatively stable. That has been a situation that has allowed the Federal Reserve to employ a very aggressive monetary policy of lowering interest rates to try to stimulate this economy. That is a good thing for us and a good thing for our economy.

Short-term interest rates are as low now as they have been since the 1960s. Although long-term rates have not fallen as much as we would like, they are lower than a year ago. Business inventories are low as well, which is a sign that we are beginning to work through the buildup in inventory which was hampering further production. There are no obvious supply bottlenecks, but the reality is monetary policy alone may not drive us out of this recession quickly enough or robustly enough.

It is interesting to note the remarks of Chairman Greenspan over the last several weeks have been cautious about the timing and the scale of our economic recovery. His recent caution is in marked contrast to his and others past comments. So I think we are beginning to recognize our action would be very helpful to our economy.

I urge, as I have repeatedly, that we act and we act on those sensible proposals offered by Senator DASCHLE.

As I said, most economists predict a recovery will begin late in the spring. Even if that recovery begins, we still need to assist those Americans who are unemployed today and who will continue to be unemployed. As I mentioned, in the early 1990s, at the end of the last recession, unemployment increased for 15 months after the recession was officially over. It is also typical that those long-term unemployed are the last to find reemployment. So they are in a very precarious position—without benefits, without the prospect of a job, usually the first to be fired and the last to be rehired. We can help them. We must help them. I hope we do help them this week as we consider quickly this legislation before us.

By extending unemployment insurance benefits, we can assist them and we can do it in a way which will not be detrimental to our looming deficit problem because unemployment insurance is a countercyclical program. As the economy recovers, as employment grows, people do not receive unemployment benefits. Today they need them. Hopefully, with a robust economy in 6 months or 9 months or 1 year, those expenses will no longer be borne by the Federal Government. These individuals will be back in the workforce.

I urge, once again, we move very quickly on the proposals that have been suggested by Senator DASCHLE. All of them have been vetted by economists from a range of opinions. They have been determined to not only help individual Americans but also to have a positive stimulative effect and to help our overall economy by putting money into the economy and by allowing States to forego income or sales tax increases at the State level. All of this makes a great deal of sense and it should be done.

One other point I will conclude with, and we have all been reflecting on the drama in Texas and other places of Enron. One of the most disturbing aspects of that situation is that the retirement security of the employees was ignored by the leadership of that company in many different ways. All of us, every single Member of this Senate, will rightly, I think, very sincerely, criticize what has taken place. But today, we are already encroaching on the Social Security trust fund. That is what it means when we start saying we have a deficit because we are no longer accumulating a surplus. We are now working our way through Social Security funds, funds that have been pledged for over 60 years to those Americans who have reached retirement age. So when I hear discussions about accelerating tax breaks, and when we have people coming out and saying simply, as a matter of faith not economics, we have to lower taxes, I wonder whether a year from now, 2 years from now, 3 years from now, people will look at us as those employees down in Houston look at the Enron leadership and say: You took our retirement. You spent it. You gave it away on bonuses to executives. You just dissipated it, not to help the economy but to help yourself.

So as a cautionary point at this juncture, as we consider a whole range of proposals, I would like to leave at least that thought in the minds of my colleagues.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Madam President, I gave some opening remarks a little earlier on this legislation, but I will reiterate a few points I made from that first statement. The most important thing to remember, as we are trying to reach an agreement on a stimulus package, is there has been a lot of work put into this over the last several weeks—not since the holidays but before the holidays—and we have had partisan approaches by both Republicans and Democrats. We have had bipartisan approaches. We have had cooperation between some Members of Congress and the White House, and we have a bipartisan White House-centrist package that has passed the House that the President said he would sign, and one that had a majority vote, if we had taken a vote in the Senate before the holidays, that could have been to the President by now. It would have been to the President, signed into law, and

helping 800,000 people unemployed since the September 11 terrorist attacks on America.

This White House-centrist bipartisan package is a solid economic stimulus plan. Most important, it has a compassionate approach to put displaced workers first, and even more so than the amendment offered by Senator DASCHLE because he does—as I would agree to do—put in 13 weeks of additional unemployment compensation. However, his consensus package does nothing for those unemployed workers now who had health insurance previously. They have to pay the health insurance called COBRA out of their own pocket. The proposal I call the White House-centrist bipartisan package has a 60-percent tax credit for that.

It is important to have a bipartisan plan. This White House-centrist package is a plan that can pass the Senate. Most important, this plan, if passed, will be signed by the President because he has said so. I was in on that bipartisan meeting the President had with House leaders, with Democrats from the Senate, and with Republican moderates. He said he would sign it.

If we pursue the majority leader's plan, workers and businesses will face more delays because that plan will have to be conferenced with the House. That is going to take days probably. It could even take some weeks. The further we get along, the more there tends to be a recovery, the less economic good that stimulus package will do. It will be a delayed effort to help those 800,000 people who are unemployed and those people who do not have health insurance. If we use the bipartisan White House-centrist package, we will be able to get that passed right away.

How long would it take to get it through conference? Just remember how long it took to agree that we ought to have the quasi-conference procedure that we operated a couple weeks before the holidays. Remember how long it took to reach the substantive agreement we have, the bipartisan White House-centrist package. All this history—and we ought to learn from history—ought to dictate the time to act is now, not a month from now.

We had Chairman Greenspan advising the President, advising Congress in early October, that was a time to pass the stimulus package—not only pass it now as a stimulus, but we need to do it for the workers. That is what we need to do for small business, as well.

The bottom line is, if we pass the White House-centrist bipartisan bill, unemployment checks can go out to those people who have exhausted their 26 weeks. Businesses will invest in new plant equipment with a 30-percent, 2-year accelerated depreciation. Unemployed workers will get help for their health insurance so they can continue to have coverage for their families, as they did before they were laid off. Taxpayers will get a payroll tax rebate. Taxpayers will get a little extra income tax relief to spend. New York City, hurt by September 11 terrorist attacks and needing help, will receive aid to rebuild. This could occur tomorrow if we get a chance to vote upon the bill that passed the House of Representatives before the holidays, the very same bill the President said he would sign.

We are talking about moving ahead on a stimulus package. Now, instead of talking about the bipartisan White House-centrist package, we are talking about the new, scaled-back stimulus plan offered within the last 24 hours by our distinguished majority leader. This isn't the first time there has been a stimulus plan offered by the other side. This is the third variation on a stimulus plan offered by the distinguished Senator who is our majority leader.

As most Members know, the Democrats initially passed the stimulus plan out of the Finance Committee, not in the spirit of how the Finance Committee usually works in a bipartisan fashion, but in a wholly partisan mode. It happens that with all the work put into that committee hearing, that plan was never sent to the floor for a vote. The distinguished majority leader almost immediately radically modified the Senate Finance Committee partisan stimulus proposal—again, acting in a partisan way. And nothing gets done in the Senate if it is done by one party. That is why it is so important to remind people of the White House-centrist bipartisan stimulus package that the President said he would pass.

Surprisingly, that revised proposal that the Senate majority leader put on our table immediately after the partisan bill came out of committee looks a great deal like the White House-centrist bipartisan stimulus package I have been referring to that we ought to pass and send to the White House. A substitute back in November, put on the table by Senator DASCHLE, adopted measures initially promoted by many Republicans. Unfortunately, in December, the majority leader blocked a vote on the White House-centrist plan in large part, I believe, out of fear it would pass. And it would have.

Now comes yet another variation of that theme. The majority leader has delivered yet another economic stimulus package—basically the skeletal remains of previous stimulus proposals.

I will talk about some of the differences between the White House-centrist bipartisan package and the partisan Democrat skeleton stimulus plan. I will explain, then, why I believe the bipartisan White House-centrist package is better for America and, most importantly, for those dislocated workers, and particularly for the dislocated workers who do not have health insurance. I will look at what it does for displaced workers.

This is the White House-centrist package. Our unemployment insurance proposal represents an unprecedented commitment to American workers. We provide up to 13 weeks of additional unemployment benefit to eligible workers who exhaust their regular benefits between March 15, 2001, and December 31, 2002. We have an estimated 3 million unemployed workers qualifying for an average of $230 a week. These benefits would be 100-percent federally funded at a cost of about $10 billion. Our proposal transfers an additional $9 billion to State unemployed trust funds.

Such a transfer would provide the States with flexibility to pay administrative costs, provide additional benefits, and avoid raising unemployment taxes which would be a bad thing for them to be forced to do during the current recession. We never want to raise taxes during a recession.

The United States enjoyed a growing economy and declining unemployment for much of the previous decade. But the economic slowdown that officially became a recession started in March 2001. We all know that was exacerbated by the terrorist attacks on September 11. That meant more substantial layoffs. I said this recession started in March 2001. Economists officially labeled it a recession. But remember that a long time before that—almost a year, March 2000—we started a downturn in manufacturing. That manufacturing index, going back to the last year of the Clinton administration, has still been going down 19 months in a row. Even though the official recession started in March 2001, those in manufacturing had been in recession for a whole year before that.

We have seen the unemployment rate for all segments of the economy rise from 4 percent in November 2000 to 5.7 in November 2001. By historical standards, you could say the current unemployment rate is still substantially below the level at which Congress deemed it necessary to enact extended unemployment benefits based upon what Congress has done for the few times in the past. Over the past 50 years, the Federal Government provided temporary extended unemployment benefits only six other times. The average unemployment rate during those times was far higher than it is right now at 7.3 percent as an average for those six times.

Based upon historical record, the President did not go as far with his suggestion for helping unemployed people as the bipartisan centrist stimulus package does. The President originally suggested that extended unemployment benefits—meaning the additional 13 weeks—should be limited to those few States that have a disaster declaration in effect as a result of September 11 and which have a threshold of the 30-percent increase in their unemployment rate.

A number of our colleagues on both sides of the aisle insisted we provide immediate assistance, not just to a few States as the President suggested but to every State, regardless of their unemployment rate. We have agreed to do exactly that in our bipartisan centrist stimulus package. The President has agreed to sign it even though it didn't start out at that point.

We have some, unfortunately, on the other side of the aisle who continue to insist that what we are doing is not enough. They insist that we should go further by requiring every State to provide specific benefits and establish specific eligibility criteria as a condition of receiving their additional Federal assistance of 13 weeks. In other words, what they are suggesting is that we violate the agreement we had between the States and Federal Government, for the most part letting States decide who should and under what circumstances they qualify for unemployment assistance.

We could not agree to the demands on the other side to change this longstanding relationship between the Federal Government and the State governments on the policy of unemployment compensation. We have always left those decisions about benefit levels and eligibility criteria to the States.

The changes sought by those on the other side of the aisle destroy this historic relationship and undermine the flexibility needed by States to respond to their unique circumstances while ignoring a fact about America—that we are geographically vast; our population is very heterogeneous. Consequently, you can't pour one mold in Washington, DC, that fits the needs of New Mexico the same as New York City, or Iowa the same as Sacramento, CA. Leave us leave it to the legislatures of California, Iowa, New Mexico, and New York to decide what the policy should be for their States as those people closer to the grassroots see their needs. To me, that is just a commonsense approach to governing. It might not be a commonsense approach in England where the country is small, but it is obviously the sort of thing we need to do in our federal form of government.

I would now like to touch on the White House-centrist bipartisan plan commitment to providing health care for dislocated workers because the plan that the distinguished Senator majority leader has put on the table does not deal with this at all.

If there is one thing I could point out from his remarks this morning, it is that he tried to make the point that his package has only things in it to which both sides agreed. I think he is misreading the Republican side of the aisle. There is a great deal of commitment on the part of Republicans—the vast majority of our caucus—to meet the health care needs of people who are dislocated workers because of September 11. Quite frankly, it would do this for the first time in the history of our public policy.

They have been saying since October that Republicans don't care about helping workers with health insurance. I quote Senator DASCHLE himself last December saying that his Republican colleagues ''so far have refused to come to the table and negotiate seriously.''

There is nothing further from the truth. Since October, when President Bush first called on Congress to pass the stimulus package, I have worked closely and seriously with both Democrats and Republicans to come up with a meaningful, bipartisan approach to helping people impacted by the events of September 11. Compared to where we started on the issue of health care for the dislocated workers, Republicans have come a very long way to a position with which a majority of our caucus agrees. I do the history on this just to prove the point.

This debate began, let us say, back in October—too long ago, I am sorry to say, and embarrassed to say. We should have passed this bill when the recession first hit its lowest point. Our proposal at that time relied on a national emergency grant program to deliver health benefits to workers at a cost of just $3 billion. We look back now, and we say that just doesn't do it. Over time, the number grew. I said publicly that we could double or even triple that number.

I also invited Democrats to modify the grant criteria to make the program more responsive to the needs of workers without health insurance. I even offered some Democrats the opportunity to write the criteria, if we could agree on doing it through national emergency grant programs. The reason for that is you can deliver the help to those who do not have health insurance within 30 days after the President would sign the bill. But the Members of the other party refused. And that did not stop us from staying at the negotiating table, regardless of what the distinguished majority leader says about our refusal to negotiate.

(Mr. JOHNSON assumed the chair.)

Mr. GRASSLEY. Additionally, we proposed giving workers a refundable, advanceable tax credit towards the purchase of health insurance equal to 50 percent of the policy's cost. So we moved away from a national emergency grant program to one that is probably more dynamic, with more flexibility for the workers—a tax credit for those who are unemployed to continue the insurance they had where they previously worked and were laid off; and even go beyond that, for people to have health insurance even if they did not have health insurance at their previous job before they were laid off.

Democrats objected, claiming that the credit was too small and that sicker people would have trouble buying policies in the individual market. So there was one gripe after another, but we tried to satisfy those gripes to reach a consensus agreement which ended up being the bipartisan centrist-White House program.

Our new proposal then was endorsed by the White House even though the President had suggested another approach. It was endorsed by the White House, the House of Representatives, and by the bipartisan centrist group of this body. That program takes a three-pronged approach to getting health insurance assistance to those dislocated workers who used to have health insurance where they first worked. Now they are unemployed. Now they do not have health insurance. Now they would have health insurance under the White House-centrist bipartisan package, but they would not have it under the Daschle amendment before the Senate.

Our proposal goes further and wider than any proposal on the table to date and gets more help to more people more quickly than any other proposal to date. What is more, it represents a giant leap in spending on health care. It includes over six times as much money for temporary health insurance assistance as our original Republican, and admittedly partisan, proposal.

The House-passed stimulus bill—what the President said he would sign, and the centrist group in the Senate backs—would spend approximately $19 billion on temporary health insurance in the year 2002. And it does it the right way, by using existing programs, along with new ones, designed to get people the help they need quickly.

Now I take a minute to describe our three-pronged approach.

First, the White House-centrist bipartisan proposal provides a refundable, advanceable tax credit to all displaced workers eligible for unemployment insurance, not just those eligible for COBRA. The value of the credit is 60 percent of the premium, instead of the 50 percent in our original proposal. The credit has no cap and is available to individuals for 12 months between the years 2001 and 2003.

Individuals can stay in their employer COBRA coverage or they can choose policies in the individual markets that may better fit their families' needs. This only makes sense because locking people into COBRA, as the Democratic leadership insisted prior to Christmas—and it is not even in their proposal now—forces people to stay with policies that may be too expensive for them to keep, even with a 60-percent subsidy.

Our goal was to give dislocated workers access to all health insurance choices available to them in the private marketplace. We have done that in a responsible way that uses the dynamics of the marketplace rather than the straitjacket of a Government program to deliver the help.

This bipartisan White House-centrist proposal includes major new insurance reforms to protect people who have had employer-sponsored coverage and go out into the private market for the first time after being laid off. It makes the COBRA protections available to people who have had only 12 months of employer-sponsored coverage, rather than 18 months as under current law. By doing this, we greatly expand the group of displaced workers who cannot be turned down for coverage or excluded from any insurance because of preexisting conditions.

The new 12-month standard is especially important for people with chronic conditions who have difficulty obtaining affordable coverage. It is a

major step, and I am surprised that the Democratic leadership does not want to take us up on these sweeping new reforms.

I turn now to the mechanics of the tax credit proposal. It is much easier to implement than the direct subsidy approach that the Democratic leadership has had in some of their proposals. But there is nothing on health insurance in the Democratic amendment before us. They just forget about the needs of the dislocated workers who used to have health insurance who do not have it now because they are unemployed.

While the Democrat proposal requires employers to shoulder the burdens, our proposal relies on existing State unemployment insurance systems. So under this bill, workers will be able to access the credit and begin applying it to their health insurance premiums in a timely way. Let me explain the workings of it.

Newly dislocated workers will receive certificates from their State unemployment offices, or ''one stop'' centers, when they apply for unemployment insurance. You can take care of both needs at one time—unemployment insurance and continue your health insurance from the previous employer. Or if you did not have it there, you can get a certificate to go out and get it for the first time.

So you take those certificates and submit them, along with their contribution to the premium, to their employer or insurer, and move on with insurance. Afterwards, insurers then would submit the certificates to the Treasury Department for reimbursement.

This approach works because it relies on existing systems to deliver new benefits and, as a result, delivers those benefits in a fast and reliable way.

I ask my colleagues, why would anyone insist on a mechanism that just will not deliver the goods to the people who need them? In other words, people who became unemployed yesterday have lost their health insurance, they cannot afford to keep their COBRA up, or maybe they are unemployed from a place that did not even have health insurance and then have to institute some system where they have to wait a long time to get the help. I do not understand the wait.

The second prong of this proposal is $4 billion in enhanced national emergency grants for the States, which can be used to help all workers—not just those eligible for the tax credit—to pay for health insurance. States have flexibility under our approach and can use these grants to enroll their workers in high-risk pools or other State-run plans, or even enroll them in Medicaid if the State decides.

To address concerns raised by Democratic colleagues, our enhanced national emergency grant program requires all States to spend at least 30 percent of their grant money on temporary health insurance assistance. In addition, we have included protections for the States—a minimum grant of at least $5 million for any State that meets the grant criteria.

Finally, the third prong of the proposal responds to Democratic requests by including $4.3 billion for a one-time temporary State health care assistance payment to the States to help bolster their Medicaid Programs.

Just this Monday, I had a State senator from Davenport, IA, speak to me at one of my town meetings about the needs of the States for additional Medicaid funds. I said to her that Governor Vilsack and Republican leaders and Democratic leaders had a conference call with me on that very subject before Christmas. I said we have this $4.3 billion in this White House-centrist bipartisan package that the President will sign, that has passed the House of Representatives.

What you need to do is get Governor Vilsack, I said to our State Senator, who I said I would help, get him to call Senator DASCHLE and ask this bill to come up, and you will have Iowa's share of this $4.3 billion.

As we know, the Medicaid program is an important safety net for low-income children and families and disabled individuals. Medicaid is a joint Federal and State program that accounts for a large part of State budgets. So in this time of budget constraints due to recession, States are struggling to make ends meet. Iowa is one of those. In fact, I think I read in the newspapers that there are 40 States that have very serious budget problems, and Medicaid is probably the biggest one of those budget problems in almost all of those States.

So as a result of the unique and extraordinary economic situation we now face, we need to help those States rather than having those States scale back Medicaid services, including my own State of Iowa. I think we are going to be scaled back by $18 million. This provision provides a one-time emergency cash injection that will help States avoid Medicaid cutbacks.

This feature was not part of our original plan. I just say that. You might ask: Senator GRASSLEY, why didn't you have it in your original plan? Well, the process of legislation is evolution of a bill. There are very few bills in Congress that are introduced and passed as they are originally introduced. I would not pretend to believe that every bill I introduce is a perfect piece of legislation. This process of negotiation on these, listening both on the Republican side and the Democratic side, is one of improving a piece of legislation, and even after that is done, with new ideas in it, you have to recognize that many of our colleagues have concerns about even this provision. In fact, I share their reservations, and that is why I am emphasizing that this is not simply a garden variety increase in Medicaid funding; this is to meet the temporary emergency payments that result from a downturn in the economy because of the terrorist attacks of September 11 that have not only affected the Federal budget situation but most of our States.

This Nation is calling for a bipartisan compromise. In that spirit, we have agreed to add this proposal on Medicaid to our bill.

We made tremendous steps towards the Democratic position in order to find bipartisan compromise on health care, a compromise on health care that is not even in the Democratic proposal that is before the Senate. I said that what we have included in here our Republicans would vote for, I think, maybe except for two Republicans. And then we have enough Democrats that make up a majority to get this bill passed. But those steps have not been reciprocated by the Democratic leadership.

Displaced workers then deserve to be treated with respect by this body, and I believe those workers have earned a vote on this bill. In other words, the House has passed this bipartisan White House-centrist package. The President has said he would sign it. So if we have a majority vote here, we could pass this, and it would be out of the way. We would be stimulating the economy, and we would be helping dislocated workers.

It is necessary for me now to discuss the individual income tax reductions in the White House-centrist plan and also compare this to the skeletal plan put forth by our distinguished majority leader.

The original House stimulus bill would have accelerated the reduction of the 27 percent rate to 25 percent. That otherwise would not be scheduled to go into effect until the year 2007. The White House-centrist package has adopted this approach.

Here is another thing on the charts that the majority leader used in his speech this morning. He referred to ''rates reduction''—plural, ''rates.'' We have one rate reduction, the 25 percent bracket, or let's say the 27 percent down to 25. We don't change other rates. We do have other tax provisions, the tax rebate for low-income people.

So we have the White House-centrist bipartisan package helping these middle class taxpayers. The skeletal Democrat plan doesn't do this. It does not provide one red cent of tax relief for people who are working for a living, not even one cent of tax relief for working Americans. So let's take a look at who will benefit from our planned rate reduction.

I have some charts I will be referring to. The reduction of the 27 percent rate will benefit singles with taxable income of at least $27,000. I want people to think about this, a single person with income as little as $27,000. Somebody is going to be saying before the day is out that these people are not overtaxed. I would like to have you ask people making $27,000 if they couldn't use a reduction of their income tax from 27 percent down to 25 percent. They would probably laugh at us for suggesting that that is not enough.

We are talking about heads of households that would have income as little as $36,250 and married couples with taxable income as low as $45,000. These are not wealthy individuals. These are middle class working Americans. I have the chart I referred to that Members can see. I want them to see what the median income for a four-person family for every State in the Nation.

Median income is the amount of income right in the middle, with half the incomes above and the other half below. Our chart shows that the average median income for a four-person family in the United States, as we can see, is $62,098. A family of four now, that is the average. Remember, half are below and half are above. A reduction of the 27 percent rate to 25 will benefit married couples with taxable income over $45,000. So it will benefit working people who are well below the national median income level.

This chart also shows those States that have family median income that is higher than the national average. And so we can look at where these people live: Connecticut, New Jersey, Delaware, Michigan, Rhode Island, California, Washington State. These are the States where a family of four will benefit the most from our proposed tax cuts.

The more surprising figures are shown in the next chart. We can see the States with median income below the national average. So you recall that I said that reducing the 27 percent rate to 25 percent will benefit married couples with taxable incomes over $45,000. Look at the median income distribution of this chart. You can see from this chart that there is not one State on the list that has a median family income of less than $45,000.

So you can see that our proposal will benefit everyone, not just the elite few, not just from a few selected States. But the distinguished majority leader's Democratic skeletal plan provides no relief for these States. The Treasury Department has estimated that the White House-centrist bipartisan plan's acceleration of the 27 percent rate will yield $17.9 billion of tax relief in the year 2002 for over 36 million taxpayers. That is one-third of all income tax payers. Small business owners and entrepreneurs account for 10 million or 30 percent of those benefiting from this rate reduction.

When you refuse to accelerate the rate cuts, you harm farmers and small businesspersons the most. That is because most small businessowners and farmers operate their businesses as sole proprietors, sub-S corporations, partnerships. The income in these types of entities is reported directly in individual tax returns. Therefore, a rate reduction for individuals reduces taxes for farmers and small businesses. That is why the rate reduction under the bipartisan White House-centrist plan is so important. In 2002 alone, it injects $17.9 billion of stimulus into our ailing economy, and it helps small businesses that create the new jobs.

So what would a small business do with these tax savings? Well, considering that most of the recent job growth has come from small businesses, I believe they would feel safe hiring more people and making more business investment. We know that 80 percent of the 11.1 million new jobs created between 1994 and 1998 were from businesses with less than 20 employees. Eighty percent of American businesses have fewer than 20 employees. That is why I refer to this as the 80–80 rule for supporting tax reductions.

In addition, lowering taxes now would increase business cashflow during the current economic slowdown. The higher cashflow would increase demand for investment and labor. Don't just take my word for it because we have the National Bureau of Economic Research. They produced, in October 2000, a publication called ''Personal Income Taxes and the Growth of Small Firms.'' As you know, the National Bureau of Economic Research is a well-regarded, nonpartisan organization. It is the organization that determines when official recessions begin and when they end. They said this one began in March 2001. If we trust them to make that determination, I hope we trust the conclusions reached in their report.

Their report on individual taxes and small business growth reaches the unambiguous conclusion that when a sole proprietor's marginal tax rate goes up, the rate of growth of his or her business enterprise goes down. Simply stated, high personal income tax rates discourage the growth of small business and right now, in a recession, that is the last thing we need.

That is why it is important to do rate reductions and do them the right way and fully accelerate the 27-percent rate reduction. We are simply accelerating a decision the Senate made last summer. We should not, as has been suggested by some in the Democratic leadership, repeal rate reduction or, to state it correctly, we should not increase taxes. Again, that is the last thing you should do in a recession.

We know tax cuts are stimulative. When working Americans have more of their own income, they are more financially secure and comfortable with spending.

Let me say who really loses when this body fails to act. It is our displaced workers, it is our fellow Americans who still have a job, it is the security of our job base, and it is the soundness of the Nation's economy.

The Senate Democrat leadership will not allow an up-or-down vote on our bipartisan White House-centrist stimulus package. At least that was the way it was before our holiday break. The reason why I don't think they allowed it to be done is because it would pass. We have a majority of Senators—obviously, a bipartisan majority. Obviously, this proposal comes from the center of the Senate, from conservative Democrats and moderate Republicans. So what. That is how you get things done in the Senate.

I might not agree with everything in the package. I might be considered more conservative than those who put it together, but it is a good package. More importantly, it meets the needs of our country post-September 11. It meets the needs of those dislocated workers, those people who don't have health insurance.

So now where are we? We are at a point where the distinguished majority leader has offered the skeletal remains of that package. But I don't think there is a majority of Senators supporting that move. When you get it all said and done, it doesn't help those people who don't have health insurance.

I urge Senators to think twice before supporting something less than the full stimulus package that was written by Democrats and Republicans in the center of the Senate and that was so done in a way that satisfies the White House for signature. We need to enact a plan that will stimulate the current economy and serve as insurance against a second downturn in the next few years.

For those in this body, both Republican and Democrat, there are a few who say we will be better off if we don't pass the stimulus package, or that we are recovering and we might not need it. I say to them, remember that most recessions have a double downturn. They have it when the original recession kicks in, and then they have an upturn, and then they have a down tick. A down tick probably is not a negative growth situation, but it is still a downturn. This stimulus package will be insurance against having a steady rise in the economy over the next few years, with no down tick, as is traditional for some recoveries. We need to enact a plan that will stimulate the current economy and give us that insurance.

The White House-centrist bipartisan package does that. I hope the Senate hears the pleas of the American people and will support a comprehensive stimulus package—one that aids displaced workers, tends to their health care needs, and gives a real turbocharge to our economy, and to do that into a full recovery, a recovery without a down tick, so those who need a job can get it and those who have a job can keep it and relieve a lot of anxiety—particularly anxiety over not having health insurance, which unemployed people have.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARPER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. CARPER. Mr. President, I am not interested in casting aspersions today at the work of our Republican friends with respect to the economic

recovery package. I think, for the most part, they have entered into this in good faith. Senator GRASSLEY of Iowa has worked hard, as has Senator BAUCUS of Montana, to try to craft a consensus package that we can all agree to—or at least 60 of us can—which would have a beneficial effect. I wanted to speak briefly and reflect back for a moment on the principles that we adopted on a bipartisan basis last fall as we approached the creation of an economic recovery package.

There are really three principles that come to mind. One is that whatever we came up with should be temporary in nature; second, there should truly be stimulative of our economy; three, it should not exacerbate long term the budget deficit of our Nation.

I can stand here along with any of our colleagues, certainly the Presiding Officer, and think of any number of items I would like to include in a stimulus package that are not included in the four-part proposal put forth by the majority leader.

He has suggested a 13-week extension in unemployment insurance benefits; a tax rebate for those who did not receive a tax rebate previously and who are very likely to spend that money sooner rather than later; bonus depreciation incentive for businesses to renew capital investment, which has been lacking for the last year or more now; and fiscal relief for States with respect to their health care costs.

My State of Delaware and other States are having a very difficult time as the rolls of the unemployed rise, as the numbers of people who are eligible for Medicaid rise, and States need help with that.

As I look through that list of four proposals Senator DASCHLE has put forward, I see in those proposals ideas that are essentially temporary, that are stimulative, and do not exacerbate our fiscal situation long term.

If we are going to do something in this regard—we have been dancing this dance for a long time—we need to get on with it. I applaud our leader for bringing it up early on, but if we do not do something soon, it is really too late.

When we were in economic recovery and expansion during the 1990s, a lot of people thought it was going to last forever. We know it did not. Similarly, people think that when we are in a recession it will last forever, too, and we know from history that recessions do not last forever either. The history of recessions since World War II is that they are generally a year and a half long; most are 12 months in duration. We have been in this one for almost 12 months.

I think one of the reasons the landing has been as soft as it has been—and I know it has not been for everyone—one of the reasons this recession is not as deep as it otherwise might have been is because of some of the most aggressive monetary policy by the Federal Reserve I have witnessed in my lifetime, maybe the most aggressive policy which is now being felt in our economy.

Second, we have seen prices drop precipitously from a year ago. It is not just the price of gasoline we put in our cars, trucks, and vans, but it is the price of the heating oil we are using to heat our homes this winter. Even natural gas prices are down dramatically. We feel good about those things psychologically, but also they have a material effect on our economic well-being and our pocketbooks.

A third piece that is kicking in to help lessen the severity of the recession is the amount of spending we are doing. We are spending a lot of money, and we are spending it, for the most part, on the right things—the war in Afghanistan, the war against terrorism around the world, trying to help the folks of New York recover and rebuild, trying to make sure the airline industry does not end up in a real depression with massive layoffs and closings.

Those three things taken together—aggressive monetary policy by the Fed, much lower energy prices, and the deficit spending we are already doing—combine to help, if not lift, the economy to at least reduce the depth to which it is dropping.

I am personally bullish about the economy. I think there is a pretty good chance come spring we will be coming out of this recession. Some have said it will be a jobless recovery and maybe mirror what we had in 1990, 1991, and 1992. My sense is we will probably be coming out of it sooner rather than later.

The Federal Reserve will meet next week. They will debate whether or not to lower interest rates again by maybe another quarter of a percent. I have no crystal ball. I am not sure what they are going to do. They can do that or make no change at all.

The time will come when the concerns of the recession will give way to inflationary concerns. If we wait too long for this stimulus package, we are going to put ourselves in the position of instead of being in concert with the Federal Reserve's monetary policy where we pass a package that supports what the Federal Reserve does, we are going to be offering a package that will stimulate the economy which is already on the rebound and the Federal Reserve's concerns will move to not so much how do we get the economy moving, but how do we dampen down inflationary expectations.

I said to our leader any number of times: No bill is better than a bad bill with respect to economic recovery. What he has proposed is not a bad bill. I believe it is quite a good proposal. As I said earlier, I can certainly offer changes that I would like to see adopted that might make it better. Frankly, so could our Republican friends as well.

This bare-bones approach works for me, but more important, I believe it will work for our country. It will provide the insurance policy along with the Federal Reserve monetary policy, along with the energy price drops, along with the spending we are already doing to make sure when we do get into this spring that the economic recovery we are hoping for will actually materialize.

We have been joined in the Chamber by Senator BAUCUS of Montana, chairman of the Finance Committee. I spoke of him when he was not in the Chamber. I now thank him in person. No one has put more time, energy, and effort into trying to develop a package with respect to the economic recovery of our country than Senator BAUCUS. I wanted to express my thanks to him for the great work he has done.

My hope is we can move from this proposal today and actually adopt it, but if we cannot and if we do not, I want him to know he has my respect and certainly my thanks. I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, what is the present parliamentary situation?

The PRESIDING OFFICER. The pending question is Daschle amendment No. 2698.

Mr. BAUCUS. I thank the Chair, and I thank my good friend from Delaware, Mr. CARPER, who is a great addition to this body, to the country, and certainly does great service for his State of Delaware. The Senator is a good man.

Mr. President, like a lot of others, I have read the David McCullough biography of President John Adams. I commend it to anybody listening who has not read it. It is a wonderful story of a colossus of a man, John Adams. It is so inspirational, especially reading about that era in our country where men and women were very concerned about their futures, most of them having left England, oppressed by Great Britain, and how they reacted to it, with the variety of people in the colonies at that time with different backgrounds and certainly not having present-day communications. Nothing traveled faster than the speed of a horse. It gave people time to reflect.

John Adams read thousands of books. He read all the political philosophers of the time in original Greek, in original Latin, as did a lot of our Founding Fathers and women, too. Abigail Adams clearly was a great force in helping our country come together.

John Adams, as a major force for what was right for America, helped persuade the delegates assembled at the Continental Congress trying to decide the future of our country to break away and declare independence. He is the main reason for the words in the Declaration of Independence. Thomas Jefferson wrote them, of course, but it was John Adams who was the primary mover in helping to persuade men and women in difficult times to come together and do what was right and break away from Great Britain.

Then came the Revolutionary War. We were so ill prepared. Mr. President,

35,000 British troops landed on Staten Island.

We had such a difficult time putting troops together, and it was John Adams, as the head of the War Board, who foresaw far ahead of anybody else how difficult the Revolutionary War would be and began putting together the armaments in order to make that happen and how to prevail and how to deal with the Brits.

I only mention this because as we are debating an economic stimulus bill, an economic recovery bill, in many respects what we are doing is so far removed from those great Americans who met in Philadelphia, later met in Washington, DC, in subsequent years, in helping develop and frame our country. This is a sterile debate compared with the debates they had. It is a very important debate, but it is a sterile debate. It is very important clearly because our economy is not out of a recession.

Most businesses that study these matters for their livelihood believe we are not out of the woods. The manufacturing sector is in very difficult straits. There is some data that indicates maybe we are near the end of the so-called recession, but it is my belief, in talking to people around the country, business men and women, that we are not. That is clearly the case with respect to at least a couple of million people who, in addition, have lost their jobs compared with previous years and deserve an extension of unemployment compensation benefits.

We do need to come together in the way our forefathers did back then. I do not want to be too dramatic or too simplistic about it, but when we look back and think of what our Founding Fathers and mothers did and how they came together in very difficult times, it is very inspiring. I urge us to tap into that, to remember what they did and to utilize and act in the same vein and try to do what is right for America.

I think if we are all honest with ourselves we know what is right is to forget this partisan bickering back and forth. Forget the labeling. Forget the criticism. Forget trying to take credit. Just kind of do something which seems right, and right to me is some modest tax stimulus to help business and extending the unemployment compensation benefits to help people who have lost their jobs.

Different Senators are going to have different ideas, but in the main I think we can do something pretty modest but on target and very quickly. I am quite confident the President wants the same thing and is trying to achieve the same goals. I urge all of us on both ends of Pennsylvania Avenue to in a larger sense be inspired by our Founding Fathers and think of the difficulties they had in working together, and they worked together.

The Thirteen Colonies actually voted unanimously for independence. One State abstained, but 12 Colonies all voted unanimously. It was very difficult. Think of the southern Colonies, the northern Colonies, much different backgrounds, but they came together. They knew what was right for America. On a much lower plane, if they could do what is right for America back in 1776, clearly in the year 2002 we could pass a modest economic stimulus package that makes sense for America. In that vein, I urge all of my colleagues to work together.

AMENDMENT NO. 2701 TO AMENDMENT NO. 2698

Mr. BAUCUS. Mr. President, I rise today to offer an amendment to include extension of expired agricultural disaster assistance programs to the economic recovery bill. My amendment, cosponsored by Senator ENZI, provides $1.8 billion for the Crop Disaster Program for losses incurred in calendar year 2001. Further, it provides $500 million for the Livestock Assistance Program, $12 million of which will be directed to the American Indian Livestock Feed Program.

Extension of these agricultural disaster relief programs is necessary. Why do I say so? It is because of an unprecedented streak of poor weather and economic conditions continue to hamper the economic prospects for farmers and ranchers throughout our country.

Farmers in parts of the South and northern-tier States have been particularly hard hit. Although some sectors and some regions have begun to recover, farmers' overall earnings from their farming operations, not including government payments, are down sharply from the levels in the mid-1990s.

The current difficulties could not come at a worse time.

While struggling to survive three disastrous years, farmers are now faced with sharply escalating operating costs due to higher energy and fertilizer prices, and basically higher operating costs.

According to the most recent projections provided by the U.S. Department of Agriculture, total farm expenses were estimated to rise another $4.2 billion in 2001. This latest rise came on the heels of a nearly $10 billion increase in total farm expenses in the preceding year, 2000.

Caught between severe and erratic weather conditions and rising operating costs, American agricultural producers have experienced a severe economic squeeze.

The data kept by USDA's Economic Research Service demonstrate that net farm business income was at a decade-low in 1999 and 2000. Thanks to a limited recovery in some sectors, USDA projects that farm business income will rise slightly in 2001.

Still, unless government assistance is continued, net farm income in 2001 is actually projected to be lower than farm income in those bad years of 1999 and 2000. Even in sectors in which economic conditions have been improving, such as livestock, poor grazing conditions have pushed many ranchers to feed heifers for slaughter rather than using them to rebuild their herds.

Not surprisingly, 3 years of economic hardship have taken a toll on the farm economy. ERS statistics show farm debt rising in the last 3 years at such a rapid rate, more than in the 1980s. In other words, farmers are borrowing to continue their operations. This increased debt load adds further to farmers' operating costs.

In my home State of Montana, it is anticipated that 40 percent of producers seeking operating loans this year will be denied if we fail to provide this assistance in this amendment.

Thus, if government efforts to support farm income are now curtailed—with weather problems continuing, costs rising, and no time to recover from the contraction in farm operating income since 1998—the economic impact on rural America could be devastating.

In a real sense, the economic problems that have afflicted the rest of the economy in recent months have been plaguing the farm economy for several years.

A downturn in farm income does not just impact farmers; it wreaks havoc in the rural communities that depend upon them. Farmers in economic distress are not able to make their usual purchases of seed and fertilizer, not to mention food and clothing.

This makes the agricultural sector—which is directly and indirectly responsible for nearly one-fifth of U.S. gross domestic product—among the most vulnerable sectors of the U.S. economy.

To ensure that the stimulus plan also provides benefits to agriculture-dependent economies in the South Midwest, and northern-tier States, my amendment extends the disaster relief programs that have been critical to shoring up farm income over the last 3 years.

This will allow farmers—and the rural economies that depend upon them—to share the economic support provided to the rest of the economy in the stimulus plan and make real progress in recovering from the multiyear downturn they are now struggling through.

Simply put, many rural economies did not fully participate in the growth in the 1990s. According to data from the U.S. Bureau of Economic Analysis, growth in many rural States, including Montana, Iowa, Oklahoma, North Dakota, Wyoming, Louisiana, and Mississippi has lagged behind—in some cases, far behind—the national average.

In the same vein, according to the Bureau of Labor Statistics, over the last decade, job growth in rural areas has lagged far behind that in urban areas.

Further, rural areas appear to have entered the current recession in late 2000, almost a year and a half ago. Rural America seems to be the first to suffer a recession and the last to recover. For this reason and so many more, this stimulus bill should include agricultural disaster assistance.

I note that this amendment does not include a commodity purchase section that was the subject of much criticism from the other side of the aisle.

Some may recall that this provision was attacked for extending benefits to buffalo ranchers and asparagus farmers—among others. I believe those attacks were unfair and misdirected. I still support provisions for specialty crop producers. However, in order to minimize controversy and move this amendment forward, I have dropped this provision from my amendment.

Finally, I have letters of support for this amendment from the following organizations: The National Association of Feed Growers, Montana Stockbrokers, National Farmers Union, signed by 26 State presidents, the National Cotton Council, the National Cattlemen's Beef Association, and others. I also have a joint letter from the Montana Grain Growers Association and the Montana Farm Bureau Federation describing the desperate need for this agricultural disaster assistance.

All I hear when I am home is the need for this legislation. We are in dire straits. We have not participated in the national growth of the 1990s. We are hurting. It is not just my State but in many other parts of rural America. We need this.

I urge all colleagues to support this amendment and ensure this economic stimulus program truly helps all Americans. That includes farmers, ranchers, and those living in rural communities.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I missed part of his statement. This is an amendment to the Daschle amendment?

Mr. BAUCUS. Yes.

Mr. NICKLES. It costs how much?

Mr. BAUCUS. About $2.3 billion.

Mr. NICKLES. To be expended this year; and it is for what?

Mr. BAUCUS. Disaster assistance.

Mr. NICKLES. We are not doing the farm bill.

Mr. BAUCUS. Right.

Mr. NICKLES. The Senator does not want to wait another week or two?

Mr. BAUCUS. Mr. President, the farmers cannot wait. We don't know the prospect of the farm bill either. Income is going down the tubes; farmers are going down the tubes. That is why we are acting now.

Mr. NICKLES. Mr. President, I missed part of my colleague's comment. I heard he would have an amendment to add an agriculture section to the so-called stimulus bill. I don't think that underlying bill qualifies as a stimulus bill. I don't see anything in the underlying bill that creates jobs. Now we are talking about an additional 2-point-some billion dollars to be added to agriculture payments. I don't think the amendment should be on this bill.

I want to read the amendment. I know many sections of our country in rural areas are hurting in agriculture. We will be debating the agriculture bill, the farm bill, probably in the next couple of weeks, and I think that would be a more appropriate vehicle. I will read my colleague's amendment. I have great respect for him. My initial reaction is it does not belong on this bill. I hope it will not be added to this bill. We will no doubt vote in the not-too-distant future.

I know there are colleagues on this side, and I assume we will alternate amendments. Senator SMITH has an amendment on accelerated depreciation. It is my hope to bring that amendment up as well.

Mr. BAUCUS. I call up my amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS] proposes an amendment numbered 2701 to amendment No. 2698.

Mr. BAUCUS. I ask unanimous consent the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide emergency agriculture assistance)

At the end add the following:

**TITLE ____—EMERGENCY AGRICULTURE ASSISTANCE**

**Subtitle A—Income Loss Assistance**

**SEC. ___01. INCOME LOSS ASSISTANCE.**

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this title as the ''Secretary'') shall use $1,800,000,000 of funds of the Commodity Credit Corporation to make emergency financial assistance available to producers on a farm that have incurred qualifying income losses in calendar year 2001.

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 815 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–55), including using the same loss thresholds for the quantity and economic losses as were used in administering that section.

(c) USE OF FUNDS FOR CASH PAYMENTS.—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments not for crop disasters, but for income loss to carry out the purposes of this section.

**SEC. ___02. LIVESTOCK ASSISTANCE PROGRAM.**

(a) IN GENERAL.—The Secretary shall use $500,000,000 of the funds of the Commodity Credit Corporation to make and administer payments for livestock losses to producers for 2001 losses in a county that has received an emergency designation by the President or the Secretary after January 1, 2001, of which $12,000,000 shall be made available for the American Indian livestock program under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–51).

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–51).

**Subtitle B—Administration**

**SEC. ___11. COMMODITY CREDIT CORPORATION.**

The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this title.

**SEC. ___12. ADMINISTRATIVE EXPENSES.**

(a) IN GENERAL.—In addition to funds otherwise available, not later than 30 days after the date of enactment of this Act, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to pay the salaries and expenses of the Department of Agriculture in carrying out this title $50,000,000, to remain available until expended.

(b) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under subsection (a), without further appropriation.

**SEC. ___13. REGULATIONS.**

(a) IN GENERAL.—The Secretary may promulgate such regulations as are necessary to implement this title.

(b) PROCEDURE.—The promulgation of the regulations and administration of this subtitle shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the ''Paperwork Reduction Act'').

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

**SEC. 14. EMERGENCY DESIGNATION.**

The entire amount made available by each of Subtitle A and Subtitle B—

(1) shall be available only to the extent that the President submits to Congress an official budget request for the amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.); and

(2) is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I rise in support of the Daschle-Baucus amendment which is being considered now. What we have is an opportunity—and I hope a bipartisan opportunity—to do something about the economy.

Senator DASCHLE has taken those elements of the Republican economic stimulus plan and the Democratic economic stimulus plan that we agree on and brought those to the floor, saying, use this as a starting point, as a bipartisan effort.

There are other ideas. Some on the Democratic side have concepts, and I am sure those on the Republican side do as well. What Senator DASCHLE is trying to do is to break the logjam, cut through the rhetoric, and do something.

I am discouraged that when Senator DASCHLE tried to do that this morning in the Senate Chamber, some Members

on the other side of the aisle objected. I hope this is not an indication that we are in another logjam, at an impasse and unable to break through.

Clearly, we have a good-faith effort to find a bipartisan economic stimulus package. This package contains elements with which I think Democrats and Republicans should agree. I don't believe there is any debate over the fact of 5.8-percent unemployment in this country and 8 million people out of work, and there are a lot of people facing hard times. This recession has made it difficult for them and their families. I read about it at home in the newspapers and hear it from people I talk to who call the office. A lot of families face a difficult circumstance and are trying to get by.

What we are trying to do with the economic stimulus bill is extend unemployment benefits for those who have been unemployed so they can keep their families together.

If the problem in America today is the fact we have overcapacity of goods and services and not enough demand and we want to help the economy move forward so more people make purchases, we want to give the resources to those who will spend them. The first to spend these resources are those out of work. Every dollar given to that unemployed worker for his or her family will be turned into a purchase, an important purchase for that family for clothing, food, to pay the utility bill in the cold winter months, shelter, maybe even medical costs. I hope there is no argument about that. I hope we can concede this is something to which both sides should agree.

There is another element in this bill of equally importance relating to the Medicaid system. Medicaid, of course, is health insurance for the disadvantaged people in America and those on disability. What we have found in my State of Illinois and across the Nation is that a lot of hospitals are facing closure today. States are seeing shrinking revenue and cannot match the Federal dollars that might come in from Medicaid and are cutting back for Medicaid reimbursement. That means small hospitals, rural hospitals, inner-city hospitals, hospitals with a disproportionate share of elderly patients, and patients with disabilities are the ones that are facing closure. The Daschle-Baucus bill addresses that.

I ask the Senator from Montana if he would like to comment. When he speaks of rural areas, the hospital Medicaid reimbursement in his State probably is similar to my own; inadequate to meet the current need. This amendment, the Daschle-Baucus amendment before the Senate now, provides, if I am not mistaken, additional Medicaid assistance to these hospitals in this difficult time. I would not be surprised if in Montana, as in Illinois, you had rural hospitals that were on the edge of closure. With this dramatic change in lifestyle, the quality of life in smalltown Montana or smalltown Illinois is going to change dramatically if the travel time to a hospital goes from 25 minutes to an hour and a half for the elderly person struggling to press on and live or for the woman delivering a baby. This makes all the difference in the world.

I ask my colleague from Montana if he would comment on the Medicaid aspect of this economic stimulus bill before the Senate.

Mr. BAUCUS. I thank my good friend from Illinois. The Senator is absolutely correct. Unfortunately, we are in a recession, and the data we have is based upon times when the economy was in better shape, a couple of years ago. As a consequence, the formula for distributing Medicaid payments from Uncle Sam to the States is based upon old data, and now the hospitals are hurting, more people have less income, they cross the Medicaid poverty index, they get lower payments—just the opposite of what they should receive. As a consequence, what the leader suggested is essentially about a $5 billion reimbursement to the States that have lost revenue as a consequence of the downturn. Revenue, in some respects, they will get. But with the tax provision passed and the lagging economic data, these States are losing significant revenues in the provisional help.

Mr. DURBIN. I thank the chairman. I can't believe the circumstance is any different in Oklahoma. I have to believe the hospitals in rural Oklahoma and Illinois are facing the same problems. That is why this amendment offered by Senators DASCHLE and BAUCUS as an effort to try to help those hospitals really shouldn't have much debate. I, frankly, think if we don't face this head on, we are going to face head on a serious medical crisis in this country. We are going to see a lot of hospital closures. We are going to see a lot of health care providers that can't continue to make provisions for those who are in nursing homes and hospitals. If we don't do something with this bill's recommendations, if we get up in the politics of the moment, if we find ourselves time and time objecting to bringing this economic stimulus to the floor, it is going to be at the expense of the basic health care of small towns in America—in the Midwest, Far West, and all over the United States.

When you take a look at these two basic provisions for giving a helping hand to unemployed workers who are trying to keep their families together, and giving a helping hand to health care providers that are particularly hard pressed because of this economy, this section seems to be an excellent starting point in our debate about moving this economy forward.

There may be other amendments offered on the other side. Senator DASCHLE says we are open to that suggestion. Let us have amendments offered on both sides and bring this bill to conference.

The President told us to get moving. Senator DASCHLE offered this amendment just for that purpose. The question is now whether the Republicans in the Senate will join us in a bipartisan effort to do something. I can tell you right off the bat there will be Republican amendments that they might offer which I can't support.

I just left a hearing on Enron, which is the topic de jour on Capitol Hill. We went through what happened in that corporation. It had a situation basically where the Enron ship started to sink. The corporate officials and officers grabbed the lifeboats and left the pensioners and investors and employees to drown. That is exactly what happened. As a result of that, there is little sympathy on Capitol Hill for Enron. Yet one of the Republican economic stimulus plans was to give—get this—$260 million in tax breaks to that bankrupt corporation. I am not going to stand for that. I will vote against that every day of the week. Try to explain to people back home why you want to give a tax break to a bankrupt corporation where the officers and officials basically fleeced investors across America, including the President's mother-in-law.

Do we want to give a tax break to that operation or a $1 billion tax break to IBM? Those are issues we can debate at length and get to a vote on. I think there ought to be votes taken with time limits for debate and get to the bottom of it. It depends on the bipartisan will of this body. The Senate is constructed so one Senator can stand up and object and that is basically the end of the story. That is what happened this morning.

I hope my friends on the Republican side of the aisle will take another look. I hope they will understand there are unemployed families in every State. They are not just Democrats. They are Republicans and Independents, too. They have people who want a basic helping hand.

What we are suggesting to help is no radical idea. President Bush's father did that. When he faced a recession during his Presidency, he extended unemployment benefits. This isn't some Socialist scheme we are coming up with, I say to my colleagues on the Republican side. This was considered a good, sound, economic decision by the President's father's administration.

This morning we pick up the newspaper and find the political climate and scenery has changed quite a bit in America. For a long time, we labored under the deficits with a lot of red ink. It meant that the national debt kept going up and up. So we had to collect taxes from businesses and individuals across America just to pay the interest on the national debt. This was not tax money collected for education or for the defense of our Nation or for health care. No. It was money collected to pay interest on the national debt largely held by foreign investors.

We have turned that corner. In the last 6 years of the Clinton administration, we started generating surpluses.

We started funding for retirement in America. We could say to our kids that they were going to see in their lifetime the publicly held national debt come to an end. That would basically have changed in our lifetime. The money collected was going to be spent to make America a better place rather than paying interest on old debt. That was the trend line.

The fiscal discipline we are facing today and the Congressional Budget Office report says the party is over. The surplus is gone. We are back into deficits.

For some reasons, it is very easy to explain. I voted to fight this war. I voted to give the President the money he needed for our troops. I would do it again tomorrow. Did it add to the deficit? Yes. I do not think there is a person in America—certainly not the parents and families of those who are serving our country—who would have us shortchange the men and women in uniform. That is absolutely the right thing to do. We are going to continue to do it, but it means more and more deficit spending so we can wage this war successfully and bring our troops home safely. So be it.

Also, the fact is it has taken a toll on our surpluses as well. There were some projections that by now we would have rosy scenarios and all sorts of good times ahead of us. It hasn't happened. We are still in a recession. The recession takes money out of the Government coffers and adds to the deficit.

We also passed a tax bill last year—a tax cut bill. Many of us cautioned, saying: Go slow. Don't try to guess what the economy is going to look like 5 or 10 years from now. I may be wrong. It didn't even take a year. In 8 months, those rosy projections about surpluses have evaporated with the recession and with the war. It is over. That is why, with the suggestions of greater and greater tax cuts in the future, a lot of us fought the battle to finally end the deficits and move toward a surplus in our Federal budget. We don't want to return to those bad old days.

For goodness' sake, for our children, let us retire this national debt and get back to fiscal discipline and a sound approach. We cannot give all the tax cuts that we all would like to give.

This is an election year. Every candidate wants to stand in front of a crowd and say: I voted to cut your taxes. People just cheer and big, broad smiles cross their faces. Folks are coming to understand that there is a price to pay for it. The $300 or $600 rebate checks they got last year added to the deficit. Money is now being taken out of the Social Security trust fund and Medicare trust fund to pay for it. It is a price that we will pay.

My colleague from Michigan, Senator STABENOW, said yesterday that this is an analogy between what happened at Enron and what is happening here in this debate. At Enron, the top officials cashed in their stock before it became worthless while the little guys who had their 401(k)s—investors and employees—didn't get a chance to cash in their stock and were left holding the bag. Everything disappeared. Financial security was gone. The same debate is going on here now.

There are those who want to give tax cuts to the wealthiest people in America at the expense of the retirement of the workers of America—the Social Security trust fund. That doesn't make sense. Let us not do an Enron on America. Let us make sure that we have a sound policy that really is good for this economy, and every part of it—small businesses, family farmers, and workers alike.

That is why the Daschle-Baucus proposal before us is a good one. It is one that starts us toward a path of doing something sensible to help the economy but not something that will hurt us in the long term.

I urge my colleagues, particularly on the Republican side who objected to this economic stimulus package this morning, to please reconsider. Let us bring this to the floor. If you have some good ideas, let us have a debate and vote—and a limit on the time we put into that debate so we know it is going to end and hopefully end up with a bipartisan bill to send to the conference. And maybe with the work on the House and Senate sides we can have a bill for the President by the beginning of next week. That is important. I think Senator DASCHLE has stepped forward with a positive, sensible, and fiscally conservative approach on this which is good for America and which is good for our economy.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I have just a couple of comments. My colleague and friend from Illinois said something about this bill before us is promoting tax credits. The House Bill 3529 that this Senator tried to bring up and that passed the House just recently reformed corporate AMT, and didn't have anything that was going to be of benefit to Enron. I want to make sure that is understood.

Mr. DURBIN. Will the Senator yield for a question?

Mr. NICKLES. I am happy to yield.

Mr. DURBIN. The economic stimulus package passed by the House, the Republican-sponsored package, the first package contained many billions of dollars in tax relief for corporations such as IBM and Enron. Is that not correct?

Mr. NICKLES. To correct my colleague, the bill we are trying to bring up is H.R. 3529, and it contains reformed corporate AMT. The bill the Senator is referring to did pass the House earlier. It is not what this Senator is trying to bring up? The House, as I am sure my colleague also knows, passed the subsequent measure. That is the measure that has bipartisan support. That is the measure the President supports. That is the measure we are trying to pass. That is the measure that Senator DASCHLE wants to pass and then strike the language on the House-passed bill and insert it in.

I suggest we take up H.R. 3529 and amend it. Again, we just want to make sure. H.R. 3529 is the bill we are trying to bring up, and Senator DASCHLE is trying to bring up his four-point bill. I have some reservations about that bill. My colleague from Illinois, I know, said a couple things he likes about it. There are a couple things I do not like about it.

I am suggesting we take up the House-passed bill, what Senator DASCHLE is planning on eventually striking, and amending it with whatever we come up with.

I suggest we take up the House-passed bill which does not include any provisions that would benefit Enron, which I think may have been implied earlier.

Mr. DURBIN. Will the Senator yield for one more brief question?

Mr. NICKLES. I am happy to yield.

Mr. DURBIN. Is it not correct, then, your bill would have abolished the alternative minimum tax, a tax paid by corporations that otherwise have no Federal tax liability prospectively in the future?

Mr. NICKLES. That is correct. The House-passed bill, H.R. 3529 effectively reformed AMT prospectively. That is correct. It has had no benefit for Enron, no cash benefits for IBM. So I want to make that clear.

Also, just for the record, I just had a chance to read the amendment offered by my friend, Senator BAUCUS. It has $2.3 billion in emergency agricultural assistance, $1.8 billion for the Commodity Credit Corporation, and an additional $500 million for the Commodity Credit Corporation that is designated as livestock. And $12 million is for the American Indian Livestock Program, which I did not even know we had. Anyway, there is a $500 million program for that. I think my colleague from Wyoming wants to speak on it.

I want to have printed in the RECORD the emergency spending for agriculture that we have done in the last 10, 11 years.

It has exploded, absolutely exploded. For the years 1990 through 1995, the average was less than $1 billion a year. For the last 2 years, agricultural emergency spending was right at $15 billion and over $11 billion. I think it has been done kind of haphazardly, and maybe done right before the end of the year, where agriculture has been in a tough situation, and we just threw out a lot of money. I am afraid that is what we would be doing if we added another $2.3 billion.

What about reforming the crop insurance program? We did that a couple years ago. I remember being in this Chamber and everybody saying: Wait a minute, let's fix the crop insurance program so we do not have to come up—every time there is a drought or a flood—with a new Federal emergency

program and write big checks. We are going to fix the insurance program. And we spent some money to fix it. And we have subsidized that program enormously.

What are we doing now? This is adding more money to agricultural emergency assistance. I know we have farmers hurting in my State, just as there are in Montana, and I am sure in many other parts of the country. We are having a drought that is very significant in my State, as I am sure in many of the plains States as well.

But I am looking at the total cost of this program. I will read through these last several years. In 1995, the total agricultural emergency assistance was $600 million; the next year it was $140 million; the next year it was $400 million; the next year, 1998, it was $160 million; and then in 1999 it jumps all the way up to $6.62 billion—not $6.62 million—$6.62 billion. Then the next year it doubles again to $14.99 billion; and last year, 2001, to over $11 billion.

Yet people are saying: Let's add some more billions on top of that.

Then we are going to be dealing with an agriculture bill in the next couple weeks, and people are going to say: Let's spend an extra $75 billion on top of that. Some of us will have an amendment saying: Let's look at who is getting what. There is a front-page article in the Washington Post today that talks about one farmer getting $38 million in the last 5 years. Then it basically says there are thousands of farmers who are making enormous amounts—hundreds of thousands of dollars—not $50,000, not $80,000, not $100,000. There are thousands of farmers who are getting hundreds of thousands of dollars.

I think for the top thousand or more in Arkansas, the average payment was almost $500,000. I have some of those in my State. I think that is outlandish. And they can get it from all kinds of ways, including emergency assistance, including supplemental farm bills. We used to have limitations. We need limitations.

When we get to the farm bill, again, I hope we will put limitations on the payments. In the Harkin-Daschle bill, if I remember, farmers would be able to receive almost $500,000. And I read in the paper today people are able to get millions through multiple entities. We need to tighten that up. I know Senator GRASSLEY has an amendment. Others on the Democratic side hopefully will support it. I have one that will limit payments to $150,000. I am sure some people will say the sky is going to fall because we limit farmers and entities to $150,000. Regardless, I think we should do it.

I think we should be debating the farm bill and agricultural assistance on the farm bill, not on the stimulus package.

Mr. President, I ask unanimous consent to have printed in the RECORD the chart from which I was reading.

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

EMERGENCY SPENDING FOR AGRICULTURE: A BRIEF HISTORY OF CONGRESSIONAL ACTION, FY 1989–2001

SUMMARY

From FY1989 through FY2001, twenty-one appropriations, authorization, or farm disaster acts have added $43.8 billion in emergency funding for U.S. Department of Agriculture (USDA) programs. Nearly $32.8 billion, or about 75 percent of the total amount, was for FY1999–FY2001 alone.

Since FY1989, the vast majority of the total emergency funding has been paid directly to farmers, primarily through two mechanisms: ''market loss payments'' ($21.4 billion, all since FY1999) to compensate for low farm commodity prices, and disaster payments ($15.8 billion) paid to any producer who experienced a major crop loss caused by a natural disaster. The remaining $6.6 billion has funded a wide array of other USDA programs, including other forms of farm disaster assistance, speciality crop assistance, farm loans, overseas food aid, food and nutrition programs, and rural development assistance.

Total annual funding additions in the 21 acts providing emergency assistance to USDA programs since FY1989 are as follows:

FY1989: $3.39 billion;
FY1990: $1.48 billion;
FY1991: $0;
FY1992: $1.0 billion;
FY1993: $1.3 billion;
FY1994: $2.57 billion;
FY1995: $0.6 billion;
FY1996: $0.14 billion;
FY1997: $0.4 billion;
FY1998: $0.16 billion;
FY1999: $6.62 billion;
FY2000: $14.99 billion;
FY2001: $11.17 billion.
Grand Total (FY1989–2001): $43.82 billion.

Mr. NICKLES. Mr. President, I know my colleague from Wyoming, who has an interest in this area, is waiting to speak, as well as others.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I appreciate the Senator from Montana, Senator BAUCUS, offering this amendment. I particularly appreciate it because it gives me an opportunity to recognize that this amendment will allocate $500 million in emergency spending for the Livestock Assistance Program.

There was a lot of mention in this Chamber about things we have done in an emergency way for agriculture. The program that we have left out has been livestock assistance. The ranching folks of this country have been the ones who for years have said they really don't want the Federal Government helping them out. With the exception of the drought programs, that has been true.

One of the difficulties is that they are not in line all the time for this money. Consequently, when they need it, we do not always insert it. The Livestock Assistance Program is an ad hoc program that is administered by the United States Department of Agriculture—USDA—through the Farm Service Agency.

It is available to livestock producers in counties that have been declared disaster areas by the President or the Secretary of Agriculture. It provides financial relief to livestock producers who are experiencing livestock production loss due to drought and other disasters.

Livestock producers in my State of Wyoming have been hard hit by drought. And the drought outlook for this year isn't optimistic. In fact, right now we are having the driest winter that any of them can remember.

I was in a store and ran into an old friend of mine and asked him how things were going; and you could see the drought was at the top of his mind because that is what he brought up immediately. He did not say whether he was feeling well or his family was well. The drought was causing the problem. And it was a different problem. Usually at this time of year there is enough moisture in the ground and enough cold air in Wyoming that the ground freezes. It is pretty solid.

When the ranchers go out to feed—and you have to feed when the ground is frozen solid—they usually can go to the spot where the cattle are and lay down the feed. This year, they have to go to a different place every day and move the herd because of the destruction they do to the land in raising the dust and covering the feed that has been put down because of how dry the ground is. It would not even freeze hard. So the outlook for next year is worse than last year. And the year before that was a bad year.

There are some problems with the Livestock Assistance Program in getting any kind of continuing help. It actually anticipates you are only going to have a problem 1 year. We are about to go into our third year, and, of course, nobody got any payments for the second year because that never got put in anywhere last year, even though we were promised that somewhere this program, that has existed and needs to exist, would exist. It has not existed.

You may not know that in the primary case of drought, producers usually suffer the loss of grazing sources. The Livestock Assistance Program commonly provides the means to buy supplemental feed for their livestock.

Although Congress has made a full commitment to this program when it authorized it several years ago, the program was not funded in fiscal year 2002 in either the emergency agricultural supplemental or the agricultural appropriations fiscal year 2002 bill.

I believe this program funding is critical to the continuing viability of ranches in Wyoming and the West. This amendment would provide short-term immediate economic stimulus to Wyoming's agricultural population. The program is appropriate for the economic stimulus package because it directly stimulates the agricultural sector. This money will be spent immediately in rural areas, and it will be spent to pay debt and to purchase winter feed for livestock—primarily the latter.

The U.S. Drought Monitor, presented by the United States Department of Agriculture, the National Drought Mitigation Center, and the Climate Prediction Center show that the entire Northwestern U.S. is experiencing extreme and severe drought. This is the second year of continuous drought for Wyoming's producers. In these conditions, the State's natural resources have been unable to recover. In order to conserve those resources, State and Federal Government have evicted ranchers from State and Federal leased land. Producers have been forced to find alternative grazing arrangements where pasture land is limited or sell off their herds.

Many producers grazed hay fields last summer and fall that had been slotted to provide winter feed. Virtually every indicator—precipitation, snow pack, reservoir levels—shows that the drought may get worse.

In fiscal year 2001, that is the year before last, the Livestock Assistance Program was funded at approximately $430 million. In Wyoming, 933 producers received $7,752,029. That is an average of $8,000 per producer. You can see where that would just buy feed to get them by through the drought.

Nationally, it provided assistance to about 186,000 producers at 88 percent of their grazing loss—that depends on how many people put in for this limited number of dollars—but at 88 percent of their grazing loss for the drought. And this year, again, the need is similar. We are looking at perhaps another year of it yet. Providing the program with $500 million for drought experienced in 2001 would ensure that producers receive assistance for 100 percent of the anticipated grazing losses due to the drought.

Wyoming producers would receive approximately $9 million. Again that is about $9,000 per producer. The USDA has indicated that this level of funding would be sufficient for this year. Half of Wyoming's counties have been declared drought disaster areas for the second continuous year. The Secretary of Agriculture has already officially declared many counties as disaster areas in the livestock producing States of Montana, Idaho, Washington, Colorado, Nebraska, Kansas, Oklahoma, Missouri, Iowa, Texas, Kentucky, and, of course, Wyoming.

I ask my colleagues to take a long, hard look at the merits of this amendment. This amendment would provide the livestock producers with what everybody has been saying would be provided; that is, the opportunity to continue their operations and to stay in business for 1 more year.

I ask my colleagues to support this bill and to pray for rain and snow in the West.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I rise to make some points in response to the Senator from Oklahoma. He makes some good points, but I think they should be addressed.

One is, what about livestock; what about crop insurance. Why don't we have a crop insurance program that works, that takes care of disasters, farmers who suffer disasters? Why do we have to come along every once in a while with a disaster assistance bill?

If I might suspend, I see my friend from Nevada in the Chamber. He may have a request.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, through the Chair to the chairman of the Finance Committee, I express my appreciation for his courtesy.

We have now been here all day working on this bill. The first amendment offered is the amendment offered by the Senator from Montana, chairman of the committee, which has wide support. It is a bipartisan measure. Its sponsorship is bipartisan.

I ask if we could have a vote on this matter at 3:30. That would be 45 minutes to continue the debate. The vote would be on or in relation to this amendment. I ask unanimous consent that that be the case.

The PRESIDING OFFICER. Is there objection?

Mr. MCCONNELL. Mr. President, reserving the right to object, the manager of this bill on our side is off the floor for a moment. Until he arrives and is consulted, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I understand the Senator from Kentucky having to object. I would hope that the floor staff would alert Senator GRASSLEY to my request. If that time is not sufficient and there are other people who want to speak on it, we have absolutely no problem with that. I do think we should have a vote as quickly as possible.

I will renew that request at a subsequent time after the message is related to Senator GRASSLEY and also to the minority leader.

I ask unanimous consent to be listed as a cosponsor of this amendment.

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

The Senator from Montana.

Mr. BAUCUS. Mr. President, just some basic points to clear the air and to get the facts straight.

It has been suggested that we have crop insurance and why isn't crop insurance sufficient to compensate farmers and ranchers through disaster. The argument is made that we have a crop insurance program. Why do we need disaster assistance? The answer is quite simple.

First of all, the crop insurance program does not cover livestock. So that point is irrelevant. Second, with respect to crops, program crops, there are a couple of points. No. 1, very few farmers buy Federal crop insurance. Why? Because it is so expensive and the coverage is so poor. Even with reform of the crop insurance program, it is not good enough for farmers and ranchers to participate in it. It just is not available as a practical matter.

In addition to that, it is unavailable today for crop losses in 2001. If you had a loss on your crop in 2001, you cannot go now to buy Federal crop insurance in 2002 which will cover losses in 2001. It is too late. Even if you were to buy Federal crop insurance in 2002, you would not want to, a lot of farmers do not want to because, as I said, it is so expensive and the coverage is so poor.

The last disaster bill passed here covered losses basically because prices were so low. The disaster assistance bill before the Senate now covers natural disaster losses—drought, floods—and also quality crop losses; that is, insect, disease, or for whatever reason the quality of the crop is so poor that the farmer takes a large cut.

This is not a new program. This amendment only provides dollars for existing disaster relief programs. For crops, it is a 35-percent loss, and for livestock, under the livestock emergency feed program, it is a 40-percent loss in grazing over 3 months; for quality loss, as I recall, it is about a 25-percent loss. It is existing programs.

In many States across our country, we find counties that have already been declared disaster counties for purposes of this amendment.

For example, I will read some of the States. In Iowa: $17 million would be available for crop disaster, $3.1 million for livestock. In Oklahoma—my good friend from Oklahoma, Senator NICKLES, would be interested in this—it is about $50 million in disaster assistance to farmers in Oklahoma for crops, and about $40 million for livestock disaster assistance; Texas, $436 million for crops, $92 million for livestock. The list goes on: Wyoming—Senator ENZI, of course, is cosponsoring this amendment—Tennessee, a significant amount; Mississippi, a cotton State, $70 million for cotton producers as a consequence of disaster to the cotton industry in that State; Montana, of course, and I might also add that there are many others. At the appropriate point, I will indicate all of the States that qualify.

I might also address a point made by the Senator from Oklahoma that all these big farm bill payments—he read in the paper a lot of farmers get very high payments under the farm program. That is comparing apples with oranges or watermelons with peanuts or whatever products you want to take. We are not talking about the farm bill, Mr. President. This debate is about emergency agricultural disaster assistance, which is entirely separate from the farm bill.

It is true that some farmers, under the current farm program, get high payments. It is also true that there are very significant limitations on which farmers or ranchers can get disaster assistance—very significant limitations. A farmer or rancher cannot get disaster payments over $80,000. We hear

about farmers who get large payments under the farm program. Much of that is justified because they are large farms. But that is irrelevant to this point. This point is, what do farmers receive and what should they receive under disaster assistance?

There is an $80,000 limitation. A farmer or rancher cannot receive more than that in disaster payments. But $80,000 is not a lot of money. That is gross payment. Think of all of the costs that farmer or that rancher has to incur. That is not $80,000 in his pocket, that is $80,000 to cover expenses and losses. Mr. President, I guarantee you it would not even come close to making a farmer whole.

There is another limitation, where no payments can go to any farmer or rancher whose gross income is $2.5 million. That may sound like a lot of money, but not if it is gross. Anybody who knows anything about farming or ranching knows that what farmers and ranchers receive as their net profit, in most cases, is zero. In many cases, it is less than zero, or maybe a little bit more than zero. The net return on farmland in America is a pittance. But farmers and ranchers endure that low rate of return because it is a way of life.

Mr. REID. Will the Senator yield for a question?

Mr. BAUCUS. Yes.

Mr. REID. I can remember many years ago in the farm industry when the cost of pieces of equipment was almost nothing. Now one of those trucks can cost a million dollars. Would the Senator indicate how much farm equipment costs, generally speaking? We see the little John Deere tractor you used to be able to buy at Sears Roebuck. Now these pieces of equipment cost hundreds of thousands of dollars per farm; is that correct?

Mr. BAUCUS. That is correct. The Senator makes an excellent point. Farm machinery costs have skyrocketed. It is obscene how much tractors cost. A combine is over $100,000. I know; I was raised on a ranch. I am astounded at how much farm equipment costs today. It is just ridiculous. On top of that, it cannot be used, in most cases, year round. It is not like a factory where you get to use the equipment all the time and have 60, 70, 80, 90 percent capacity. Most farm equipment is only used for a short time. You can only harvest cotton a certain time of the year or bail hay or combine grain. It is a very short season. It is not year round. So it is a very expensive piece of equipment that does not get a great rate of return because it cannot be fully utilized, to say nothing of all the other increased costs that are greater for farmers or ranchers; namely, fuel, fertilizer, and other things; all of that has gone through the roof, including freight rates.

I am from a State which is a captive shipper State. There is virtually no rail competition in my State. Shippers in my State ask grain farmers to pay twice as much to ship a bushel of wheat than do farmers in other parts of the country who ship that wheat the same distance. Why? Because there is competition in the other States. There is none, for all intents and purposes, in Montana. There are other cases around of captive shippers. It is not of sufficient competition to get trucker or rail rates low enough.

However you slice it, this is a sector of the economy that is in deep trouble. For a specific, unique reason—weather-related, cost-related—if we are going to pass an economic stimulus bill, as we should, because our country still needs a stimulus that is fair, direct, short term, a shot in the arm, agriculture should be included.

Agriculture, directly and indirectly, is one-fifth of America's gross domestic product. I will bet a lot of people living in cities do not know or appreciate that. But agricultural production, directly and indirectly—that is, suppliers and expenditures farmers make on not only equipment but farm products and also farm services, and they also buy clothes and pay the bills and so forth—it amounts to one-fifth of America's gross domestic product. If we are going to pass a stimulus bill, certainly a good portion of it, a significant portion, or a small portion should include agricultural disaster assistance.

I will yield the floor. I see my very good friend, my colleague from our State, on the floor. I am honored that he is here to speak on the amendment. I know a lot of farmers and ranchers in the country are pleased to see Senator BURNS supporting this effort.

Mr. BURNS. I thank my colleague from Montana. I thank him for presenting a bare-bones amendment covering the emergency agricultural situation we have in our State. He is exactly right. There are a lot of folks who do not realize how big agriculture is in our overall economy.

You know, it is not surprising because each and every one of us in this country goes about our way feeding and clothing ourselves. Everyone plays a part. It may not be in the area of production, but it could be in the area of transportation, or processing, advertising, presenting, or the marketing of food products. I don't think there is a country like ours in the world that has the advantage of eating fresh fruits and vegetables all through the year, even though you may live in the northeastern part of the country where it is snowing and blowing. So it is a marvelous system, a system that is held high as an example around the world.

When this subject was first offered last fall, it was pretty well loaded up. I think we tried to boil the fat out of it and offer some assistance to some people who have been impacted. We are going into our fourth year of drought. There are many in this Chamber and many people across the country who have seen that wonderful river called the Yellowstone River, which flows through the park to Williston, ND. Below an area called Yankee Jim Canyon to the mouth of the Big Horn River, you can wade across the Yellowstone River and never get your knees wet, which gives you some indication of the impact this drought has had on my State—now going into its fourth year.

It is hard to imagine you would have less than a bushel an acre in combining and fewer prospects of any kind of income. For the marginal producers, those days are gone. There is a ritual that goes on in our State.

Every year about this time is when you and your wife gather up your books and make the annual trek to see your banker and arrange for operating loans for another year. Those banks that do a lot of business with owners of farms and ranches are telling me that even some professionals are marginal because of no crops, none at all.

I ask unanimous consent that I be made a cosponsor of this amendment. I thank my friend from Montana for offering it.

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

Mr. BURNS. Mr. President, I am still a little concerned about on what bill this amendment is being offered. I want this to pass, and I would hate to see it passed in the Senate and we get a good warm and fuzzy feeling inside and then we lose it in conference or we lose the stimulus altogether. I do not know what is ahead. I do not see that in my crystal ball. I see a very hazy picture. This amendment needs to be adopted because this is not only happening in the State of Montana, it is happening in other States as well.

Keep in mind that the American people have agreed they still want this insurance policy of our ability to feed and clothe this Nation and not become dependent on other sources for our subsistence.

I heartily urge my colleagues to support this amendment. I thank the Chair, and I thank my friend from Montana. I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. REID. Mr. President, will my friend yield for a unanimous consent request?

Mr. GREGG. Certainly.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I have been told that Senator GRASSLEY has not been contacted. I will wait until he has been contacted.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I rise to speak about the stimulus bill and address one of the issues I hope we will be able to address as we move forward on this bill. I recognize the parties are trying to reach an agreement on a package which is acceptable to both sides and which is bipartisan.

In that effort, the majority leader has put forward a bill. Unfortunately, a large section of this bill, 25 to 30 percent, is new language which has not

been agreed to by both sides, and there are serious reservations on our side about it.

There are initiatives within the bill which are agreed to, however, such as extending the unemployment compensation. In addition, there are other ideas that were agreed to, we believe, that could be added to this bill. That has been highlighted by many of the speakers.

I note one idea that I think we should consider because it is bipartisan—and there does seem to be some general agreement for it, and it is a win-win issue for us from the standpoint of public policy—and that is the need to reduce the capital gains rate.

We are talking about economic stimulus. We are talking about creating jobs. We are talking about increasing productivity so our economy starts to move a little more aggressively. Probably nothing can be more of a positive factor for that than to make capital more readily available for people to invest and, as a result of investing, create jobs. The result of an expansion of capital activity is the creation of jobs.

One of the most effective ways to create more capital in the marketplace and make more resources available is to make the cost of capital less, and that is what a cut in the capital gains tax accomplishes.

A cut in the capital gains tax was proposed when we addressed the tax bill last year. At that time when I made that proposal, it failed on a very close vote, 47 to 51, with two people not voting. Interestingly enough, it was a bipartisan vote in favor of cutting the capital gains rate.

Why was that? Because the amendment I proposed at that time had a sunset to it. It was a 2-year proposal which reduced the rate from 20 percent to 15 percent, but only for 2 years so it would not have a negative long-term impact on the budget. In fact, by sunsetting it after the 2-year period, we will actually have a positive cashflow situation.

Why is that? If we generate the capital gains activity from assets which are locked up, which are not being used—for example, if somebody has owned stock for 10 years, 5 years, or even 2 years but they are not going to sell that stock because they think the capital gains tax on it will be too high, if we can do something which causes that person to sell that stock, then we create a taxable event.

We have proved throughout history in our country that every time we cut the capital gains rate, it generates a lot of economic activity. A lot of people sell assets, which are capital assets, in order to take advantage of that lower rate, assets which they would not have otherwise sold.

What happens as a result is that we create more taxable events. And what happens as a result of that is the Treasury gets more money. So in any reasonable scoring of the capital gains issue, a capital gains tax cut actually generates more money to the Federal Government in the way of revenues than if we do not do anything in the early years. In the outyears, we lose money.

If we sunset a capital gains tax cut after 2 years, the practical effect is that we get the good side. We get the new revenues, added revenue activity without the outyear activity of reduced revenues. As a practical matter, a capital gains tax cut which has a 2-year sunset attached to it, as did my amendment when I offered it last year, is basically a window of opportunity for people to free up assets which are presently locked down, take the money from those assets, pay taxes, and, as a result, add more money to the Treasury and then take that money and reinvest it in something which will arguably be a more efficient use of those dollars.

By doing that, it creates more capital in the marketplace which in turn creates more economic activity which in turn creates more jobs.

The practical effect of a capital gains tax cut which has a sunset attached to it is that it is a win-win event for us from the standpoint of public policy in that, one, it generates more revenues during a time when we are heading toward a deficit and those revenues will assist us in alleviating that deficit and, two, it generates more economic activity, more efficient use of capital and, as a result, it generates more jobs.

As we move down the road of debating this issue of economic stimulus and we are looking for bipartisan concepts which makes sense, I suggest we take a hard look at the capital gains tax cut which I proposed during the prior process.

During that process, as I said, the amendment was offered. It failed on a narrow vote. I think some people voted against it because they were committed to this package or that package, not because they did not think capital gains reduction, especially when it was sunsetted, was a bad idea. I note that the people who voted for it—it was a significant bipartisan vote in the context of tax matters.

As a practical matter, as we move down this path to a stimulus package, I hope we revisit this issue of cutting the capital gains tax rate for 2 years from 20 to 15 percent and, as a result, generate more revenues for the Treasury, create more economic activity, create more efficient use of capital, and in the end the biggest plus will be that we will be creating more jobs.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. NELSON of Florida). The Senator from Minnesota.

Mr. DAYTON. Mr. President, I rise today to speak in support of Senator BAUCUS's amendment to provide disaster assistance to farmers. I begin by thanking my very distinguished colleague from Montana who has consistently championed the need to help farmers throughout the country who have crop losses due to natural disasters. I thank the Senator for his leadership and strongly support this amendment that will provide disaster assistance to farmers who need it and will be further devastated without it.

American agriculture has been in a recession for the last several years; or even for some farmers, a depression. Last August, the Minnesota Farm Service Agency calculated that Minnesota farmers had suffered $500 million in crop losses in the first half of 2001. Then in November of last year, the U.S. Department of Agriculture announced the largest monthly drop in commodity prices in USDA's 91 years of recording that statistic. In a single month, overall commodity prices plummeted nearly 10 percent nationwide. With prices that low, farmers have no ability to withstand additional losses that a disaster creates. At that time last November, the Senate Agriculture Committee was completing its markup of legislation that would provide desperately-needed assistance to farmers and producers. Amazingly, we spent most of December sitting through a filibuster of the farm bill. That filibuster was harmful to all farmers—it was catastrophic to those who need disaster aid and whose farms may not survive without it. Senator BAUCUS' amendment will provide this vital assistance before is too late. I urge my colleagues to support this amendment.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I have a letter addressed to me, signed by James Echols, who is chairman of the National Cotton Council. I will not read the entire letter, but I will read the operable paragraph. Essentially, the letter urges the passage of the pending amendment and it includes this statement:

> Cotton producers have suffered late season losses from flood damage in the Mid-south and dry growing conditions followed by excessive moisture during harvest in West Texas. In most cases crop insurance coverage was inadequate or nonapplicable as damage occurred to seed cotton stored in modules stored in the fields while waiting to be ginned. Further we understand crop insurance policies have a provision which deny coverage for losses due to unnamed storms such as the one that occurred in the Mid-south last fall. Producers of other commodities have suffered similar losses and also need assistance.

I ask unanimous consent that this letter from the National Cotton Council be printed in the RECORD.

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

NATIONAL COTTON COUNCIL
OF AMERICA,
*Washington, DC, January 24, 2002.*

Hon. Senator MAX BAUCUS,
*Chairman, Committee on Finance, Senate Hart Building, Washington, DC.*

DEAR MR. CHAIRMAN: The National Cotton Council appreciates your continued support for inclusion of funding in the economic stimulus package to provide assistance for weather related crop losses. Weather related losses in many parts of the Cotton Belt have made a dire economic situation much worse.

Cotton producers have suffered late season losses from flood damage in the Mid-south and dry growing conditions followed by excessive moisture during harvest in West Texas. In most cases crop insurance coverage was inadequate or non-applicable as damage occurred to seed cotton stored in modules stored in the fields while waiting to be ginned. Further we understand crop insurance policies have a provision which deny coverage for losses due to unnamed storms such as the one that occurred in the Mid-south last fall. Producers of other commodities have suffered similar losses and also need assistance.

We realize the daunting task facing Congress in building a consensus for an economic stimulus package. However, we urge the Senate to include assistance for weather related crop losses.

Thank you for your favorable consideration of our request.

Sincerely,

JAMES E. ECHOLS,
*Chairman.*

Mr. BAUCUS. Mr. President, I also ask unanimous consent that Senator LANDRIEU of Louisiana be added as a cosponsor of this amendment.

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

Mr. BAUCUS. Mr. President, seeing no speakers at this point, I hope my co-manager, my good friend from Iowa, Senator GRASSLEY, will come fairly quickly so we can get an agreement on further time remaining for debate on this amendment. When that occurs, then we will get closer to a vote.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. DORGAN. I ask to be added as a cosponsor of the amendment offered by the Senator from Montana, Mr. BAUCUS. I know he has offered this amendment previously on a different vehicle. This amendment is critically important to farm States, to farmers, and Main Street businesses that are trying to do business in a pretty tough economy. This is an awfully good amendment, as has been stated by a number of colleagues on both sides of the aisle. I hope we get a strong bipartisan vote for it. I commend Senator BAUCUS for this amendment. It is a great idea. It is important. I ask unanimous consent to have my name added as a cosponsor.

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

Mr. DORGAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. REID. Mr. President, while we are waiting to hear from the minority as to whether or not we can agree on a certain time for a vote on this very important amendment, I would like to indicate how I personally feel.

We need an economic stimulus program. We need it now. With America in the midst of a recession, there is no time for delay. Our Nation cannot afford to have Congress play games for political purposes. We do not need to, and should not, wait until the President addresses the Nation in the State of the Union Address on Tuesday. We should take action before then. Now is a time to move forward and, in so doing, help our Nation's economy move forward.

My concern, of course, is that we have a situation where, as reported yesterday in the press, there are some who do not want to move forward. I have the greatest respect for the minority leader. I have worked with him now for many years. When asked yesterday, would debate likely last through next Tuesday, meaning the State of the Union Address, Senator LOTT said: It might—pause—and then winked to the press. Meaning, of course, with the wink and the nod, that the answer to the question was—yes, this would be stalled until the State of the Union.

There are a lot of important things we can do to help the country, not the least of which is this amendment of which I am a cosponsor, offered by the chairman of the Finance Committee and also the Senator from Wyoming. We need to move forward on this legislation.

We have an economic stimulus plan that helps accomplish that. It is not perfect, but it is one whose component parts will get more than 60 votes. It is part of a bipartisan agreement. It is a good plan made up of solutions Democrats and Republicans alike would support. This plan would have immediate impact and help those most in need.

What do we propose? First, extending unemployment benefits for an additional 13 weeks for all workers who have exhausted their unemployment insurance benefits after September 11. Talk about stimulus. Try giving money to people who have nothing. They will spend it. That will help the economy. They will be buying groceries, they will be buying small appliances—tires for their car maybe. Assisting working families in this way is not only the compassionate thing to do but also an effective way to jump-start the economy.

Second, providing a tax rebate to everyone who did not get one last year. The part of the President's tax cut that was the most popular and the most successful was the tax rebate. That was our idea. We talked about the tax rebate. We talked about the tax rebate idea, and the President took that. Fine, all ideas from wherever they come, if they are good, should be used. The tax rebate idea was our idea. We believe those people who did not get one should get one this year. We have already taken steps to help some of our ailing businesses, such as airlines, which in the process helps other industries and corporations.

What about consumers? This tax rebate will increase consumer spending. As consumers are more active and are able to purchase more, businesses will respond by increasing investment and production.

Third, increasing the bonus depreciation deduction available to businesses for certain capital costs. This will encourage businesses to invest more now, and that will spur economic growth. Talk about a shot in the arm. If this depreciation allowance is not good for this year, when are they going to do it? They are going to do it this year.

Fourth, providing fiscal relief for States by temporarily increasing the Federal Medicaid matching rates. Most States, as a result of the financial strain on the budget, have imposed significant cuts on Medicare eligibility, or if they have not, they are in the process of doing that. Why? Because they are running out of money. So we must protect Medicaid programs from budget cuts to improve health care for Nevadans, and all Americans, and ease the burden on States.

Our plan, then, attends to critical needs and offers immediate help.

Some amendments or alternatives supported by both parties have merit, but not the votes needed to pass. But we have a process here. The majority leader came today and said: You have four, we have four. We will even agree to time limits on those. They simply refused to do that.

We have propounded an agreement to say let's have a vote at 3:30. That was 45 minutes ago. We are willing to resume that and have a vote in a half hour. Vote on this amendment offered by the chairman of the Finance Committee and Senator ENZI. This is an important amendment dealing with a large segment of our society. It would stimulate the economy.

But neither the plan embraced by the House Republicans nor the plan supported by Senate Democrats on the Finance Committee would receive 60 votes in the Senate. It is a fact of life. We have had people today on the floor, from the minority, saying: It has a majority. Why don't they let it come forward? It has a majority.

We are in the Senate. We did not set the rules yesterday. They were in the process of developing starting 200 years ago. Some object to requiring 60 votes

for approval of an economic stimulus bill or an amendment. That is the way it is.

If they want to use that logic, I think it is something we should maybe strongly consider accepting. If that were the case, we could go back and look at campaign finance reform, which passed the Senate by 59 to 41, a majority vote. We would already have campaign finance reform. Many of the questions involved in the Enron investigation would no longer be an issue because campaign finance reform would have already been passed.

Or the Social Security lockbox, which passed 53 to 47. It is a majority plus 2. If that were the case, using their logic, all of these votes we have had over the years—I will just limit it to the last couple of years where we have gotten more than 51 votes—those things would be law.

In the Senate, because of the rules we have, you need 60 votes. That is the way it is. I accept that. But for people to come here and say: We have the majority, why won't they let us do it?—they should be very careful with that logic because I just picked two examples. There are scores of them, in addition to campaign finance reform and Social Security lockbox. And the Social Security lockbox vote is becoming more important each day because we are now spending Social Security surpluses.

The American public should understand. The Social Security surpluses are being spent this year. For the last 4 years we have not been spending them, but now we are.

This stimulus plan now before the Senate offered by the majority leader was created from a consensus. I would like to have added more stuff to this. I think we need something in a stimulus package to help tourism. The State of the Presiding Officer, Florida, relies heavily on tourism. Tourism has been hurt very badly in the State of Florida and other places in the United States. I think any stimulus package should have a provision to deal with tourism.

I personally believe, if we want to really stimulate the economy, we should do something to develop the infrastructure of this country. Let's build some roads—highway construction. For every $1 billion we spend on highway construction, we get 42,000 jobs. Not 4,200—42,000 jobs—and all of the 42,000 people working in those construction jobs pay taxes, buy cars, refrigerators, and all kinds of other things. But at this stage I cannot get 60 votes for my tourism stimulus. I know it would stimulate the economy. So does the Presiding Officer.

The National Conference of Mayors has its winter meeting taking place in Washington, DC, today. The mayors support my stimulus package as it relates to infrastructure 100 percent. They have passed resolutions. But in the Senate, I can get 51 votes but I can't get 60, and therefore it is not going to happen right now. I will keep working on it.

So it is very unfortunate that the minority is now saying the House bill has more than 50 votes over here, why won't you just let us bring it up and pass it on that basis? Because we live in the mature world of the Senate. That is how things work here.

As I have said, Senator DASCHLE's plan is not perfect but it is the best he could do. It is what we agree on. That is the consensus package. I think we should pass it quickly, and I wish we could do that. I hope we can do it before Tuesday. But with winks and nods, it appears we will not be able to do that.

Mr. President, there is nobody in the minority on the floor so I do not want to offer my unanimous consent request, but I am going to offer it in the next few minutes. I ask everyone to be alerted to that.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. BAUCUS. Mr. President, while we are waiting for an agreement—I hope that comes very soon—on the time to vote on the pending amendment, I would like to introduce into the RECORD letters of support for the amendment.

The first is from the National Cattlemen's Beef Association, a letter to myself signed by Lynn Cornwell, president of the NCBA; next, a news release from the National Association of Wheat Growers expressing support in favor of the pending disaster relief amendment; next, a letter from the National Farmers Union in support of this amendment signed by 26 different State farmers unions; letters to me from the Montana Stockgrowers Association, the Montana Farmers Union, and the Montana Grain Growers Association, all in support of the amendment.

I ask unanimous consent they be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL CATTLEMEN'S BEEF ASSOCIATION,
*Washington, DC, January 24, 2002.*

Hon. MAX BAUCUS,
*Chairman, Senate Finance Committee, Hart Office Building, Washington, DC.*

CHAIRMAN BAUCUS: The National Cattlemen's Beef Association (NCBA) appreciates the hard work and effort that has gone into the Economic Stimulus package to date. Livestock Assistance Programs included in the Committee passed package will prove to be a vital economic stimulus in many areas of the country impacted by severe and lingering drought. NCBA supports your efforts to include Livestock Assistance Program funding, at the appropriate levels, in the Stimulus package currently moving in the United States Senate.

NCBA believes that Livestock Assistance can prove to be a vital stimulant to the local economies in the areas affected. We hope that during the upcoming debate on the Economic Stimulus package that you will continue your support of this very important program.

The program funds will be used immediately to help producers offset the increased cost of feed and forage acquisition due to Mother Nature. NCBA continues to work with USDA, land-grant universities, extension service personnel, local and state governments, and state cattle associations to address the best use of funds that will be available.

Thank you for the opportunity to share these requests with you. Please contact NCBA staff at 202–347–0228 if you have any questions or concerns with these or any other issues.

Sincerely,

LYNN CORNWELL,
*President.*

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THE NATIONAL ASSOCIATION OF WHEAT GROWERS,
*Washington, DC, November 12, 2001.*

NAWG SUPPORTS DISASTER SPENDING PROPOSED BY SENATE FINANCE COMMITTEE

WASHINGTON, D.C.—The National Association of Wheat Growers (NAWG) expressed support today for including agricultural disaster spending in the stimulus package being considered in the Senate. Several wheat producing states have experienced crop disasters in 2001, and NAWG views this mechanism as an appropriate way to provide much-needed assistance.

''Many of our nation's wheat producers had severe crop disasters that not even crop insurance will completely mitigate,'' said NAWG President Dusty Tallman. ''In this period of poor economic conditions, these farmers are unable to bear the burden of crop failure.''

Proceeds from the disaster assistance will largely go to repay loans and expenses against the drought-stricken 2001 crop.

''Rural America is in as much need of economic stimulus as anywhere else,'' said Tallman, ''and in this way we can provide support to hard-hit farmers and the communities where they live.''

NAWG is a nonprofit organization representing U.S. wheat growers who, by combining their strengths, voices, and ideas are working to ensure a better wheat industry for today and tomorrow.

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NATIONAL FARMERS UNION
*Washington, DC, November 28, 2001.*

MEMBER,
*U.S. Senate, Washington, DC.*

DEAR SENATOR: On behalf of the 300,000 family farmer and rancher members of the National Farmers Union (NFU), the undersigned NFU Board of Directors urges your support of provisions in the Economic Recovery and Assistance for American Workers Act providing disaster assistance for family farmers and ranchers.

Farmers across the nation have suffered substantial economic losses from adverse weather and disease during the 2001 crop year. The needs are immediate. We encourage you to support the production and quality loss assistance program in Finance Committee Chairman Baucus' economic recovery package passed out of the Senate Finance Committee which includes $1.8 billion in emergency assistance for crop producers and $500 million for livestock producers.

From Montana to Louisiana, Texas to the Northeast, and California to Missouri, farmers and ranchers have experienced adverse weather conditions, disease, insect infestations, and sudden weather phenomena. These disasters resulted in massive crop production

and quality loss and losses impacting livestock producers. These losses are negatively impacting the livelihoods of family farmers, ranchers and their rural communities in all regions of the country.

As you seek ways to strengthen the U.S. economy through an economic stimulus package, it is critical that agriculture, which represents nearly twenty percent of all U.S. economic activity and whose foundation is this Nation's farmers and ranchers, receives priority consideration. We again urge you to support production loss assistance in the economic stimulus bill and we look forward to working with you on this important issue.

Sincerely,

Leland Swenson, President, National Farmers Union; Vicki Trytten, President, Alaska Farmers Union; Joaquin Contente, President, California Farmers Union; Larry Quandt, President, Illinois Farmers Union; Gary Hoskey, President, Missouri Farmers Union; Carl McIlvain, President, Michigan Farmers Union; Russ Kremer, President, Missouri Farmers Union; John Hansen, President, Nebraska Farmers Union.

Robert Clunk, President, Ohio Farmers Union; Dan Joyce, President, Oregon Farmers Union; John Stencel, President, Rocky Mountain Farmers Union; Wes Sims, President, Texas Farmers Union; Jim Davis, President, Washington Farmers Union; Alan Bergman, Vice President, National Farmers Union; Jim Miller, President, Arkansas Farmers Union; Gary Turner, President, Idaho Farmers Union.

Larry Coomer, President, Indiana Farmers Union; Donn Teske, President, Kansas Farmers Union; Dave Frederickson, President, Minnesota Farmers Union; Del Styren, President, Montana Farmers Union; Robert Carlson, President, North Dakota Farmers Union; Ray Wulf, President, Oklahoma Farmers Union; Larry Breech, President, Pennsylvania Farmers Union; Dennis Wiese, President, South Dakota Farmers Union; Arthur Douglas, President, Utah Farmers Union; Bill Brey, President, Wisconsin Farmers Union.

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MONTANA STOCKGROWERS ASSOCIATION,
*Helena, MT, November 14, 2001.*

Re: Economic Recovery and Assistance for American Workers Act of 2001.

Senator MAX BAUCUS,
*Hart Senate Office Building,*
*Washington, DC.*

DEAR SENATOR BAUCUS: On behalf of the members of the Montana Stockgrowers Association, I am writing this letter to express our support and appreciation for your efforts to pass an economic stimulus package, the Economic Recovery and Assistance for American Workers Act of 2001. The tragic events of September 11th have obviously added to the economic woes of this country and efforts such as yours are absolutely necessary to allow us to endure and recover.

In particular, we are asking that you continue your steadfast support for the reestablishment of the Livestock Assistance Program. As you are well aware, Montana livestock producers continue to struggle with the impacts of successive years of drought and this assistance may prove invaluable to our producers.

Again, thank you for your efforts in this important area. If you or your staff have any questions, please feel free to contact me.

Sincerely,

STEVEN L. PILCHER,
*Executive Vice President.*

MONTANA FARMERS UNION,
*Great Falls, MT, November 29, 2001.*

FARMERS UNION SEEKS AGRICULTURAL DISASTER ASSISTANCE IN SENATE ECONOMIC STIMULUS PACKAGE

GREAT FALLS (November 29, 2001).—In a letter to U.S. senators this week, the National Farmers Union (NFU) Board of Directors urged inclusion of production loss assistance in the economic stimulus package soon to be debated on the U.S. Senate Floor.

''Farmers Union supports the efforts of Senate Finance Committee Chair Max Baucus (D-Mont.) for including assistance for farmers and ranchers suffering production loss due to natural disasters in his economic stimulus package,'' said NFU President Leland Swenson. ''Agricultural producers nationwide are suffering from depressed commodity prices; however, the situation is particularly grim in states that have also faced floods, drought, tornadoes and other natural disasters.''

''Montana producers just harvested their smallest winter wheat crop in 60 years, the spring wheat crop was the smallest in more than a decade, and lack of forage has forced many ranchers to sell or reduce their herds,'' said Montana Farmers Union President Del Styren, who sits on the NFU Board. ''The agricultural assistance included in Senator Baucus' economic stimulus package is crucial to these producers who not only need to generate the optimism—and capital—to plan for another year, but also need to reassure their lenders,'' he said.

Baucus' economic stimulus package extends the fiscal 2001 emergency agricultural assistance for another year to compensate farmers and ranchers for income losses resulting from damaging weather conditions. It provides $1.8 billion for crop disaster assistance and $500 million for livestock disaster assistance.

''From Montana to Louisiana, Texas to the Northeast, and California to Missouri, farmers and ranchers have experienced prolonged adverse weather conditions, disease, insect infestation and severe weather events,'' Swenson said. ''These disasters are resulting in massive production loss and sustained quality loss in harvested crops and livestock grazing.''

The letter to the senators was signed Wednesday, November 28, 2001, by the 26-member NFU board, which was in Washington, D.C. for its quarterly meeting and to make personal visits with senators about the farm bill, which will be debated soon by the Senate.

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MONTANA GRAIN GROWERS ASSOCIATION, MONTANA FARM BUREAU FEDERATION, MONTANA FARMERS UNION,
*November 9, 2001.*

NEEDED AG DISASTER ASSISTANCE INCLUDED IN ECONOMIC STIMULUS PACKAGE

Montana farm groups applauded the inclusion of agricultural disaster assistance in the economic stimulus package approved Thursday by the Senate Finance Committee. The package, introduced by Chairman Max Baucus, is expected to go to the full Senate next week.

Nearly 2,000 square miles of central Montana hardly saw a combine this season. According to state statistics, winter wheat production was down 50 percent statewide, and 75 percent in the golden triangle—the heart of wheat production in Montana. Crop insurance loss ratios are expected to top 500 percent, unmatched previously in Montana.

''I wish I could say the drought in Montana has eased,'' stated Dale Schuler, president of the Montana Grain Growers Association. ''But it has not, and the cumulative effects over four years puts too many Montana farm operations close to the edge. Our Congressional delegation has viewed firsthand the drought situation and has responded. This legislation introduced by Senator Baucus moves us one step closer''.

Jake Cummins, Executive Vice President of the Montana Farm Bureau Federation, added, ''there will be a battle ahead to keep ag disaster assistance in place as the bill moves to the floor of the Senate. But support for agriculture is crucial to stimulating our economy and providing a strong base for one of the most fundamental industries in America. In this time of uncertainty, we can't cede our production agriculture to other countries''.

Diana Adamson, Vice-President of the Montana Farmers Union, echoed the comments. ''This prolonged drought is starting to impact all segments of Montana's economy. It's not just a farm problem, but all of the businesses in rural communities, and even the larger town, are affected. I hate to see what happens if this does not come through''.

Mr. BAUCUS. Mr. President, there are a number of States that have a good number of counties which have been designated as having disasters.

In Michigan, for example, there are 82 counties that are eligible for these emergency loans due to losses by drought.

In Texas, 58 counties received emergency designations. To quote a press release from Secretary Veneman, ''Texas has experienced a variety of weather-related disasters this year, including drought, excessive rain, tornadoes, hail and flooding.'' These counties were in addition to the 23 counties designated for emergency earlier in the month of December 2001.

In Idaho, 28 counties were designated; in Maine, 16 counties; in Tennessee, 16 counties were designated; in New York, 33 counties, because of drought, hail, and excessive rain; Nebraska, 36 counties due to draught and severe heat; Pennsylvania, 3 counties were named on January 8th of this year, but 58 counties in Pennsylvania were designated December 14 because of drought; in Ohio, 36 counties designated for disaster qualification due to losses caused by excessive rain and flooding. That designation was on November 8 of last year. In Oklahoma, in October of last year, the entire State was designated due to losses caused by excessive heat and drought. Secretary Veneman stated at that point:

> Oklahoma has experienced severe drought conditions this year. Our farmers and ranchers need this assistance to recover from these natural disaster losses.

That is Secretary Veneman commenting on the problems in Oklahoma.

Mr. President, there are more I could cite, but I think that is enough at this point. I see other Senators standing in the Chamber. I assume they want to address the Senate. I am not positive. But I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, since last January, economic growth has slowed in our country and nearly 2 million Americans have lost their jobs.

Behind them are children whose tuition is in danger and families who are in trouble with mortgage payments or rents that are due. There is an enormous loss of family security. The tragedy of terrorist attacks in September only exacerbated the already slowing economy.

As Americans continue to suffer the effects of this economic decline, Congress simply needs to implement a plan to deal with their pain and to help the recovery. That opportunity was lost in the closing weeks of last year. It cannot be lost again.

The Democratic leadership has brought to the Senate floor a modest proposal to stimulate economic growth and national recovery. It contains four principal provisions that both parties included in their economic recovery plans last year. One would assume, therefore, since they are four common elements previously proposed by both parties, they should be acceptable now.

The four elements combined provide effective short-term stimulus to bring the most economic activity with the least damage to the Nation's fiscal health. They provide broad-based, rather than industry-specific, stimulus, and they are directed to individuals who are most likely to need and spend the tax reductions rather than people generally. These more targeted, more thoughtful approaches minimize loss in revenue, preserve the balance of the Federal budget, and give more relief.

The four provisions are:

First, the extension of unemployment benefits. In December, the unemployment rate reached 5.8 percent. It was the fifth consecutive month with a rise in unemployment. At least 1.1 million jobs were lost in the last 4 months of 2001 alone.

In times of economic recession, people turn to unemployment insurance first. It is not only a proper thing to help families in their pain, it is itself an economic stabilizer. As people become unemployed, they naturally spend less money. If they have no unemployment insurance, they spend no money and the economic contagion and unemployment spread. We are at that point.

This legislation provides 13 additional weeks of unemployment insurance. In the last recession, in 1992, 56 percent of those collecting unemployment insurance benefits had their benefits expired. They were without resources. That extends and deepens a recession.

These extra weeks are necessary for the families. They are also necessary for the country. We now know from our research that every $1 invested in unemployment insurance generates $2.15 in gross domestic product. Unemployment insurance in the last recession mitigated 15 percent of the economic decline. It is the right thing to do, it is the fair thing to do for people, and it is good economics. That is the first provision.

Second, tax rebates. Putting money directly in the pockets of people who are struggling helps families make ends meet, but it also increases demand. This is the single best way to generate new economic activity.

The Democratic proposal before the Senate will provide a second round of tax rebates to those Americans who did not benefit fully from the tax cuts of last summer. There are 130 million taxpayers in America, yet only 82 million received a full rebate last summer, and 34 million Americans got no tax cut at all.

This plan provides $300 per individual, $500 per head of household, and $600 per couple for taxpayers. People would receive a rebate. But they are also the people—lower income people—who are more likely to spend the money.

I voted for last year's tax cut. But even I will concede, overwhelmingly, the money that went out in rebates did not go into consumer spending. It went to middle-income people. It went to higher income people. This rebate, we know from our research, will go to people who will spend it and spend it immediately, thereby helping their neighbors, helping businesses, helping the country recover.

Third, fiscal relief for the States. I know something about this issue because my State of New Jersey now, per capita, as a percentage of State spending, has the largest deficit in the United States. It is fully 12 percent of the State budget.

Approximately 30 States in the Union are now in the midst of a recession. In addition to their falling revenues and budget shortfalls, 29 States face a $600 million cut in Federal Medicaid payments this year. It could not come at a worse time. As a result, many States are considering reductions in their Medicaid Programs to deal with the budget shortfalls. This could result in substantial numbers of low-income people losing health insurance.

My State of New Jersey has been forced to suspend further enrollments in its expansion of Medicaid to childless adults with incomes below the poverty line because of budget constraints. At the same time, the growing ranks of the unemployed have generated an increased demand for Medicaid coverage.

This proposal will help States meet the increase in Medicaid costs by temporarily increasing the Federal Medicaid matching rate. Without it, the health care crisis becomes worse, State budget impacts worsen, they cut vital services, or they raise taxes, or they do both. Either way, a difficult recession becomes deeper and more painful.

Fourth and finally, the bill provides a tax depreciation deduction, for a limited time, to encourage businesses to invest in new plants and equipment. It increases the depreciation deduction for the cost of any capital asset purchased before the end of the year. The bonus depreciation of 30 percent of the cost of the asset is in addition to the normal first-year depreciation.

I know something about this provision in New Jersey, as well, because while there has been an overall drop in capital spending, most of it has been in new equipment. The largest drop in equipment has been in telecommunications, impacting Verizon, Lucent, AT&T the very pillars of the economy of my State.

This is the best way, through this advanced depreciation, to make it affordable for companies to buy the productive, efficient equipment they need to be more competitive. And doing it now assures continued employment and helps to end the recession.

This is not only a balanced plan, it is a fair plan. I regret it is so modest in scope. The Nation actually requires more. But our first responsibility is to achieve something, not simply to stake out positions of partisan advantage. This both has merit and should be achievable. I urge my colleagues to adopt it. The American people will work their way out of this recession, but this Congress has an obligation to make it easier, to give them the tools.

There is work to be done in this country defending the Nation from enemies from abroad—winning the war, protecting our security here at home—but also there are the age-old problems: Educating children, giving them equal opportunity, modernizing our infrastructure, dealing with a health care crisis that goes generation to generation. In a recession, these things become difficult to impossible. In a growing economy, they can be both likely and achievable.

This may not end the recession immediately, but it eases the pain. It shortens the time. It is a good and fair plan. I urge my colleagues to adopt it.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. CLINTON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NELSON of Florida. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

The Senator from Florida is recognized.

(The remarks of Mr. NELSON of Florida pertaining to the submission of S. Res. 201 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH of Oregon. Madam President, I thank the Chair for the time. I am going to withhold offering an amendment. I understand the leaders are working out an agreement between mine and Senator BAUCUS's amendment. With respect to their efforts, I will not offer this amendment now, but I would like to talk about it.

The Presiding Officer and I were privileged to be in a hearing this morning with Chairman Greenspan and heard his very insightful views on the economy and what we can do. I noted in his testimony this paragraph:

The retrenchment in capital spending over the past year was central to the sharp slowing we experienced in overall activity. The steep rise in high-tech spending that occurred in the early post Y2K months was clearly not sustainable. The demand for many of the newer technologies was growing rapidly, but capacity was expanding even faster, exerting severe pressure on prices and profits. New orders for equipment and software hesitated in the middle of 2000 and then fell sharply as firms reevaluated their capital investment programs. Uncertainty about economic prospects boosted risk premiums significantly, and this rise in turn propelled, required or hurdled rates of return to markedly elevated levels.

In most cases, businesses required that new investments pay off much more rapidly than they had previously.

That is the sentence that I think is so significant:

In most cases, businesses required that new investments pay off much more rapidly than they had previously.

If that is, as the chairman indicated, central to the sharp slowing in our economy, then it seems to me if we are going to do a stimulus package, we ought to do something that is meaningful, something that has economic heft to it, enough weight to actually stimulate our economy. I have said for a long time that I support the ideas on health care, the ideas on extending unemployment benefits. In fact, I am cosponsor of one of them. I think getting cash into the hands of consumers, as Senator TORRICELLI just indicated, is very important to the demand side of getting our economy moving.

I think it is important that we also look at the supply side. If we want employers to employ people again in large numbers, then we ought to do something to help with the retooling of industry, getting enough of a stimulus so that business and planners can make a difference in ordering and redoing their plants and reemploying their people. I don't question the sincerity of some of the proposals, but as I evaluate them, compared to the amendment I will offer, I think they lack the weight that our economy needs at this critical hour.

In fact, I think it is important to note that while Chairman Greenspan is not in a position to endorse anybody's particular idea or amendment, he and former Secretary Rubin have both uniformly stated their support for stimulus ideas with respect to depreciation, accelerated depreciation, or a bonus depreciation, however you want to term it—that these things would increase cash flow, add to asset values, and would have an immediate stimulating effect on our economy.

What I am going to be proposing is that we have a 30-percent depreciation bonus that lasts for 3 years. One of the competing proposals is that it be for 1 year. This is better than the 10 percent, 1-year proposal that was earlier offered. However, it still falls very short because if you figure that it only lasts for 1 year, much of this year is already gone. What can a business reasonably prepare for, plan for, employ for, if they have only a few months left in the year, literally, between now and September, when it would end, to take advantage of it? They may get a few copiers and a few new rugs for the front office, but this is not what our country needs if we are serious about reemploying people.

So my proposal, conversely, will give companies the time to do major projects which would generate thousands of jobs. It will allow us to build heavy equipment, modernize a lumber mill, repair a rail bed, revamp a management information system for a factory, or even construct an airplane. We say a lot about airplanes right now. I know Boeing is suffering greatly, and an accelerated depreciation program that will last for 9 months will not be very helpful to them at all. Certainly, the high-tech community, whether you are talking about the Silicon Forest in Oregon or the actual forest in Oregon, needs something with enough teeth in it, enough time to it that will allow them to make the plans and the investments that are necessary.

Then I think about the farm community. It may not be until 2002 that farmers see much improvement in their economy, and I hope it is sooner. But if it is not, I would like to have this in place when their cashflows improve and they can replace old, unreliable, or dilapidated equipment and get the advantage of this bonus depreciation.

Madam President, I appreciate this time. I will come back later to talk again about it and specifically offer this amendment when we work out an agreement between ours and Senator BAUCUS's.

I truly hope this meaningful depreciation amendment can be adopted by over 60 of our colleagues. I think it is critical that we do that because I think we need to marry the best ideas of the Democratic Party and the best ideas of the Republican Party. We need to work on the supply side and the demand side. There is a human side and there is a business side. There is a very nice marriage to be had in a stimulus package that will truly leave our country better because it has the economic weight that is required for this critical hour.

So in doing that, we will sooner throw off the shackles of recession and leave our country the better for it.

Madam President, I yield my time and simply say I will return as soon as our leaders have worked out the agreement and specifically offer the amendment, hoping it can be voted on tonight or tomorrow.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, we are very close to being able to offer a unanimous consent agreement and we will call for a vote immediately and then go thereafter to the amendment.

I ask unanimous consent that at 4:20 p.m. today, the Senate vote on or in relation to the Baucus amendment, the pending amendment; that no other amendments be in order prior to that vote; that upon the disposition of that amendment, Senator GORDON SMITH be recognized to offer an amendment regarding depreciation.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. REID. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Oklahoma.

Mr. NICKLES. Madam President, pursuant to section 205(b) of H. Con. Res. 290, the concurrent resolution on the budget for fiscal year 2001, I raise a point of order against the emergency designation, as defined in section 205(d) of that resolution, which is contained in the pending amendment No. 2701.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I move to waive section 205 of H. Con. Res. 290, the concurrent resolution on the budget for fiscal year 2001, for purposes of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), the Senator from Delaware (Mr. BIDEN), the Senator from Connecticut (Mr. DODD), the Senator from California (Mrs. FEINSTEIN), and the Senator from Georgia (Mr. MILLER) are necessarily absent.

I further announce that, if present and voting, the Senator from California (Mrs. FEINSTEIN) would vote ''aye.''

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI), the Senator from Oklahoma (Mr. INHOFE), the Senator from Arizona (Mr. MCCAIN), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from Alabama (Mr. SHELBY) are necessarily absent.

I further announce that if present and voting the Senator from Oklahoma (Mr. INHOFE) would vote ''aye.''

The PRESIDING OFFICER (Mr. DURBIN). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 57, nays 33, as follows:

[Rollcall Vote No. 2 Leg.]

YEAS—57

| | | |
|---|---|---|
| Allard | Bond | Cantwell |
| Baucus | Boxer | Carnahan |
| Bayh | Breaux | Carper |
| Bennett | Burns | Cleland |
| Bingaman | Campbell | Clinton |

| | | |
|---|---|---|
| Cochran | Hollings | Mikulski |
| Conrad | Hutchinson | Murray |
| Corzine | Hutchison | Nelson (NE) |
| Craig | Inouye | Reed |
| Crapo | Jeffords | Reid |
| Daschle | Johnson | Rockefeller |
| Dayton | Kennedy | Sarbanes |
| Dorgan | Kerry | Schumer |
| Durbin | Kohl | Smith (OR) |
| Edwards | Landrieu | Stabenow |
| Enzi | Leahy | Thomas |
| Graham | Levin | Torricelli |
| Harkin | Lieberman | Wellstone |
| Hatch | Lincoln | Wyden |

NAYS—33

| | | |
|---|---|---|
| Allen | Gramm | Roberts |
| Brownback | Grassley | Santorum |
| Bunning | Gregg | Sessions |
| Byrd | Hagel | Smith (NH) |
| Chafee | Helms | Snowe |
| Collins | Kyl | Specter |
| DeWine | Lott | Stevens |
| Ensign | Lugar | Thompson |
| Feingold | McConnell | Thurmond |
| Fitzgerald | Nelson (FL) | Voinovich |
| Frist | Nickles | Warner |

NOT VOTING—10

| | | |
|---|---|---|
| Akaka | Feinstein | Murkowski |
| Biden | Inhofe | Shelby |
| Dodd | McCain | |
| Domenici | Miller | |

The PRESIDING OFFICER. On this vote, the yeas are 57, the nays are 33.

Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained. The emergency designation is stricken.

The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I make a point of order under section 302 of the Budget Act against the pending amendment, No. 2701, for exceeding the spending allocation of the Senate Finance Committee.

Several Senators addressed the Chair.

Mr. REID. Mr. President, may we have order in the Senate.

The PRESIDING OFFICER. The Senate will please be in order. Members will please take their conversations off the floor.

Pending before the Senate is the point of order raised by the Senator from Oklahoma. Does the Senator from Nevada seek recognition?

Mr. REID. Mr. President, what is the issue before the Senate at this time?

The PRESIDING OFFICER. A point of order has been made by the Senator from Oklahoma that the Chair is prepared to rule on, unless there is some intervention.

The amendment of the Senator from Montana would increase the amount by which the Finance Committee exceeds its allocation under section 302(a) of the Budget Act in violation of section 302(f) of that same act. The point of order is sustained.

The amendment falls.

The Senator from Nevada.

Mr. REID. I know the Senator from Oregon is going to be recognized. I would just say to my friend, the manager of this bill and the chairman of the Finance Committee, I hope he will offer this amendment again before we get off this stimulus package. This was an extremely good vote. There were a number of people missing, and I have no doubt in my mind if this amendment, of which I am a cosponsor along with a number of others, were offered again, it would be agreed to.

I think this is extremely important, and I hope the Senator from Montana will offer this amendment at the earliest possible date. I think it is too bad that we had some people not here today because I think there is obviously overwhelming support for this amendment.

The PRESIDING OFFICER. The Senator from Oregon.

AMENDMENT NO. 2705

Mr. SMITH of Oregon. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Oregon [Mr. SMITH], for himself, Mr. ALLEN, Mr. CRAIG, and Mr. BURNS, proposes an amendment numbered 2705.

Mr. SMITH of Oregon. Mr. President, I ask unanimous consent the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to provide for a special depreciation allowance for certain property acquired after September 10, 2001, and before September 11, 2004)

At the end of the bill, add the following:

**SEC. ___. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.**

(a) IN GENERAL.—Section 168 of the Internal Revenue Code of 1986 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

''(k) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.—

''(1) ADDITIONAL ALLOWANCE.—In the case of any qualified property—

''(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

''(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

''(2) QUALIFIED PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified property' means property—

''(i)(I) to which this section applies which has a recovery period of 20 years or less or which is water utility property, or

''(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

''(ii) the original use of which commences with the taxpayer after September 10, 2001,

''(iii) which is—

''(I) acquired by the taxpayer after September 10, 2001, and before September 11, 2004, but only if no written binding contract for the acquisition was in effect before September 11, 2001, or

''(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after September 10, 2001, and before September 11, 2004, and

''(iv) which is placed in service by the taxpayer before January 1, 2005, or, in the case of property described in subparagraph (B), before January 1, 2006.

''(B) CERTAIN PROPERTY HAVING LONGER PRODUCTION PERIODS TREATED AS QUALIFIED PROPERTY.—

''(i) IN GENERAL.—The term 'qualified property' includes property—

''(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

''(II) which has a recovery period of at least 10 years or is transportation property, and

''(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

''(ii) ONLY PRE-SEPTEMBER 11, 2004, BASIS ELIGIBLE FOR ADDITIONAL ALLOWANCE.—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before September 11, 2004.

''(iii) TRANSPORTATION PROPERTY.—For purposes of this subparagraph, the term 'transportation property' means tangible personal property used in the trade or business of transporting persons or property.

''(C) EXCEPTIONS.—

''(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

''(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

''(II) after application of section 280F(b) (relating to listed property with limited business use).

''(ii) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

''(iii) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—The term 'qualified property' shall not include any qualified leasehold improvement property (as defined in section 168(e)(6)).

''(D) SPECIAL RULES.—

''(i) SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after September 10, 2001, and before September 11, 2004.

''(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(ii), if property—

''(I) is originally placed in service after September 10, 2001, by a person, and

''(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

''(E) COORDINATION WITH SECTION 280F.—For purposes of section 280F—

''(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $4,600.

''(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2).''

(b) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Section 56(a)(1)(A) of the Internal Revenue Code of 1986 (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end the following new clause:

''(iii) ADDITIONAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.—The deduction under section 168(k) shall be allowed.''

(2) CONFORMING AMENDMENT.—Clause (i) of section 56(a)(1)(A) of the Internal Revenue Code of 1986 is amended by striking ''clause (ii)'' both places it appears and inserting ''clauses (ii) and (iii)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after September 10, 2001, in taxable years ending after such date.

Mr. SMITH of Oregon. Mr. President, this amendment is really very simple. It does address in a meaningful way the stimulus side of our effort. I think we are all deeply concerned when we go home and we meet the unemployed who need extensions on unemployment benefits and health care insurance benefits from COBRA.

I would like to help. What they really need long term is a job. What we need to do is remember there is a supply side to this economic equation as well. We have to do something meaningful in order to help businesses retool, reinvest, restart, and reemploy the citizens of this country.

There is a proposal—I believe well-intentioned—that is improving on the other side. Originally, it was a 10-percent depreciation bonus over 1 year's time. Now it is up to 30 percent over 1 year's time with eligibility.

I believe 30 percent is the right number for this bonus depreciation, but as a person of business prior to politics I can tell you it takes more than what is remaining in the year of eligibility. We have already used up 4 months. By the time the President might see this, there may be 5 months used up. Seven months to make a business plan in capital equipment in order to restart plants is simply inadequate to be meaningful to have the economic test that our country requires.

My amendment will actually help stimulate the economy. We have heard this from experts such as Alan Greenspan, such as Secretary Rubin of the Clinton administration, and others who have said this is one meaningful thing you can do that will actually help stimulate the economy in the short run and reemploy people quickly.

I urge my colleagues to vote for this amendment. It is critical. Whether you are talking about the silicon forest of the high-tech industry in Oregon or the timber industry of the forests in Oregon, they need this bill. They need it desperately if we are serious about restarting plants and reemploying our people.

I hope tomorrow morning when we vote on this there will be 60 colleagues and more who will understand that while we are going to do much on the demand side to help with unemployment benefits and to help with health care benefits, we are also going to do something to help on the supply side and actually help to stimulate jobs and reemployment.

I encourage all of my colleagues to vote for this amendment.

Mr. NICKLES. Will the Senator yield?

Mr. SMITH of Oregon. I would be happy to yield.

Mr. NICKLES. The Senator's amendment deals with the accelerated depreciation. The essence of the Senator's amendment is there would be accelerated depreciation of 30 percent for 3 years in contrast to Senator DASCHLE's amendment, which is 30 percent for a timeframe between September of 2001 and 2002. Senator DASCHLE's amendment has 30 percent basically from February—basically 8 months.

Mr. SMITH of Oregon. The Senator is correct. My point is simply that is not enough time to do much more than buy a few typewriters or rugs for the front office. You can't make a serious business plan in that amount of time and represent to the American people that we are actually helping to reemploy people. We need to rebuild some railroad beds. We need to retool some plants. We need to allow businesses the time necessary to do the engineering, to do the environmental studies, and to make the plans that can take advantage of it. And they will do it if they are given time sufficient to get the job done.

Mr. NICKLES. Will the Senator include me as a cosponsor of the amendment?

Mr. President, I ask unanimous consent to be made a cosponsor.

The PRESIDING OFFICER (Mr. CLELAND). Without objection, it is so ordered.

Mr. SMITH of Oregon. Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. HARKIN). The Senator from Virginia.

Mr. ALLEN. Mr. President, I rise in support of the amendment to increase the 30-percent bonus depreciation from 1 year to 3 years.

The underlying proposal, while improvement over the previous one, which was only 10 percent, is still too short. It is not enough time to help revive the high-tech economy, and, indeed, our general economy to help create more jobs.

If the underlying proposal were implemented, the bonus depreciation would only last until September of 2002, which is merely 8 months away.

The amendment of the Senator from Oregon was passed by the House of Representatives and was supported by the Bush administration. The argument that the Senator from Oregon has made makes a great deal of sense. It will boost investment. It will boost growth in the high-tech sector in particular.

Why does that matter? I was just meeting with high-tech folks from Redmond, WA, Silicon Valley in California, and here in Virginia. Whether in Oregon, or anywhere else, this proposal makes good sense.

Senator Smith's amendment takes aim at the core problem of our slumping economy which is seeing a huge drop in investment, in equipment, and in machinery. Over 3 years, a 30-percent bonus depreciation would get the investment engine going and running strong again. It would lower the cost of new capital spending. It would provide a stimulus for a broad array of industries, including telecommunications, technology and others, including transportation.

The current depreciation schedule clearly has not kept up with our economy. It is especially harmful in this economic slowdown.

Senator SMITH introduced this proposal on behalf of the Senate Republican High Tech Task Force late last year. Indeed, looking at the concept of the enhanced expensing as proposed by Senator SMITH for bonus depreciation, it would be highly beneficial to the high-tech community, the sector of our economy that has driven productivity growth and created millions of jobs during the last decade.

The information technology industry makes up only 8.2 percent of the U.S. economy. Yet it has accounted for almost 30 percent of the real gross domestic growth from 1994 to 2000. Much of this growth resulted from the increase in investment in hardware, software, networking, and communications systems.

As the economic slowdown has persisted, decreasing IT investments have substantially weakened our American economic growth. During these uncertain economic times, as Senator SMITH stated, businesses have decreased motivation. They do not want to take those risks in buying new equipment and new systems because they are worried about what the economy may do. The result, obviously, has an adverse impact on job opportunities for those who fabricate the chips, for those who assemble the computers, and for those who work on the programs and all the innovations and adaptations that improve our lives—whether it is in education or communication services and manufacturing.

This amendment has a robust expensing provision. I think it can turn around our bleak economic scenario. The enhanced expensing provision in this amendment, of which I am proud to be a cosponsor with Senator SMITH, has broad support.

As I noted previously, the House passed it. This has the support of leading high-tech trade associations, including AeA, CapNet, EIA, BSA, the Information Technology Association of America, the Information Technology Industry Council, and TechNet.

We need to get into some details of the economy because that bolsters the argument about why we need to pass this amendment.

Diminishing IT investments impact our economy. By the fourth quarter of

2000, conditions were changing dramatically from what they were in the previous 6 years. Gross domestic product growth plunged. It was precipitated in part by an 8.4-percent drop in investment for all equipment and software, and a 9.5-percent decline in investments in computers and peripheral equipment in the first half of the year 2001.

To put this in perspective, 2001 was the first time since 1974 that business investments in IT declined over a 12-month period. In the first quarter of 2001, the trend acted as a drag on our economy subtracting an estimated 4.41 percentage points from overall growth.

In the second quarter of 2001, the impact was even more dramatic with diminishing investments in technology equipment and software subtracting over 1.52 percentage points from U.S. economic growth.

Some of the decline in IT investments may be attributed to the lingering effects of Y2K, which caused many firms to accelerate their IT spending to ensure they could maintain current operations during the century date change in the year 2000.

Other factors included diminishing revenues to commit to business expansion and upgrades, and the tendency to conserve capital during times of economic uncertainty and concerns arising from the terrorist attacks of September 11. All of these factors contribute to the decision to hold onto technology assets longer than normal in part to maximize tax deductions under the current five-year depreciation rules. So you might as well use it for the whole 5 years. That ought to be changed also. That is not the purpose of this amendment, but it points out the value of this amendment. If you have a long 5-year depreciation, such as if you upgraded for Y2K, and you have economic uncertainty, you see the exacerbated negative impact on our whole economy and jobs and spending.

We need to have that stimulus. This is what this is. Of all the things that are in this underlying bill, this idea meets the concept and the definition of economic stimulus more than anything else that has been presented so far. There may be others coming up, but this is the best so far.

An economic stimulus ought to be a change in our tax or regulatory policies that induces or spurs spending or economic decisionmaking that would not otherwise occur but for that change in the tax laws. This meets that definition. This will spur businesses to say: Hey, let's start planning. Let's upgrade our technology. Granted, we may have 5 years of depreciation, but with this 30-percent depreciation, this bonus depreciation, this makes economic sense for us.

What will be the result of that? Our businesses will be more productive. They will be more efficient. But those who produce and fabricate the chips, those who assemble the computers, those who develop the programs will all have jobs. And they are good-paying jobs. And that helps out the whole economy.

So the tendency we have right now of people delaying the decision to make new investments will certainly be changed by this amendment. So I ask that all our colleagues unite for the one thing that really does unite us; and that is this amendment by Senator SMITH of Oregon.

There are many cosponsors, including virtually everyone on the High Tech Task Force on the Republican side. I hope our friends on the other side of the aisle, who have made progress from the original proposal, will realize this is the ideal and this will not only be bonus depreciation for businesses and entrepreneurs and enterprises across America, and help create jobs, but it will be a bonus for the American economy.

I commend Senator SMITH of Oregon and ask my colleagues to support this amendment. Let's get America working again. I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH of Oregon. While we are waiting for the next speaker, I ask unanimous consent to have printed in the RECORD a letter from the Republican High Tech Task Force to the chairman and ranking member of the Senate Finance Committee and the chairman and ranking member of the House Ways and Means Committee dated November 30, 2001.

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

NOVEMBER 30, 2001.

Hon. MAX BAUCUS,
*Chairman, Committee on Finance, U.S. Senate, Washington, DC.*
Hon. CHUCK GRASSLEY,
*Ranking Member, Committee on Finance, Washington, DC.*
Hon. WILLIAM THOMAS,
*Chairman, Committee on Ways and Means, U.S. House of Representatives, Washington, DC.*
Hon. CHARLES RANGEL,
*Ranking Member, Committee on Ways and Means, Washington, DC.*

DEAR CHAIRMEN AND RANKING MEMBERS: As members of the Senate Republican High Tech Task Force (HTTF), we write to recommend that any final economic stimulus package include an enhanced expensing provision. We view the expensing provision in the House-passed stimulus bill. H.R. 3090, which would allow 30 percent enhanced expensing over three years, as the minimum the Congress should enact.

Enhanced expensing would be highly beneficial to the high technology community—the sector of the economy that has driven productivity growth and created millions of jobs during the last decade. The information technology (IT) industry makes up only 8.2 percent of the U.S. economy, yet it accounted for almost 30 percent of real Gross Domestic Growth (GDP) from 1994 to 2000. Much of this growth resulted from the increased investment in hardware, software, networking and communications systems. As the economic slowdown has persisted, decreasing IT investments have substantially weakened U.S. economic growth. During these uncertain economic times, businesses' decreased motivation to buy new equipment or build new plants will further impact opportunities for job creation and squander revival of the IT industry. A robust expensing provision can turn around this bleak scenario.

Enhanced expensing has broad support. As we noted above, H.R. 3090, the Economic Security and Recovery Act, passed by the House of Representatives, included the 30 percent, three-year expensing provision. The Bush Administration also supports this provision, which also was included in the Senate Republican stimulus proposal. On behalf of the HTTF, Senator Gordon Smith filed an amendment to the substitute amendment to H.R. 3090 offered by Senator Baucus to include the House-passed expensing language. Leading high tech trade association, including AeA, CapNet, EIA, the Information Technology Association of America, the Information Technology Industry Council, and TechNet, have placed enhanced expensing among their most important legislative goals for the year. We urge you to—at a minimum—include the House-passed expensing provision in any final stimulus bill.

We appreciate you consideration.

Sincerely,

Senator Gordon Smith, Senator George Allen, Senator Sam Brownback, Senator John Warner, Senator Wayne Allard, Senator Mike Crapo, Senator John Ensign, Senator Conrad Burns, Senator Kit Bond, Senator Day Bailey Hutchinson, Senator Tim Hutchinson.

Mr. SMITH of Oregon. Mr. President, while we have this moment, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

At the moment there is not a sufficient second.

The Senator from Missouri.

Mr. BOND. Mr. President, I planned on rising to ask to set this amendment aside so I might offer an amendment. I understand there is to be an objection on the other side, so I want to take these moments to tantalize my colleagues with the thought of the tremendously important amendment that I will, at some time, offer. Frankly, it follows very closely along the lines of the amendment that the Senator from Oregon has offered and the Senator from Virginia has just so eloquently explained.

Basically, if we are going to get the economy moving again, it is very important that we get small business moving. I do not know about my colleagues, but I can tell you in my State there are a very significant number of small businesses that have been very directly hurt and very heavily impacted by the events of September 11 and the follow-on necessary reaction to shut down on terrorism.

We need to get support for small business. I have, in the past, worked with the chairman of the Small Business Committee, Senator KERRY, to provide assistance for loans. We hope that will be included in this bill.

But the bill I am talking about would raise the expensing limits for small business. This is extremely important because right now, even under the Daschle amendment, if there is a 30-percent bonus, you still have to depreciate the rest of the equipment over 5 years. If you are buying a computer, in

5 years there is going to be something totally different. You need to be able, as a small business, to purchase equipment and write it off.

Why do we say it is for small business? Because we would raise the threshold. But the threshold would still be $325,000 worth of assets put into place during the year. So only the smallest businesses that are struggling to get back on their feet, that seek to grow by buying equipment, would be able to take advantage of this expensing.

Expensing means, in this instance, if it is up to $40,000, you write it off. You do not have to set up a depreciation schedule. You do not have to hire accountants. You do not have to have all that folderol that you go through for depreciation.

For the smallest businesses, the ones we hear from the most—at least the ones I hear from back home—they are really the smallest ones which have several employees. They are busy providing a product or a service. They do not have time to go out and hire an accountant and set up depreciation schedules.

So this amendment says—the amendment that at some point I will offer—that small businesses will be able to expense up to $40,000 a year, which is an increase from $24,000, and it would increase the phaseout threshold to $325,000 of assets put in play in the year from the current $200,000 limitation. This is similar to but $5,000 more generous than the centrist proposal. Frankly, the centrist proposal had $35,000. This is a $40,000 limit. I think that is a reasonable figure. I think this would encourage the small businesses to put capital to work to buy the equipment they need.

With the freed up capital, the business can invest in equipment. The small enterprise will stimulate other enterprises. The more they can reduce their taxes by making the purchase of the equipment, the more employees they will be able to keep working.

Chairman Greenspan has indicated again in his testimony today that small businesses expanding and growing is a vitally important part of the long-term vitality of our economy. Small businesses, we know, represent about 99 percent of all employers. They employ 51 percent of the private-sector workforce. They provide about 75 percent of the net new jobs. They contribute 51 percent of the private-sector output. And they represent 96 percent of all exporters of goods.

Size is the only small aspect of small business. It really is a dynamic force in our economy. As the distinguished Senator from Virginia was discussing, this would allow the smallest businesses to buy a computer or other information technology equipment for up to $40,000 and write it off immediately and not have to go through the 5-year depreciation system.

My colleague from Nevada is in the Chamber. I ask if I can gain unanimous consent to set the underlying amendment aside or if he wishes me to offer it later.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Reserving the right to object, the Senator from Missouri is always very courteous. I certainly do not want to be discourteous to him, but we believe, with this most important legislation pending, we should work on an amendment at a time. We just completed the agriculture amendment. We are now going to bonus depreciation. We will have a vote on that tomorrow. Following that vote, I think we should have another amendment laid down. And using this tradition—I do not know if ''tradition'' is the right word—usually, on these bills, where there is an open amendment process, we go back and forth—Democrat-Republican—amendment by amendment. So having said that, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BOND. Mr. President, I understood they would object. Senator COLLINS and I do wish to have this amendment included at the appropriate time. I ask the managers, as they work out the schedule, to put this amendment in the queue at the first available opportunity.

Mr. GRASSLEY. Mr. President, if the Senator will yield.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. If I understand what the Democratic assistant leader said, we will have a Democrat amendment. So then Senator BOND'S should be the first Republican amendment up after we have a Democrat amendment up.

Mr. BOND. Mr. President, I thank the floor manager and the majority whip. I appreciate very much their consideration of it. I will offer this to the floor manager to introduce at the appropriate time.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to be added as a cosponsor of the amendment of the Senator from Oregon.

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

Mr. GRASSLEY. Mr. President, I rise to speak in support of the amendment.

Bonus depreciation was one of the proposals that both Chairman Greenspan and former Treasury Secretary Robert Rubin uniformly endorsed for a stimulus package.

They argued accelerating depreciation was the most stimulative thing that we could do to jump start the economy.

They said it would increase cash flows and add to asset values.

They lauded its immediate stimulus effect on the economy and emphasized that a temporary enactment would not have long-term budgetary impact.

Despite all these advantages and the endorsement of Chairman Greenspan and former Clinton Treasury Secretary Rubin, and Democrats have give us an inadequate depreciation proposal.

They would allow 30 percent bonus depreciation for only 1 year.

Granted, this is an improvement on their first idea. That was to allow only 1 percent bonus for 1 year.

The bipartisan White House-Centrist economic stimulus package offered a solid proposal calling for a 30 percent bonus depreciation over 3 years.

Senator DASCHLE's bonus depreciation proposal is only for one year. Now what does 1-year period allow us to stimulate?

Well, it probably gives business people time to buy an office copier, desks, or some new throw rugs for front office.

But I do not think this bill includes any incentives to continue projects that are already in the pipeline.

It does not give companies time to do a major project, which could generate thousands of jobs.

It does not allow us to build heavy equipment, modernize a lumber mill, repair a railbed, revamp a management information system for a factory, or construct an airplane.

Farmers may not see an economical turnaround until after 2002. When they do, they will need to update their equipment. The farm economy has been so bad for so long that many farmers have not been in a financial position to replace unreliable equipment. They will need more time than 1 year to do this.

And aircraft is an interesting point. This is one of the industries that has been hit the hardest by the events of September 11.

We know from our discussions with the few remaining U.S. aircraft manufacturers, that it can take up to 18 months to build an airplane.

One year is not enough time to finish a project of this size.

Moreover, a 1-year bonus depreciation period does not provide insurance against a future down tick in our recovery cycle. This commonly occurs as an economy struggles to throw off the shackles of recession. We need to capture a booming economy not just for today but for the next several years.

Economic growth is key to eliminating the future budget deficits that have been forecast by the CBO.

So I must emphasize that the Democrat's 1-year bonus depreciation package is seriously lacking in economic weight.

It is a temporary proposal for what should be the centerpiece of an economic recovery package.

Bonus depreciation is probably the best idea any stimulus proposal. Senator DASCHLE's proposal simply fails to recognize its importance to our economy.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. SMITH of Oregon. Mr. President, I have just been handed a press release by the Secretary of the Treasury. I ask

unanimous consent that it be printed in the RECORD.

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

STATEMENT BY SECRETARY PAUL O'NEILL ON BONUS DEPRECIATION AMENDMENT BEFORE THE SENATE

The economic stimulus bill under consideration in the Senate includes a 30% bonus depreciation provision which expires in one year. Senator Gordon Smith has introduced an amendment for consideration on the Senate floor that would make the same bonus depreciation available for 3 years. Treasury Secretary Paul O'Neill made the following comment:

The short period of eligibility for new investment under the base proposal would result in no stimulus to the kind of job creating major projects that are fundamental to our growing economy. Under the base proposal, a project begun tomorrow must be completed by December 31 of this year to get any benefit. Senator Gordon Smith is right to propose an amendment extending the 30% bonus depreciation provisions to 3 years, so that more investment takes place and more jobs are created. Senator Smith's amendment greatly enhances the job creation that will be generated by the bonus depreciation provisions under consideration in the Senate.

Mr. SMITH of Oregon. Mr. President, I want to do this in concert with the majority. But I am asking for the yeas and nays and am anxious to know at what point either Senator can get a vote.

Mr. REID. Mr. President, we are in the process of getting consent on the Senator's matter and other matters for tomorrow. I think we will be able to work it out soon.

Mr. SMITH of Oregon. I thank my friend from Nevada.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. REID. Mr. President, I ask unanimous consent that on Friday, January 25—tomorrow—the time until 10:30 a.m. be equally divided and controlled for debate with respect to the Smith of Oregon amendment; that at 10:30 a.m. the Senate vote in relation to the amendment, with no intervening amendment in order prior to the disposition of the Smith amendment; further, that on Friday the next amendment be one offered by the majority leader or his designee regarding unemployment insurance; that following the presentation of that amendment, and a brief explanation, the amendment be temporarily laid aside and that Senator BOND or his designee offer the next Republican amendment regarding small business.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

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

## UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. REID. Mr. President, as in executive session, I ask unanimous consent that following the disposition of the amendment of Senator Smith tomorrow morning, the Senate proceed to executive session to consider Executive Calendar Nos. 644 and 645; that there be 10 minutes for debate equally divided between the chairman and ranking member of the Judiciary Committee, and there be 10 minutes for debate under Senator HARKIN's control, and upon the use or yielding back of time the Senate vote on each nomination; that the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, any further statements thereon be printed in the RECORD, and the Senate return to legislative session.

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

Mr. REID. Mr. President, as in executive session, I ask unanimous consent to order the yeas and nays on both nominations with one show of seconds.

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

Mr. REID. I do ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

## MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent the Senate now proceed to a period for morning business, with Senators permitted to speak therein for a period not to exceed 10 minutes each.

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

## GUANTANAMO, CUBA

Mr. NELSON of Florida. Mr. President, tomorrow a small bipartisan delegation, of which I will be part, will go to Guantanamo, Cuba to see for ourselves directly the questioning process in trying to elicit information from the detainees, the unlawful combatants, the prisoners, whatever you want to call them.

I think in a lot of the commentary that has come out about this—and this is one of the reasons I want to go; I want to see for myself how these detainees are being kept and how the process goes about trying to elicit information from them—it seems what we call them and the question of humane treatment is certainly a legitimate question, but I can't imagine, although I will see for myself tomorrow, that the United States is not giving anything but humane treatment. That is the character, that is the nature of our people. And certainly with as much attention on Guantanamo, it is certainly going to be the case of humane treatment.

What I want to find out is, are we getting information? We are in a war against terrorists. Many of these detainees are suspected to be some of the most ruthless and lethal of the terrorists. Therefore, we need to get as much information from them as we can in order to help prevent the kind of tragedies that this Nation went through on September 11.

As we survey the situation—and I have been to Guantanamo Naval Base years ago—I am quite interested to see how we are going about the process of eliciting this information from them.

Interestingly, there are a few other detainees in Guantanamo, not many in number, but very important to us in this country. There are eight Haitians detained for immigration reasons. There are 27 Cubans detained because of the policies of administrations, both past and present, that in enforcing the immigration laws do not allow anyone from a foreign land just to come to the United States; thus, intercepted on the high seas, be they Haitians or Cubans, certainly small in number but important in each of their cases.

In most of the cases of the Cuban detainees, 25 of the 27 have already been interviewed and determined that they are eligible to go to a third country. They do not want to return to Cuba. They are not eligible to come to the United States—the process of finding a third country that will receive them. I want to see firsthand for myself and talk to some of these people to see that each one of them, both the Haitian group and the Cuban group, have that personal attention. I will have a followup with our staff to see that that process is carried on in an orderly and prompt fashion.

This trip tomorrow is a direct result of having just been with a delegation of a total of nine of us into central Asia, including Afghanistan. What we saw there—and I gave a report to the Senate yesterday and I will not repeat it; it was an optimistic report reflecting the enthusiasm and the determination expressed in the faces of our young people, our young men and women in uniform serving our country in that part of the world and serving very successfully.

As a followup to that, at the end of that trip, it started occurring to a number of us, bipartisan, that we wanted to make this trip to Guantanamo.

That is what we will do. Then I will report to the Senate next week upon our return.

## MIAMI HURRICANES

Mr. NELSON of Florida. Mr. President, yesterday at the time of what we call a quorum call, what others in the street lingo might say is a recess, I took to the floor and with levity in my words spoke about some of the recent college bowl games, of which the State of Florida played such a prominent part, having three of our major teams in major bowls, all three of which were successful.

I am going to take the occasion today of offering a resolution for the national champion, the national champion, University of Miami Hurricanes, in college football. It is now a university that is quite accustomed to national championships, having won so many of them in the past, but it is now a university that is led by a person who is near and dear to the hearts of many in Washington, including the Presiding Officer. Dr. Donna Shalala is the new President.

She took over the reigns in June of the University of Miami. She has been so well accepted so quickly and is so loved in the Miami community. And then no sooner does she take the reigns and is so immediately successful in her leadership of the university, but that her team wins the national championship undefeated for the season.

I thank the Chair for the opportunity.

## HONORING DAVE THOMAS

Mr. BURNS. Mr. President, I rise today to support the Senate resolution honoring Dave Thomas, founder of the successful Wendy's restaurants. His death is a loss to the business and entrepreneurial world, the most powerful engine in the American economy. He opened doors for thousands of young people who used Wendy's as entry-level employment that launched their future. He was a symbol and shining example of leadership that one could be proud to be associated with. But this man was more than Wendy's. The sign that carried Wendy's logo stood for more than just tasty, square hamburgers. The little freckled-faced girl represented much more.

I knew Dave through the Shrine of North America. As a Shriner, he exhibited his dedication to children across this country by supporting the 22 Shriners Hospitals for Children and the three Shrine Burn Centers. He was a living example of the phrase, ''No man stands so tall that stoops to help a kid.'' He had a passion for thousands of children who are caught in the circumstance of adoption. He was an adopted child and he never forgot his roots or the wonder of parental love.

As an adopted child himself, Dave served as a credible spokesman for both Republican and Democrat White House administrations on numerous adoption initiatives between 1990 and 2000. Using proceeds from two books and many speaking engagements, Dave founded the Dave Thomas Foundation for Adoption in 1992 to work with families wishing to adopt children. Dave also worked with national adoption agencies to raise awareness about children who are waiting for adoption. Dave went on to create the Dave Thomas Center for Adoption Law to facilitate the adoption process through education and research.

Dave was also a driving force in persuading corporate America to reshape their policies to help cover the adoption expenses of employees. Thanks to his efforts, three out of four of the Fortune 1000 companies now offer adoption benefits to employees.

Yesterday was the anniversary of the Supreme Court's landmark decision in the Roe v. Wade case. As everyone knows, I support the rights of America's unborn. I recognize, however, that in today's society, unwanted pregnancies will continue to occur. Rather than taking an innocent life, I urge Americans to embrace adoption as an alternative to abortion.

Dave never forgot his good fortune and he willingly gave his time and financial resources to make us, as Americans, aware of the less fortunate. All for a kid. We who know him are better for it. Thousands of kids find themselves in better circumstances because of him and the passion that lived deep in his heart. What a legacy.

Along with the sponsors of this resolution, I simply want to thank Dave for making the world a better place for thousands of adopted children and also to send my sympathy to his family.

## PROJECT ALPHA

Mr. GRASSLEY. Mr. President, during consideration of the Defense appropriations bill on Friday, December 7, my distinguished colleagues, the chairman of the Defense Appropriations Subcommittee, Senator INOUYE, and Senator HARKIN, a member of that subcommittee as well as the chairman of the Agriculture committee, engaged in a colloquy regarding the George Washington University's, proposed Project Alpha. I support this unique effort to deal with potential terrorist threats to the U.S. food supply. I have been working with GWU since May on this project. In July, Iowa State University joined the consortium at my request. I want to point out that support for this very worthwhile program and requests for its expeditious implementation come from both sides of the aisle. I am glad that Iowa State University can contribute its expertise in this area as a major partner in this effort and that the National Animal Disease Center will also be a key player.

An important component of the Project Alpha formula is its ''National Decision Assessment Immersion Center,'' to be located in existing facilities at the Virginia Campus of the George Washington University and to serve as a model for replication by those wishing to pursue individual variations of this new approach to complexity management in national security.

As was pointed out in the December 7 colloquy, Project Alpha is a proactive approach to terrorist threats to U.S. national security, a concept initiated and developed long before the tragic events of 9–11. It utilize advanced technology in complexity-analysis techniques designed to help us both predict and prevent or ameliorate critical situations before they can become real-world disasters. Project Alpha combines sophisticated information-gathering and data-mining methodologies with high-performance data analysis, professional-level subject and issue expertise, decision support systems of proven efficacy, and state-of-the-art technology for communication and information dissemination.

Project Alpha offers the opportunity for exploration of the broadest range of threat possibilities, available options and their effects and ultimate consequences, especially those that would normally remain unforeseen and unpredicted. The program will allow rapid exploration of a massive range of relationships and interactions that are beyond the ability of our liner-reductions minds alone to follow or foresee. Project Alpha provides a mechanism for complexity consequence-projection of far greater scope, magnitude and immediacy than has ever before been available. The crucial element that makes this possible is the rapidly expanding supercomputing technology that has not yet been harnessed for this purpose. Through its use, Project Alpha can facilitate direct encounters with the unexpected and the unintended in order that potential terrorist events may be anticipated and rendered preventable, manageable and unsurprising. The purpose of Project Alpha is to help use learn more what we don't know in ways that we might never imagine, so that real-life catastrophes can be avoided. Protecting the U.S. food supply is high on the list of national security priorities, and the application of Project Alpha to this critical need can be of significant public benefit in dealing with the threat of agroterrorism now and in the future.

## THE NEED FOR GUN LEGISLATION

Mr. LEVIN. Mr. President, at end of the First Session of this Congress, as I have before, I urged my colleagues to debate and pass sensible gun safety legislation. Since that statement, we have seen three separate incidences of gun violence in our Nation's schools. In New York City, a teenager walked into a high school and seriously wounded two other students. In Grundy, VA, a man walked into a law school and shot and killed three people. In Raymond, MS, a 17-year-old student who had just been suspended, returned to school and

held the principal and assistant principal hostage at gunpoint for nearly three hours.

These are not simply isolated events. According to the Children's Defense Fund Study of 2001 gun violence data, 3,365 children and teens were killed by gunfire in the United States last year, which is one child every 2½ hours. And, every year, four to five times as many children and teens suffer from nonfatal firearm injuries. The safety of our children and communities are at stake and access to guns is a major reason why. As we begin a new session of Congress, I once again urge the Senate to close the gun show loophole, prevent children from gaining access to guns and provide law enforcement the tools they need to investigate gun-related crimes.

## BELARUS—OPPORTUNITIES SQUANDERED

Mr. CAMPBELL. Mr. President, periodically, I have addressed my colleagues in the United States Senate on developments in the last dictatorship in Europe Belarus. More the 5 months have passed since the September 9, 2001 Belarusian Presidential elections, which the Organization for Security and Cooperation in Europe (OSCE), as well at the Helsinki Commission, which I chair, concluded did not meet international democratic standards. Since that time, the Belarusian leadership has had ample opportunity to begin to live up to its freely-undertaken OSCE human rights and democracy commitments. Thus far, these opportunities have been squandered. As Secretary of State Powell remarked in his speech at the December 2001 meeting of OSCE Ministers in Bucharest:

The Government of Belarus ignored the recommendations of the OSCE on what conditions would need to be established in order for free and fair elections to take place. It is unfortunate, indeed, that the government of Belarus continues to act in a manner that excludes Belarus from the mainstream of European political life.

Since September, human rights violations have continued. There has been no progress with respect to resolving the cases of opposition leaders and journalists who ''disappeared'' in 1999—2000. Belarusian leader Aleksandr Lukashenka has retaliated against opposition members, independent journalists, human rights activists and others, especially young people. Beatings, detentions, fines and other forms of pressure have continued unabated. To cite just one example, two defendants in a criminal case against Alexander Chygir, son of leading Lukashenka opponent and former Prime Minister, Mikhail Chygir, were reportedly beaten and otherwise maltreated during pre-trial detention. Criminal cases have been launched against journalists and NGOs as well. A number of leading industrialists have been arrested on what some observers believe are politically motivated charges.

Freedom of religion is also an area of concern. The registration scheme, required for a group to obtain full legal rights, is the ultimate ''Catch-22.'' Registration cannot be granted without a legal address; a legal address cannot be obtained without registration. Even the state controlled media is a concern for religious freedom, due to the highly critical reports in newspapers and television about the Catholic Church and Protestant churches. Very recently, the regular broadcast on national radio of a Miensk Catholic mass was unexpectedly halted.

Efforts to promote human rights and expand support and develop civil society in Belarus are being thwarted. The Belarusian Government has threatened the OSCE Mission in Miensk with what amounts to expulsion unless the mandate of the Mission is changed more to its liking and has shown reluctance to accept a new Head of Mission. It is vital that the OSCE be allowed to continue its important work in developing genuine democratic institutions and a strong civil society in Belarus.

I am also deeply troubled by allegations that Belarus has been acting as a supplier of lethal military equipment to Islamic terrorists, a charge that the Belrausian Government has denied. The troubling allegations contained in this article are a reminder of the importance of remaining steadfast in supporting democracy, human rights and the rule of law in Belarus. The lack of functioning democratic institutions, including an independent parliament, together with suppression of free media contribute to an environment void of accountability. Writing off Belarus as a backwater in the heart of Europe would play into the hands of the Lukashenka regime with disastrous consequences not only for the Belarusian people. It is more important than ever for the OSCE to maintain a strong presence on the ground in Belarus and for the United States to continue to support democratic development in that country.

I ask unaminous consent that the Washington Post article ''Europe's Armory for Terrorism be printed in the RECORD.

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

[From the Washington Post, Jan. 3, 2002]

EUROPE'S ARMORY FOR TERRORISM

(By Mark Lenzi)

The country in Europe that deserves the most attention for its support of terrorist groups and rogue states continues to receive the least. That is the lawless and undemocratic country of Belarus, under the rule of Alexander Lukashenko.

Without a doubt no world leader benefitted more from the September terror attacks than Lukashenko, Europe's last dictator, whose ultimate wish is to reunite the Soviet Union. Just as world scrutiny and condemnation were beginning to mount after his rigged and falsified presidential election of Sept. 9 the tragic events two days later took Washington's quick glance away from this little-known and backward country.

Washington needs to wake up to what is happening in NATO's backyard: Belarus is quietly acting as a leading supplier of lethal military equipment to Islamic radicals—with terrorists and militant organizations in the Middle East, Balkans and Central Asia often the recipients.

In 1994, Lukashenko's first year as president, Belarus sold machine guns and armored vehicles to Tajikistan. This equipment quickly made its way into the hands of warring factions in neighboring Afghanistan, as well as Islamic freedom fighters aiming to overthrow the government in Tajikistan itself—ironically the same country where Belaru's big brother, Russia, has thousands of soldiers stationed to protect Central Asia and Russia from Islamic destabilization.

Many of Lukashenko's arms deals have followed a similar pattern: Weapons sent from Belarus are ''diverted'' from a listed destination country to an Islamic extremist group or a country under U.N. arms embargo while Belarusian government officials cast a blind eye on the transactions.

While it is deplorable that Belarus's weapons have been responsible for prolonging civil wars and internal strife in countries such as Tajikistan, Angola and Algeria, it is particularly disturbing that Sudan, a country where Osama bin Laden used to live and one that is known as a haven for terrorists, has obtained from Belarus such proven and capable weapon systems as T–55 tanks and Mi–24 Hind Helicopter gunships. Weapons sent from Belarus to Sudan either fall into the hands of terrorists or are used in a civil war that has already killed more than 2 million people.

Lukashenko's efforts to sell weapons to generate much-needed income for his beleaguered economy appear to have no bounds. For a country of only 10 million people, it is unsettling that Belarus is ranked year after year among the top 10 weapons-exporting countries. To put in perspective how much military equipment left over from the Soviet Union Lukashenko has at his disposal, consider the following fact: The Belarusian army has 1,700 T–72 battle tanks. Poland, a new NATO member with the most powerful army in Central Europe and with four times the population of Belarus, has only 900 T–72s.

Despite strong denials from Lukashenko, Belarus has been a key partner of Saddam Hussein in his effort to rebuild and modernize Iraq's air defense capability. Belarus has violated international law by secretly supplying Baghdad with SA–3 antiaircraft missile components as well as technicians. Given that Iraq has repeatedly tried to shoot down U.S. and British aircraft patrolling the U.N. no-fly zone—with more than 420 attempts this year alone—covert Belarusian-Iraqi military cooperation is disturbing and should set off alarm bells in Western capitals.

Former Belarusian defense minister Pavel Kozlovski, obviously someone with firsthand knowledge of Minsk's covert arms deals, recently summed up Belarus's cooperation with Iraq and other rogue states by saying, ''I know that the Belarusian government does not have moral principles and can sell weapons to those countries [such as Iraq] where embargoes exist. This is the criminal policy of Belarusian leadership.''

In many ways, the mercurial and authoritarian Lukashenko feels he has a free hand to sell arms to nations and groups that are unfriendly to the West, because the European Union and the United States do not recognize him as the legitimate Belarusian head of state anyway. Threats of U.S.-led economic sanctions or other diplomatic ''sticks'' against Belarus hold little weight,

since the country is already isolated to a degree rivaled only by a handful of other countries.

It is only thanks to cheap energy subsidies from Russia that the Belarusian economy remains afloat. Since Russia is the only country that has the necessary economic and political influence on Belarus, it is imperative that Washington use its new relationship with Moscow to encourage the Russians to exert their leverage on Belarus to cease covert arms sales to rogue states and terrorist groups.

In the Bush administration's worldwide effort to combat terrorism, it should not overlook a little-known country right on NATO's border.

## THREATS TO NATIONAL SECURITY

Mr. KYL. Mr. President, for over 200 years, our Nation has championed ideas and ideals that have placed us in harm's way. In certain parts of the world, our actions have at times made us the object of ridicule. But liberty, toleration, and the inalienable rights of the individual have been our strength, and that strength is undimmed by criticism of the United States. We stand legitimately for freedom; for us it is not a mere word employed in presidential speeches or diplomatic exchanges. The concept of ordered liberty has been the foundation of our national resolve, consecrated with the blood of our sons and daughters on many fields of battle across the world, and now, tragically, in the wreckage in New York, Pennsylvania, and the Pentagon.

I rise to call my colleagues' attention to a speech that the senior Senator from North Carolina delivered to the second annual Hillsdale College Churchill Dinner on December 5, 2001, which I will ask to be printed in the RECORD. This speech is a remarkably good statement of our national character and our national purpose, drawing as it does upon a wealth of knowledge and experience second to none. We need to hear from statesmen like JESSE HELMS at a time like this. In his Hillsdale speech, he offers a powerful assessment of the state of affairs facing United States policy makers who must develop a strategy to combat forces that would seek to destroy us and our way of life.

As Senator HELMS so ably explains, this is a task that we have faced before. Though the names and the faces and even the tactics of our adversaries change, the threat to us is the same. We must confront this threat and we must defeat it. At the same time, Senator HELMS admonishes us to remain vigilant of those world powers that maintain historic practices of hostility toward us, powers that are strengthening their war-making capacities, and that might well seek to lull us into a false sense of security as we pursue our campaign against the terrorist networks.

The good Senator provides us with a thought-provoking analysis that is sobering, but also hopeful. He urges us, at a time when the geopolitical map of the world is in great flux, to remember and reaffirm, in all we do, the principles upon which America was founded. He remarks on how well we are bearing up under the worst assault we've sustained since Pearl Harbor. ''They thought that their attacks would frighten and divide us,'' writes Senator HELMS. ''Instead, they have drawn us closer to God, and to each other.''

I highly commend to my colleagues this Churchillian call to unity.

I ask unanimous consent that Senator HELMS' speech be printed in the RECORD.

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

[From Imprimis, Jan. 2002]

### EMERGING THREATS TO UNITED STATES NATIONAL SECURITY

(By the Honorable Jesse Helms)

*The following is an abridged version of Senator Helms' speech at the second annual Hillsdale College Churchill Dinner, held at the Mayflower Hotel in Washington, D.C., on December 5, 2001.*

America is the only nation in history founded on an idea: the proposition that all men are created equal, and are endowed by their Creator with inalienable rights to life, liberty and the pursuit of happiness. No other nation can make such a claim. This is what makes us unique. It is why, for more than two centuries, America has been a beacon of liberty for all who aspire to live in freedom. It is also why America was so brutally attacked on September 11.

The terrorists who struck the Pentagon and the World Trade Towers despise what America stands for: freedom, religious toleration and individual liberty. They hate the success with which the American idea has spread around the world. And they want to terrorize us into retreat and inaction, so that we will be afraid to defend freedom abroad and live as free people at home. They will not succeed.

#### A REVIVED SENSE OF VIGILANCE

The terrorists we fight today are not the first aggressors of their kind to challenge us. Indeed, at this moment of trial, it is altogether fitting that we gather to honor the memory of Sir Winston Churchill, whose courage, conviction and steely resolve led the Allies to victory over Fascism, and who went on then to warn us about the danger of the emerging Communist threat and the Iron Curtain then descending across Europe. Today we face a new and different enemy—one who hides in caves, and who strikes in new and unexpected ways. Yet in a larger respect, this new enemy is no different from the enemy Churchill faced 60 years ago. And as shocking as September 11 was, it should have come as no surprise that our nation was once again challenged by aggressors bent on her destruction.

Jefferson warned that ''the price of liberty is eternal vigilance.'' And since our founding, Jefferson has been proven right, time and time again. New enemies have constantly emerged to threaten us. The lesson of history is that to secure our liberty, America must be constantly on guard, preparing to defend our nation against tomorrow's adversaries even as we vanquish the enemies of today.

Over the past decade, America let down her guard. With the collapse of the Soviet Union, our leaders assumed that the post-Cold War world would be one of unlimited peace and prosperity, and that our greatest security challenges would be invading Haiti, or stopping wars in places like Bosnia and Kosovo. The Clinton people slashed our defense budget in search of a ''peace dividend,'' while sending our forces all over the world on a plethora of missions that drained America's military readiness. They put off investments needed to prepare for the real energing threats to U.S. national security. Instead of focusing on new dangers, they spent their time and energy forging ridiculous new treaties—like the Kyoto Protocol and the International Criminal Court—while fighting desperately to preserve antiquated ones, like the ABM Treaty!

In light of America's new war, it is almost humorous to look back on some of the foreign policy debates of the 1990s. Can anyone imagine Kofi Annan today declaring as he did two years ago, that the United Nations Security Council is the ''sole source of legitimacy for the use of force in the world''? Or former Deputy Secretary of State Strobe Talbott repeating his ridiculous assertion that all countries, ''no matter how permanent or even scared [they] may seem,'' are in fact ''artificial and temporary''?

''Within the next hundred years,'' Talbott went on to say, ''nationhood as we know it will be obsolete; all states will recognize a single global authority.'' Let him tell that to the policemen and firemen at the World Trade Towers. Let him tell it to all the millions of Americans flying flags from their homes and cars. Let him tell it to the thousands of brave Americans in uniform, who at this very moment are voluntarily risking their lives to defend our country.

In the wake of September 11, a measure of sanity has been restored to debates over U.S. foreign policy. Awakened to new dangers, our challenge is now twofold: First, we must win the war on terrorism that took our nation by surprise. And second, we must prepare now for the threats that could emerge to surprise us in the decades ahead.

#### BEYOND AFGHANISTAN

Thanks to the outstanding leadership of President Bush, the Taliban is in retreat and Osama bin Laden is on the run. But the war on terrorism is far from over. Indeed, one could argue that the most difficult challenge comes now, as the Afghan campaign moves from the taking of cities, to a cave-by-cave hunt for bin Laden and his terrorist network. Ripping that network out by its roots will be long, difficult and dangerous work. Moreover, President Bush's greatest challenge may come after the Afghan phase of the war is over.

The bin Laden terrorist network operates in dozens of countries. Nor is it the only one that threatens America and her allies. Terrorist networks operate across the world, with the support of dozens of states. President Bush has made clear that this war will not end until every terrorist network with global reach is decisively defeated. He has also made clear that the United States will no longer tolerate states that support or provide safe haven to these terrorists. That means, I am convinced, that the war on terrorism cannot and will not end until Saddam Hussein suffers the same fate as the Taliban.

While we do not yet know that Saddam was directly involved with the tragic events of September 11, there is a mountain of evidence linking him to international terrorism generally, and to bin Laden's terrorist network specifically. We know for a fact that Saddam attempted to assassinate former President Bush. We know with certainty that he has chemical and biological agents, and is pursuing nuclear weapons. We know for certain that, days before coming to the U.S., one of the September 11 hijackers met with an Iraqi agent in Prague—and that soon

after that meeting, this same bin Laden operative was in the United States inquiring how one goes about renting a crop duster. So the obvious next step in the war on terrorism is the elimination of Saddam Hussein's tyrannical terrorist regime.

Just as the United States teamed up with determined Afghans who were ready, willing and able to overthrow the Taliban with American support, there are Iraqis ready to overthrow Saddam. But taking the war to Saddam will be no easy task. We must accept the probability that many of the nations rallying around us today will be nowhere to be found. Indeed, some are likely to scream and yell and stomp their feet, demanding ''evidence'' of Iraq's involvement in the September 11 attacks. It is then that President Bush must patiently remind them that the war on terrorism is a war against all terrorists who threaten America, regardless of whether they bombed the World Trade Towers, sought to murder a former President of the United States, or threaten our people with nuclear, chemical and biological weapons of mass destruction.

We must proceed against Saddam with the same resolve with which we have proceeded against the Taliban in Afghanistan. Once the world sees two terrorist regimes in rubble, I suspect that support for international terrorism will dry up pretty quickly. Dictators will begin to understand that waging a war by proxy against the United States carries deadly consequences.

While we prosecute the war on terrorism to its logical conclusion, we must, at the same time, begin preparing for the next threats to America—threats which could be quite different from those we face today. The next challenge we face may come from a rogue state armed with ballistic missiles capable of reaching New York or Los Angeles. It may come from cyber-terrorists who seek to cripple our nation and our economy by attacking our vital information networks. It may come from a country that has developed small ''killer satellites'' capable of attacking our space infrastructure, on which both our defense and our economy depend. Or it may come from a traditional state-on-state war, such as a Chinese invasion of Taiwan. In any event, it is essential that we begin preparing now for all of these possibilities, by developing defenses against a wide range of asymmetric threats.

DISTINGUISHING FRIENDS FROM ENEMIES

We must also look realistically at who our potential adversaries could be in the decades ahead. For example, Communist China—a nation with no respect for human rights, for religious freedom, or for the rule of law—remains both a present and an emerging threat to the United States. Its annual double-digit increases in military spending, its virulent anti-American propaganda, and its aggressive arms acquisitions are all very clear indications that China fully intends to become a superpower—and, when it is able, to seek regional hegemony in Asia and threaten our democratic friends on Taiwan. Moreover, China has for years exported dangerous missile technology to Pakistan—support that, according to the Director of Central Intelligence, continues today unabated. China has also supplied chemical weapons-related equipment and technology to Iran. And earlier this year, U.S. and British war planes had to destroy fiber-optic cables that had been laid by Chinese firms in Iraq, as part of Saddam Hussein's ever-improving air defense infrastructure.

Today, China is a thorn in our side. We must make sure that, as China rises, it does not become a dagger at our throat. Nor is China by any means the only nation that could one day threaten us. Countries like Iran, Syria, Sudan, North Korea and Cuba continue to provide aid, comfort and refuge to terrorist elements that wish to harm the United States, and several of them are seeking weapons of mass destruction and the means to deliver them.

In times of war, the enemy of our enemy is often our friend. During World War II, Churchill explained his wartime alliance with Stalin this way: ''If Hitler invaded Hell,'' Churchill said, ''I would make at least a favorable reference to the Devil in the House of Commons.'' But let us not forget what happened in the aftermath of World War II, when the Soviet Union went from wartime ally to Cold War adversary. We must be careful that, in our zeal to build the coalition against terrorism, we do not mistakenly turn a blind eye to the true nature of certain regimes whose long-term interests and intentions remain contrary to ours.

Of course we must, and should, take the opportunity to reach out to nations that are willing to step up and take concrete steps to help us in the fight against terror. Not for several generations has the geopolitical map of the world been so much in flux, as a variety of countries decide how to respond to the events of September 11 and to President Bush's ultimatum that ''either you are with us or you are with the terrorists.'' President Bush is certainly to be commended for the rapid transformation of our relationship with Russia, whose long-term interests clearly lie with the West. President Putin seems to have seized September 11 as an opportunity to align Russia more closely with the United States, and he should be encouraged in this regard. But we must proceed with care. For example: The idea of giving Russia a decision-making role within NATO—including a veto over certain Alliance decisions (as NATO Secretary General Lord Robertson suggested the other day)—is absurd. Russia still has much to prove before being given de facto membership in the Atlantic Alliance.

We must make clear—as President Bush has made clear—that we want closer cooperation with Russia and a new relationship that puts Cold War animosities behind us. But in building that relationship, we must stand firmly behind our intention to build and deploy ballistic missile defenses. If the United States and Russia are to establish a new strategic relationship based on trust, cooperation, and mutual interests, then Russia must recognize that such missile defenses, in protecting the United States and our allies from mutual adversaries, will enhance the security of both nations in today's new and dangerous world.

MORAL FOUNDATIONS OF SECURITY

America is indeed the greatest nation on the face of the earth, a beacon of freedom for the entire world. We have met tremendous challenges to our freedom before September 11 and defeated them. We will do so again. but in the long run, the greatest emerging threat to America may not come from without, but rather from within. As I have said often during my years in public life, we will not long survive as a nation unless and until we restore the moral and spiritual principles that made America great in the first place.

On September 11, 4,000 innocent Americans were killed by a foreign enemy. The American people responded with shock, sadness, and a deep and righteous anger—and rightly so. Yet let us not forget that every passing day in our country almost 4,000 innocent Americans are killed at the hands of so-called doctors, who rip those little ones from their mothers' wombs. These are the most innocent Americans of all—small, helpless, defenseless babies. For unborn Americans, every day is September 11.

America was attacked by terrorists on September 11 because of what America stands for—our dedication to life, liberty and justice under God. As we defend those principles abroad, let us also renew them here at home. As we go after the terrorists who committed those unspeakable acts against our people, let us, at the same time, get about the task of restoring our nation's moral and spiritual foundations. No matter how successfully we prosecute the war against terrorism—no matter how brilliantly we prepare for the threats of the future—we will never be truly secure if we do not return to the principles on which America was founded, and which made America great.

This is already taking place. In the wake of September 11, flags are flying and church pews are overflowing. This great patriotic and spiritual outpouring is proof that the terrorists' plans have backfired. They thought that their attacks would frighten and divide us; instead they have drawn us closer to God—and to each other. We must encourage this spiritual rebirth, and nurture it so that it becomes another Great Awakening. We must instill in our young people an understanding that theirs is a nation founded by Providence to serve as a shining city on a hill—a light to the nations, spreading the good news of God's gift of human freedom.

Thank you, God bless you, and, as Ronald Reagan always said, God bless America!

## THE RECENT ELECTIONS IN ZAMBIA

Mr. FEINGOLD. Mr. President, I rise today to express concern over the outcome of the presidential elections last month in Zambia. A number of African states will hold important elections this year, the results of which could shape the governance and prosperity of the continent for years to come. Unfortunately, several troubling aspects of the Zambian elections demonstrate the need for a more concerted international effort to demand democratic accountability and transparency in many African states.

The Movement for Multiparty Democracy's candidate for President of Zambia, Levy Mwanawasa, was inaugurated on January 2 as the new President, after claiming a very narrow victory in general elections held on December 27. As the handpicked successor of outgoing president Frederick Chiluba, Mwanawasa approached the contest from an advantaged institutional position and ran against a divided opposition. But polls leading up to the election predicted that Anderson Mazoka, a prominent business executive, would win, or that the race would at least be exceptionally close.

Unfortunately election monitoring reports from the Carter Center, the European Union and national nongovernmental organizations suggest that the balloting may have been marred by fraud. There are credible reports of tabulation irregularities and voter intimidation. Those reports corroborate claims made by the opposition parties themselves. The Carter Center has issued a statement expressing serious concern over the reports of irregularities in the tabulation process, although they have not been able to

verify those irregularities independently. At minimum, it seems clear that the elections were characterized by highly troubling inconsistencies and exceptionally poor management.

Equal consideration must also be given to alarming pre-election reports. An assessment conducted by the Carter Center immediately prior to the voting concluded that some steps taken by Zambian authorities in the pre-election period ''handicapped the opposition, created barriers to civil society participation and disenfranchised many voters.'' Reports of intimidation and the misuse of state resources by government officials undermined the credibility of the ruling party's campaign. At the same time, the Carter Center estimated that only 2.6 million out of an eligible 4.6 million citizens were registered to vote. In part, this low level of registration related to difficulties in obtaining national registration cards. But prolonged uncertainty about the election date, followed by the selection of a date in the middle of the rainy season and during a common holiday travel period also complicated the administration of the elections and lowered participation in certain regions. And the failure of President Chiluba to declare an official holiday on the date of the elections prevented some workers from waiting in long lines that day to vote.

The mismanaged December elections have led to protests in Zambia, although it is a testament to the Zambian people's desire for a genuinely democratic state, governed by the rule of law, that the protests have not exploded into more destabilizing violence. Turning to the courts, the opposition is expected to lodge a full appeal to the Supreme Court. The high court in Lusaka dismissed an earlier opposition petition, declaring that Zambian law required that such petitions be filed after the winning candidate assumed office. But most legal professionals note that the judiciary remains weak and that it will be exceptionally difficult to overturn any election results now that the results have been certified.

In the meantime, the United States and the rest of the international community must work with the Zambian advocates of democracy as they seek credible political options that might resolve the current crisis. Some influential voices are calling for the creation of an independent commission to review the election. That is one option that the United States could support, particularly if the courts are unable or unwilling to resolve the dispute. But any attempt by the United States to help mediate the impasse must be transparent and must have as its goal the inauguration of a Zambian government that responds to the will, and the needs, of the Zambian electorate. And above all, the United States must stand firm in defending the right of the opposition to speak out, and to contest the election results through legal means. Unfortunately, in his first days after assuming the presidency, Mr. Mwanawasa has demonstrated an ominous reluctance to tolerate opposition politics, and he has publicly warned the opposition against taking any additional steps to contest the results.

A peaceful and credible resolution to election disputes is essential. Without the confidence of the Zambian people, the President of that country will find it difficult, if not impossible, to address the country's precipitous social decline, which has been nudged along by a worsening economic climate, widespread corruption and a massive HIV/AIDS epidemic in a country where the average income is only about one dollar a day. Once the election dispute is resolved, the United States will have to work closely with the legitimate government of Zambia to help address this growing humanitarian crisis.

## ADDITIONAL STATEMENTS

### TRIBUTE TO MICKEY MIANO

• Mr. LIEBERMAN. Mr. President, I rise today with sorrow and profound respect to honor the life of Michael ''Mickey'' Miano, a Connecticut institution and personal friend who passed away earlier this month, just 2 months shy of his 96th birthday.

By trade, Mickey was a restaurateur and businessman, but that doesn't begin to describe the depth of his influence on Connecticut's capital city or the State that was his home. Anyone who wanted to understand Hartford's social and political life in a glance needed only to visit Mickey in his restaurant or in the office of one of the many other businesses he ran over the course of his life. He was a political leader without political office—a man who understood that communities are held together not by government but by the private citizens who live, work, own homes, and raise their families in them.

Mickey came to this country from Italy at age 6 in 1912, left school after the fifth grade to work in the tobacco fields, later joined the merchant marines, and then went into business. His life's trajectory exemplified the rise of a whole generation of Italian-American immigrants, and immigrants of every nationality throughout American history. The fact that Mickey had an uphill climb did not slow his ascent one bit. By age 30, he was well on his way to being a force in Connecticut politics, earning it all through his hard work and the power of his personality. Mickey's place in the history of Connecticut politics is secure. It was an attempt to secure that place that led me to include him in two books I wrote about Connecticut politics earlier in my own life.

And over the years that followed, as more people came to learn how generous he was in spirit and how committed he was to improving his city and state, he grew more and more instrumental in Connecticut's political life, and my home State grew more and more indebted to him.

I was privileged to have Mickey as a friend. Despite many attempts to draft him into official public service, Mickey never ran for political office—perhaps because he understood that in America, there's no greater honor or privilege than an active and caring private citizen. That is what he was: a grassroots leader who cared about the common good and got results. I know that his optimism and patriotism will continue to inspire all those who knew him as long as we live. I ask to print the following tribute to his life by Tom Condon, another good guy who also happens to write for the Hartford Courant, in the RECORD.

The tribute follows:

[From the Hartford Courant, Jan. 16, 2002]

MICKEY MIANO DIES AT 95

RESTAURATEUR HELPED DEFINE AN ERA IN CITY POLITICS

(By Tom Condon)

Michael ''Mickey'' Miano, restaurateur, businessman and an enduring figure in Hartford politics for much of the last century, died last weekend, two months shy of his 96th birthday.

Miano, street-savvy and stylishly stout, feisty and flamboyant, got his start in politics at age 9, handing out fliers for Woodrow Wilson in the 1916 election. He gained local prominence in the rough-and-tumble world of East Side politics in the 1930s.

He was part of the first generation of Italian American politicians to gain power in the city, a group that included such figures as Anthony Zazzaro, Rocco Pallotti, Joseph Fauliso and Dominick DeLucco.

Miano declined many requests to run for office, preferring the behind-the-scenes neighborhood and committee work where a job, a favor or a remembered birthday translated into votes and power. He was so good at it that even in his 80s, when he'd lost a step and his influence had waned, politicians still stopped at his memento-filled Franklin Avenue office to pay homage. ''You don't want him against you,'' then-State Rep. Anthony Palermino told a reporter.

He was a soft touch for a favor, but if a situation called for a firm hand, Miano provided it. As a precinct moderator in 1933, he twice settled disputes with his dukes. But he could also be a diplomat.

His East Side restaurant, Mickey's Villanova, was the hot spot for politicians and reporters in the World War II years. Shortly after a bruising municipal election in 1943, heads of the three factions that had been fighting it out all appeared at Mickey's. Miano tactfully seated them in different corners of the restaurant, and shuttled back and forth until each group was buying drinks for the others.

Miano was born in Sicily and came to this country at age 6 in 1912. He left school after the fifth grade to work in the tobacco fields. After a stint in the merchant marine he came back to Hartford and went into a remarkable number of businesses in the next 70-plus years.

He sold wholesale grapes, drove a fruit wagon, brought the circus to town, promoted fights, ran a nightclub and finally got into the restaurant business. Mickey's Villanova, on Market Street, was central to the political action in a way that Frank's, Scoler's and Carbone's would later be. During the war, Bob Steele, Willie Pep and others broadcast to American troops from the restaurant.

The Constitution Plaza redevelopment project took away the restaurant and the beloved East Side neighborhood, over Miano's strenuous objection, but he persevered. He made salad dressing, started a rubbish removal company and sold incinerators.

In his last decades, he was in real estate and mortgages from the Franklin Avenue office. He made no concession to age, his son Paul Miano said, and was as hungry to do a deal at 87 as he was at 17. ''The only way we got him to stop was by closing the office when he went in for surgery. He was 88, and we wanted him to take it easy.''

But Mickey came through the surgery, lost more than 100 pounds and was raring to go again. During his last illness, at 95, he'd say to Paul, ''When I get out of here, let's open up a little office, just a couple days a week.''

His daughter, Michelle Bradley, said the family was never more proud of her father than when U.S. Sen. Joe Lieberman was nominated for vice president. Lieberman mentioned Mickey in both of his books about Connecticut politics. ''The Power Broker'' and ''The Legacy.''

''That a prospective vice president of the United States would write about this man of humble origin is remarkable,'' she said.

And, Paul said, his dad got a lot of mileage out of the mentions. He was vacationing in Florida during the campaign.●

## RETIREMENT OF JOHN T. CURRAN

● Mr. LUGAR. Mr. President, I take this opportunity to offer my thanks and appreciation for the service of Mr. John T. Curran of Indianapolis who is retiring this month following a forty-year career that included twenty-four years as the Meteorologist-in-Charge for the National Weather Service, NWS, office in Indianapolis.

Throughout his illustrious career, Mr. Curran has played an essential role in the agency's integration of computer technology and development of the sophisticated equipment that has revolutionized the way the United States performs the vital function of monitoring and predicting our nation's weather. Mr. Curran's career began in 1961 where he worked as a trainee at the Weather Bureau Airport Station in Omaha, NE, and later as a severe local storms analyst and computer programmer. Mr. Curran's knowledge of, and experience with, the early computers and emerging technology made him an invaluable asset as the agency adopted new and better ways to carry out its mission.

As the Meteorologist-in-Charge at the Indianapolis office, Mr. Curran oversaw operations in Indiana during a time of dramatic change for the NWS. Integration of new technologies and the dramatic changes brought forth by National Implementation Plan required competent and steadfast leadership to ensure that Hoosier communities benefitted from these remarkable new developments.

Mr. Curran understood, however, that the people involved in this process were the backbone of the Weather Service. While the tremendous leaps in technology enable us to learn more about weather patterns better than ever before, it is the committed professionals at the agency that maintain its strength in providing this vital public service. Mr. Curran's thoughtful management of the Indianapolis office has helped ensure that this important federal responsibility is fulfilled for Indiana.

The work of the NWS is essential to our economy and to public safety throughout Indiana. Accurate, reliable and helpful weather information is integral to our agricultural sector and to our transportation and manufacturing industries in Indiana. State and local officials and units of government rely on NWS alerts, warnings, and forecasts to prepare for and respond to emergency situations that occur in our cities, towns and neighborhoods. I have deeply appreciated Mr. Curran's efforts over the years to assist me and my staff in Indiana and Washington with the complex and technical issues involved with weather services and the modernization process.

Mr. Curran has distinguished himself through strong, attentive leadership and a dedication to integrity in the public trust. His commitment to excellence in public service and careful stewardship at the NWS Office has made a positive difference for Indiana.

I congratulate Mr. Curran for his achievements during his long career, and I thank him for his service to Indiana and the Nation. I know that he and his wife Christine look forward to spending more time with their children and grandchildren.●

## CONGRATULATING ROY STOVALL ON HIS RETIREMENT

● Mr. DOMENICI. Mr. President, I congratulate Roy Stovall for his long career dedicated to civil service. Roy will soon retire from the Bureau of Land Management after 46 years of Government work, 40 years of which were with the Bureau of Land Management.

Respected throughout New Mexico for loyal service, Roy has proven to be a successful leader while serving in many different roles. He began his career in Carlsbad, NM as a temporary Carrier with the United States Post Office. Eventually after serving in several positions around the State he found his home in Roswell serving out his career as a Range Management Specialist. He is a member of the Society of Range Management.

For his quality work, Roy has received numerous performance awards and praise from co-workers for his achievements. I also applaud the selfless effort Roy has put forth in order to make significant improvements in the quality of life for people of New Mexico and the Nation for almost 50 years. I know that he has made his family and the people of New Mexico proud, and I wish him the same success with his future endeavors in his retirement.●

## MESSAGE FROM THE HOUSE

At 2:53 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1762. An act to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2234. An act to revise the boundary of the Tumacacori National Historical Park in the State of Arizona.

The message further announced that pursuant to section 955(b)(1)(B) of Public Law 105–83, the minority leader appoints the following Member of the House of Representatives to the National Council on the Arts: Ms. MCCOLLUM of Minnesota.

## MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 2234. An act to revise the boundary of the Tumacacori National Historical Park in the State of Arizona; to the Committee on Energy and Natural Resources.

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–5140. A communication from the Foreign Terrorist Tracking Task Force, Department of Justice, transmitting, pursuant to law, the report of a rule entitled ''Provision of Aviation Training to Certain Alien Trainees'' received on January 16, 2002; to the Committee on the Judiciary.

EC–5141. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Mepiquat; Pesticide Tolerance'' (FRL6818–7) received on January 18, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5142. A communication from the President of the United States, transmitting, pursuant to law, a report concerning emigration laws and policies of Armenia, Azerbaijan, Kazakhstan, Moldova, the Russian Federation, Tajikistan, Turkmenistan, Ukraine and Uzbekistan; to the Committee on Finance.

EC–5143. A communication from the Chief of the Regulations Branch, United States Customs Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Extension of Deadline to File a Wool Duty Refund Claim for Claim Year 2000'' (RIN1515–AC85) received on January 18, 2002; to the Committee on Finance.

EC–5144. A communication from the President of the United States, transmitting, pursuant to law, a report concerning the prevention of terrorist bombings; to the Committee on Banking, Housing, and Urban Affairs.

EC–5145. A communication from the Deputy Secretary, Division of Market Regulation, United States Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendments to

Rule 31–1, Securities Transactions Exempt from Transaction Fees'' (RIN3235–AI36) received on January 18, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC–5146. A communication from the President of the United States, transmitting, pursuant to law, the periodic report on the national emergency with respect to terrorist who threaten to disrupt the Middle East peace process; to the Committee on Banking, Housing, and Urban Affairs.

EC–5147. A communication from the President of the United States, transmitting, pursuant to law, a report relative to the continuation of the national emergency with respect to terrorist who threaten to disrupt the Middle East peace process; to the Committee on Banking, Housing, and Urban Affairs.

EC–5148. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: McDonnell Douglas Model MD 90–30 Series Airplanes'' ((RIN2120–AA64)(2001–0007)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5149. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: SOCATA-Groupe Aerospatiale Models TB 9, 10, 20, 21, and TB 200 Airplanes'' ((RIN2120–AA64)(2002–0006)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5150. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: McDonnell Douglas Model DC 8 Series Airplanes'' ((RIN2120–AA64)(2002–0013)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5151. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Dornier Luftfahrt GmbH Model 228–212 Airplanes'' ((RIN2120–AA64)(2002–0012)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5152. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Bombardier Model DHC 8–100, 200, and 300 Airplanes'' ((RIN2120–AA64)(2002–0008)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5153. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Airbus Model A319, A320, and A321 Series Airplanes'' ((RIN2120–AA64)(2002–0009)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5154. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Boeing Model 767 Series Airplanes Powered By Pratt and Whitney Model PW4000 Series Engines'' ((RIN2120–AA64)(2002–0010)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5155. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Reims Aviation SA Model F406 Airplanes'' ((RIN2120–AA64)(2002–0011)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5156. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: McDonnell Douglas Model DC 8 Series Airplanes'' ((RIN2120–AA64)(2002–0015)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5157. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: McDonnell Douglas Model DC 8 Series Airplanes'' ((RIN2120–AA64)(2002–0014)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5158. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Boeing Model 7007–100, 100B, 300, and E3A; 727–100 and 200, 737–200, 200C, 300, 400, and 500; 747SP and 747SR; 747–100b, 200B , 200C, 200F, 300, 400, and 400D, 757–200 and 200 PF and 767–200, and 300 Series Airplanes'' ((RIN2120–AA64)(2002–0005)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5159. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Boeing Model 767–200 Series Airplanes'' ((RIN2120–AA64)(2002–0016)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5160. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airspace and Flight Operations Requirements for the 2002 Winter Olympic Games, Salt Lake City, UT'' (RIN2120–AH61) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5161. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–211, ''Residential Permit Parking Area Temporary Amendment Act of 2001''; to the Committee on Governmental Affairs.

EC–5162. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–224, ''Special Signs Amendment Act of 2001''; to the Committee on Governmental Affairs.

EC–5163. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–223, ''Child and Family Services Agency Licensure Exemption of Certain Court Personnel Amendment Act of 2001''; to the Committee on Governmental Affairs.

EC–5164. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–212, ''Homestead and Senior Citizen Real Property Tax Temporary Act of 2001''; to the Committee on Governmental Affairs.

EC–5165. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–213, ''Make a Difference Temporary Amendment Act of 2001''; to the Committee on Governmental Affairs.

EC–5166. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–209, ''Taxicab Driver Security Revolving Fund Temporary Act of 2001''; to the Committee on Governmental Affairs.

EC–5167. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–210, ''Washington Convention Center Authority Oversight and Management Continuity Temporary Amendment Act of 2001″; to the Committee on Governmental Affairs.

EC–5168. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–208, ''Noise Control Temporary Amendment Act of 2001''; to the Committee on Governmental Affairs.

EC–5169. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–206, ''Protections from Predatory Lending and Mortgage Foreclosure Improvements Temporary Amendment Act of 2001''; to the Committee on Governmental Affairs.

EC–5170. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–205, ''Health Care and Community Residence Facility, Hospice and Home Care Licensure Penalties Temporary Amendment Act of 2001''; to the Committee on Governmental Affairs.

EC–5171. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–203, ''Procurement Practices Negotiated Pricing Amendment Act of 2001''; to the Committee on Governmental Affairs.

EC–5172. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–204, ''Mechanic's Lien Amendment Act of 2001''; to the Committee on Governmental Affairs.

EC–5173. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–202, ''Greater Southeast Community Hospital Corporation and Hadley Memorial Hospital Tax Abatement Act of 2001''; to the Committee on Governmental Affairs.

EC–5174. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–222, ''Innocence Protection Act of 2001''; to the Committee on Governmental Affairs.

EC–5175. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–207, ''Procurement Practices Small Purchase Temporary Amendment Act of 2001''; to the Committee on Governmental Affairs.

EC–5176. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of State Plans for a Designated Facilities and Pollutants: Negative Declarations; Municipal Waste Combustion; Arizona; California; Hawaii; Nevada'' (FRL7122–9) received on January 4, 2002; to the Committee on Environment and Public Works.

EC–5177. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Regulation of Fuels and Fuel Additives: Modification to Standards and Requirements for Reformulated and Conventional Gasoline'' (FRL7122–5) received on January 4, 2002; to the Committee on Environment and Public Works.

EC–5178. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Correction to the California State Implementation Plan'' (FRL7122–8) received on January 4, 2002; to the Committee on Environment and Public Works.

EC–5179. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, a report entitled ''Interim Final Determination that State has Corrected the Deficiency''; to the Committee on Environment and Public Works.

EC–5180. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, a report entitled ''Approval and Promulgation of State Implementation Plans; Inspection and Maintenance Program and Fuel Requirements: Alaska''; to the Committee on Environment and Public Works.

EC–5181. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Revisions to the California State Implementation Plan, Mojave Desert Air Quality Management District'' (FRL7118–1) received on January 4, 2002; to the Committee on Environment and Public Works.

EC–5182. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of State Plans; for Designated Facilities and Pollutants; State of Alabama, Georgia, Kentucky, and South Carolina'' (FRL7124–7) received on January 4, 2002; to the Committee on Environment and Public Works.

EC–5183. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Coal Mining Point Source Category; Amendment to Effluent Limitations Guidelines and New Source Performance Standards'' (FRL7125–4) received on January 4, 2002; to the Committee on Environment and Public Works.

EC–5184. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Amendments to the Corrective Action Management Unit Rule'' (FRL7124–3) received on January 4, 2002; to the Committee on Environment and Public Works.

EC–5185. A communication from the Director of the Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Endangered and Threatened Wildlife and Plants: Final Rule to Establish Two Additional Manatee Protection Areas in Florida'' (RIN1018–AH80) January 9, 2002; to the Committee on Environment and Public Works.

EC–5186. A communication from the Acting Director of the Fish and Wildlife Service, transmitting, pursuant to law, the report of a rule entitled ''Endangered and Threatened Wildlife and Plants: Reclassification of Scutellaria montana (Large-Flowered Skullcap) from Endangered to Threatened'' (RIN1018–AG07) received on January 9, 2002; to the Committee on Environment and Public Works.

EC–5187. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval of Section 112(1) Authority for Hazardous Air Pollutants; State of Virginia; Department of Environmental Quality'' (FRL7126–8) received on January 9, 2002; to the Committee on Environment and Public Works.

EC–5188. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''National Primary Drinking Water Regulations: Long Term Enhanced Surface Water Treatment Rule'' (FRL7124–2) received on January 9, 2002; to the Committee on Environment and Public Works.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. HARKIN (for himself, Mr. SPECTER, Mrs. BOXER, and Mr. REID):

S. 1893. A bill to ban human cloning while protecting stem sell research; to the Committee on Health, Education, Labor, and Pensions.

By Mr. GRAHAM (for himself and Mr. NELSON of Florida):

S. 1894. A bill to direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida as well as the suitability and feasibility of its inclusion in the National Park System as part of Biscayne National Park, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. FITZGERALD:

S. 1895. A bill to require investment advisers to make prominent public disclosures of ties with companies being analyzed by them, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mrs. BOXER:

S. 1896. A bill to prohibit accounting firms from providing management consulting services for the companies they audit and any other non-audit related services that could result in a potential conflict of interest or otherwise impair the independence of the auditor, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mrs. CARNAHAN (for herself and Mr. DAYTON):

S. 1897. A bill to require disclosure of the sale of securities by an affiliate of the issuer of the securities to be made available to the Commission and to the public in electronic form, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. NELSON of Florida (for himself and Mr. GRAHAM):

S. Res. 201. A resolution commending the University of Miami Hurricanes football team for winning the 2001 NCAA Division I–A collegiate football national championship; considered and agreed to.

By Mr. WYDEN (for himself and Ms. COLLINS):

S. Con. Res. 94. A concurrent resolution expressing the sense of Congress that public awareness and education about the importance of health care coverage is of the utmost priority and that a National Importance of Health Care Coverage Month should be established to promote that awareness and education; to the Committee on the Judiciary.

## ADDITIONAL COSPONSORS

S. 145

At the request of Mr. THURMOND, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 145, a bill to amend title 10, United States Code, to increase to parity with other surviving spouses the basic annuity that is provided under the uniformed services Survivor Benefit Plan for surviving spouses who are at least 62 years of age, and for other purposes.

S. 822

At the request of Mrs. MURRAY, the names of the Senator from Idaho (Mr. CRAPO) and the Senator from Oregon (Mr. WYDEN) were added as cosponsors of S. 822, a bill to amend the Internal Revenue Code of 1986 to modify the treatment of bonds issues to acquire renewable resources on land subject to conservation easement.

S. 978

At the request of Mr. CRAIG, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 978, a bill to provide for improved management of, and increased accountability for, outfitted activities by which the public gains access to and occupancy and use of Federal land, and for other purposes.

S. 1140

At the request of Mr. HATCH, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. 1140, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1289

At the request of Ms. SNOWE, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1289, a bill to require the Secretary of the Navy to report changes in budget and staffing that take place as a result of the regionalization program of the Navy.

S. 1464

At the request of Mr. KERRY, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 1464, a bill to amend the Internal Revenue Code of 1986 to modify the definition of rural airports for purposes of the air transportation tax.

S. 1552

At the request of Mr. HARKIN, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 1552, a bill to provide for grants through the Small business Administration for losses suffered by general aviation small business concerns as a result of the terrorist attacks of September 11, 2001.

S. 1678

At the request of Mr. MCCAIN, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1678, a bill to amend the Internal Revenue Code of 1986 to provide that a member of the uniformed services or the Foreign Service shall be

treated as using a principal residence while away from home on qualified official extended duty in determining the exclusion of gain from the sale of such residence.

S. 1707

At the request of Mr. JEFFORDS, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1707, a bill to amend title XVIII of the Social Security Act to specify the update for payments under the medicare physician fee schedule for 2002 and to direct the Medicare Payment Advisory Commission to conduct a study on replacing the use of the sustainable growth rate as a factor in determining such update in subsequent years.

S. 1749

At the request of Mr. KENNEDY, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1749, a bill to enhance the border security of the United States, and for other purposes.

S. 1839

At the request of Mr. ALLARD, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1839, a bill to amend the Bank Holding Company Act of 1956, and the Revised Statures of the United States to prohibit financial holding companies and national banks from engaging, directly or indirectly, in real estate brokerage or real estate management activities, and for other purposes.

S. RES. 182

At the request of Mrs. FEINSTEIN, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. Res. 182, a resolution expressing the sense of the Senate that the United States should allocate significantly more resources to combat global poverty.

S. CON. RES. 72

At the request of Ms. LANDRIEU, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. Con. Res. 72, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued honoring Martha Matilda Harper, and that the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that such a stamp be issued.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAHAM (for himself and Mr. NELSON of Florida):

S. 1894. A bill to direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida as well as the suitability and feasibility of its inclusion in the National Park System as part of Biscayne National Park, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. GRAHAM. Mr. President, the city of Miami is constantly changing. New buildings and facilities are being built daily adding to the cosmopolitan and modern flavor of the city. However, while in the process of building for the future, Miami has found a piece of its past, the Miami Circle.

Discovered in 1998, the Miami Circle is 38 feet in diameter and has been carved into the underlying bedrock. While its true purpose is unknown, it is thought that the circle was used to support different types of structures. Along with the Circle, myriad other ancient artifacts have been found at the site, making it a treasure trove of archaeological artifacts and a window into the history of the area. The true origin of this site has yet to be determined but it is widely believed it was created by the Tequesta Indians.

This piece of Miami's heritage is also part of Florida's as well as the Nation's. It is believed to be the only cut-in-rock prehistoric structural footprint ever found in eastern North America. It is and will be a valuable tool in understanding America's indigenous peoples, their culture, and their technological prowess. In fact, a recent discovery of a Tequesta burial grounds not far from the Miami Circle has made the Miami Circle an even more significant historical site.

For these reasons, the site of the Miami Circle needs to be preserved. This legislation will set the preservation process in motion by authorizing a feasibility study to be conducted to determine if Miami Circle should be preserved as part of Biscayne National Park. This important piece of America's heritage deserves the same protection that other American archaeological treasures enjoy. This study will help make that happen.

By Mr. FITZGERALD:

S. 1895. A bill to require investment advisers to make prominent public disclosures of ties with companies being analyzed by them, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

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

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

S. 1895

*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 ''Independent Investment Advisers Act of 2002''.

**SEC. 2. FINDINGS.**

Congress finds that, in the decade preceding the date of enactment of this Act—

(1) events have raised concerns about the independence of the research conducted by investment advisers, particularly those who are affiliated with brokerage houses and investment banking institutions; and

(2) the number of class-action lawsuits alleging conflicts of interest on the part of investment advisers has increased dramatically.

**SEC. 3. ENHANCED DISCLOSURES BY INVESTMENT ADVISERS.**

The Investment Advisers Act of 1940 (15 U.S.C. 80b–1 et seq.) is amended by inserting after section 204A the following:

''PUBLIC DISCLOSURE OF TIES TO ISSUERS

''SEC. 204B. (a) If an investment adviser publishes any analysis or report regarding a company or the securities of a company, the investment adviser shall prominently disclose, in plain language—

''(1) the amount of any fees that the investment adviser, or person associated with the investment adviser, has received from that company during the 3-year period preceding the date of publication;

''(2) any merger or acquisition transaction handled by the investment adviser during the 5-year period preceding the date of publication that involves any debt or equity instruments of that company, including transactions that are concurrent with the publication;

''(3) any personal debt or equity holdings that the investment adviser or person associated with the investment adviser has in the company; and

''(4) the extent to which the investment adviser or person associated with the investment adviser has debt or equity holdings in that company.

''(b) In this section, the term 'publication' has the meaning given that term by regulation of the Commission, and includes—

''(1) any written description of the subject company or the securities of that company by the investment adviser; and

''(2) to the extent practicable—

''(A) any public appearance by the investment adviser or person associated with the investment adviser, such as participation in a seminar or forum regarding the subject company or the securities of that company;

''(B) participation by the investment adviser or person associated with the investment adviser in an interactive electronic discussion group by the investment adviser regarding the subject company or the securities of that company; and

''(C) any radio or television interview of the investment adviser or person associated with the investment adviser regarding the subject company or the securities of that company.''.

(b) COMMISSION REGULATIONS.—Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall issue final regulations to carry out section 204B of the Investment Advisers Act of 1940, as added by this section.

(c) EFFECTIVE DATE.—Section 204B of the Investment Advisers Act of 1940, as added by this Act, shall become effective on the date of issuance of final regulations under subsection (b).

By Mrs. BOXER:

S. 1896. A bill to prohibit accounting firms from providing management consulting services for the companies they audit and any other non-audit related services that could result in a potential conflict of interest or otherwise impair the independence of the auditor, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mrs. BOXER. Mr. President, today, I am introducing the Auditor Independence Act of 2002. The Act directs the Securities and Exchange Commission, SEC, to issue regulations prohibiting accounting firms from providing management consulting services for the companies they audit and barring accounting firms from providing any

other non-audit related services that could result in a potential conflict of interest.

Using the rule that former SEC Chairman Arthur Levitt proposed in 2000 as a model, my legislation removes the actual conflict of interest as well as the perception of a conflict of interest that results when an auditing firm provides a client with consulting and auditing services.

The scandal resulting from the relationship between Enron and Arthur Andersen is only one example of the overdue need for this reform. In November 2001, Enron disclosed that it had overstated profits by more than $580 million since 1997. That means that Enron lied to investors about its earnings and the Arthur Andersen auditors failed to expose that lie in 1997, 1998, 1999, and 2000. During each of those years, Arthur Andersen worked as both auditor and consultant to Enron.

In 2000 alone, Enron paid Arthur Andersen $27 million for its audit work and paid the firm $28 million in management consulting fees. In auditing Enron, Arthur Andersen clearly made a series of errors. It is reasonable to assume that Arthur Andersen's dependence on the consulting fees that it charged Enron may have affected the quality of their audit work.

But the problem is not limited to Arthur Andersen. In a study analyzing the effects of accounting firms' consulting business on the independence of their auditors, Stanford professor Karen Nelson an her colleagues provide evidence showing that the provision of non-audit services impairs an auditor's independence.

The study used new data that has become available just since February 2001, when the SEC began requiring corporations to disclose all audit and non-audit fees paid by a corporation to its auditor. The study looked at the ratio of non-audit versus audit revenues paid by a corporation to its auditing firm. It found that over half of the firms paid more for consulting services than audit services, and that over 95 percent of firms purchase at least some non-audit services from their auditor.

The study also found that corporations with the least independent auditors, those who paid the most in consulting fees versus audit fees, are more likely to just meet or beat earnings benchmarks, such as analysts' expectations and prior year earnings expectations, and to report large discretionary earnings. This suggests more ''earnings management'', manipulation of debt and earnings data, went on among companies in the sample that paid the highest proportion of management consulting fees to their auditors. We must remove this conflict of interest from the accounting business.

Public confidence in the integrity of an accounting firm's audit will depend now more than ever before on whether auditors are independent from the companies that they audit. Auditors clearly cannot be independent from the companies they audit if they rely on those companies for lucrative consulting fees.

I look forward to working with my colleagues in the Senate to pass this bill quickly as a part of our larger legislative response to the Enron scandal.

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By Mrs. CARNAHAN (for herself and Mr. DAYTON):

S. 1897. A bill to require disclosure of the sale of securities by an affiliate of the issuer of the securities to be made available to the Commission and to the public in electronic form, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mrs. CARNAHAN. Mr. President, America has the most vibrant and dynamic economy in the world. The foundation of our economy is our capital markets, which are robust and resilient. But the success of these markets depends on the free flow of accurate, reliable information. Our markets are the envy of the world, because of the confidence investors have in the private and public institutions that produce, verify, and analyze this information.

The collapse of Enron, represents a dramatic failure of these institutions. Even sophisticated investors did not detect that Enron was in was in poor financial condition. We need to create greater transparency and an early warning system so investors can better protect themselves.

One warning sign that a company may be in trouble is when its executives are selling large amounts of company stock, as occurred at Enron. I have learned, however, that information about insider sales of stock is not easily accessible. Under our current system, a company's officers are required to file a disclosure form with the Securities and Exchange Commission, (SEC), any time they sell securities issued by their company. Tens of thousands of these forms are filed annually. However, the vast majority of these forms are filed on paper, rather than electronically.

The paper disclosure forms are not easily accessible to the public. People can see the disclosure forms at the Public Reference Room of the SEC in Washington, DC. Alternatively, people can request in writing that the SEC mail copies of the disclosure forms to them. Requests submitted in writing may take weeks to process. This is unacceptable in the electronic age.

So today I am introducing legislation that requires information about insider sales of publicly traded companies to be filed electronically on the day of the sale. The Fully Informed Investor Act mandates that disclosure forms required by the SEC be filed electronically whenever officers, directors or other affiliates of the company sell shares of their company. The forms will be due at the SEC by the end of the day of the transaction. The SEC would then make the forms available to the public over the Internet. In addition, any company that maintains an internal company website would be required to post these disclosure forms on that website on the day of the transaction.

This single reform would dramatically level the playing field between insiders and ordinary investors. Never again would company executives be able to quietly dump large amounts of company stock without facing immediate scrutiny about the financial health of their company.

As I said, our capital markets are the envy of the world. To continue to be worthy of that envy, we need to constantly improve and modernize our system. The Fully Informed Investor Act is an important aspect of that modernization.

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## STATEMENTS ON SUBMITTED RESOLUTIONS

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### SENATE RESOLUTION 201—COMMENDING THE UNIVERSITY OF MIAMI HURRICANES FOOTBALL TEAM FOR WINNING THE 2001 NCAA DIVISION I–A COLLEGIATE FOOTBALL NATIONAL CHAMPIONSHIP

Mr. NELSON of Florida (for himself and Mr. GRAHAM) submitted the following resolution; which was considered and agreed to:

S. Res. 201

Whereas in 2001 the University of Miami captured its fifth national title;

Whereas the University of Miami is a member of the Big East Conference of the National Collegiate Athletic Association Division I–A and the Conference's champion for the second consecutive year;

Whereas the University of Miami's 23-1 record since the year 2000 is the best in Division I–A football;

Whereas in 2001 Head Coach Larry Coker won the Bear Bryant Award naming him college football Coach of the Year in his first season;

Whereas after leading the Hurricanes to the national championship in 2001, Larry Coker became the first rookie coach to win a national championship since 1948;

Whereas Edward Reed and Bryant McKinnie were elected Consensus All-Americans;

Whereas offensive tackle Bryant McKinnie won the Outland Trophy, awarded to the Nation's best collegiate interior lineman;

Whereas offensive tackle Joaquin Gonzalez was named the 2001 Vincent dePaul Draddy Award winner as the Nation's top college football scholar-athlete, becoming the Big East Conference's first winner of the ''Academic Heisman'';

Whereas quarterback Ken Dorsey won the Maxwell Award, presented each year to the College Player of the Year;

Whereas defensive back Edward Reed was named to numerous All-American teams, leading the Nation with 9 interceptions;

Whereas each player, coach, trainer, and manager dedicated their time and effort to ensuring the Hurricanes reached the pinnacle of team achievement;

Whereas the students, alumni, faculty, and supporters of the University of Miami are to be congratulated for their commitment and pride in the Hurricanes' football program; and

Whereas their Division I–A national championships in 1983, 1987, 1989, 1991, and 2001, make the University of Miami program among the most successful in college football history: Now, therefore, be it

*Resolved*, that the Senate—

(1) commends the University of Miami Hurricanes football team for winning the 2001 NCAA Division I–A collegiate football national championship;

(2) recognizes the achievements of all the players, coaches, and support staff who were instrumental in helping the University of Miami win the 2001 NCAA Division I–A collegiate football national championship and invites them to the United States Capitol Building to be honored;

(3) requests that the President recognize the accomplishments and achievements of the 2001 University of Miami football team and invite them to Washington, D.C. for a White House ceremony for national championship teams; and

(4) directs the Secretary of the Senate to make available enrolled copies of this resolution to the University of Miami for appropriate display and to transmit an enrolled copy of the resolution to each coach and member of the 2001 NCAA Division I–A collegiate football national championship team.

## SENATE CONCURRENT RESOLUTION 94—EXPRESSING THE SENSE OF CONGRESS THAT PUBLIC AWARENESS AND EDUCATION ABOUT THE IMPORTANCE OF HEALTH CARE COVERAGE IS OF THE UTMOST PRIORITY AND THAT A NATIONAL IMPORTANCE OF HEALTH CARE COVERAGE MONTH SHOULD BE ESTABLISHED TO PROMOTE THAT AWARENESS AND EDUCATION

Mr. WYDEN (for himself and Ms. COLLINS) submitted the following concurrent resolution; to the Committee on the Judiciary.

S. CON. RES. 94

Whereas census estimates indicate that some 42,000,000 people in the United States are without health insurance coverage, many of whom are among the most vulnerable and can be financially devastated by serious illness, disease, or accident;

Whereas studies have shown that people with health insurance are healthier than those who are uninsured and receive care through emergency rooms or safety net health care services, because the insured are entitled to, and receive, more preventive care, follow-up care, and care for chronic conditions such as diabetes and high blood pressure;

Whereas over 17,300,000 of the uninsured are employed but are not offered health insurance through their employers;

Whereas such employers are small business owners who are often unaware of the benefits of offering health insurance, including that such benefits are tax deductible, reduce employee turnover, and reduce employee sick days;

Whereas over 16,000,000 people in the United States, more than ⅓ of the uninsured, are in families where at least 1 member of the family has been offered employer based health care coverage but has declined coverage;

Whereas many individuals are eligible for public assistance programs such as the State Children's Health Insurance Program, known as SCHIP, and the medicaid program, but are not currently enrolled due primarily to lack of outreach, education, and accessible enrollment processes;

Whereas studies have shown that many individuals and small businesses are unaware of the various options they have for obtaining affordable health care coverage;

Whereas surveys have shown that many individuals who cite expense as the reason for not purchasing insurance find insurance affordable once they are informed of the true cost of various options; and

Whereas education about health care coverage helps uninsured individuals and employers understand the critical value of health insurance as a preventive measure and the ways to keep their health insurance premiums manageable once they have health care coverage: Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring)*, That it is the sense of Congress that—

(1) a National Importance of Health Care Coverage Month be established to—

(A) promote a multifaceted educational effort about the importance of health care coverage;

(B) increase awareness of the many available health care coverage options; and

(C) inform those eligible for public insurance programs on ways to access those programs; and

(2) the President issue a proclamation calling on the Federal Government, States, localities, citizens, and businesses of the United States to conduct appropriate programs, fairs, ceremonies, and activities to promote this educational effort.

Mr. WYDEN. Mr. President, today I am submitting a resolution calling for the creation of ''National Importance of Health Care Coverage Month'' to call attention to the need for information about health care coverage options. I am joined in this effort by Senator COLLINS of Maine.

A person's physical and mental well-being are fundamental to his or her ability to learn, to work, and to contribute to our society. For healthy communities, the health of our citizens is vital. It is a fact that people who have health insurance have better health; forty-four million Americans, however, do not enjoy the protection of health care coverage. This resolution calls for the promotion of a multifaceted educational effort about the importance of health care coverage; to increase awareness of the many health care coverage options already available; and to inform those who are eligible for public insurance programs on ways to access those programs.

This resolution alone will not provide insurance to the millions of Americans who need it. However, it will draw much-needed attention to an issue that touches every citizen in every state.

Ms. COLLINS. Mr. President, I am pleased to join with my colleague from Oregon in submitting this concurrent resolution expressing the sense of Congress that health care coverage is of the utmost importance and that a National Importance of Health Care Coverage Month should be established to promote awareness and education about the importance of health insurance coverage.

One of my top priorities in the Senate has been to expand access to affordable health care for all Americans. There still are far too many Americans without health insurance. An estimated 42 million Americans do not have health care coverage, including more than 150,000 people in Maine.

The simple fact is that people with health insurance are healthier than those who are uninsured. People without health insurance are less likely to seek care when they need it, and to forgo services such as periodic check-ups and preventive services. As a consequence, they are more likely to be hospitalized or require costly medical attention for conditions that could be preventable. Not only does this put the health of these individuals at greater risk, but it also puts additional pressures on our hospitals and emergency rooms, which already are financially challenged. Compared with people who have health coverage, uninsured adults are four times and uninsured children five times more likely to use the emergency room. The costs of care for these individuals are often absorbed by providers and passed on to the covered population through increased fees and insurance premiums.

This is one of the reasons that the cost of health insurance has soared in recent years. In Maine, employers, and in particular small employers, have faced premium increases of 15 to 30 percent or more. This is a remarkable contrast to the mid-to-late1990s, when health insurance premiums rose less than 3 percent, if at all. Clearly we must do more to make health insurance more available and affordable.

Since most Americans get their health insurance through the workplace, it is a common assumption that people without health insurance are unemployed. The fact is, however, that most uninsured Americans are members of families with at least one full-time worker. As many as 82 percent of Americans who do not have health insurance are in a family with a worker.

In Maine, small business is not just a segment of the economy, it is the economy. I am therefore particularly concerned that uninsured, working Americans are most often employees of small businesses. Some 60 percent of uninsured workers are employed by small firms. Small businesses want to provide health insurance for their employees, but the cost is often just too high. This is why I have introduced legislation with my colleague from Louisiana, Senator LANDRIEU, to help small employers cope with rising costs. Our bill, the Access to Affordable Health Care Act, will provide new tax credits for small businesses to help make health insurance more affordable. It will encourage those small businesses that do not currently offer health insurance to do and will help businesses that do offer insurance to continue coverage even in the face of rising costs.

While costs are clearly an problem, knowledge should not be an additional barrier to health insurance access. Public education and awareness initiatives are also critical to the success of

our efforts to expand health coverage. Many small employers are not fully aware of the laws that have already been enacted by both States and the Federal Government to make this benefit more affordable. For example, in one recent survey, 57 percent of small employers did not know that they can deduct 100 percent of their health insurance premiums as a business expense. More than 60 percent did not know that insurers may not deny them health coverage even when the health status of their workers is poor. Small businesses clearly need better information about health insurance, which is why public awareness, outreach and education programs like the one this resolution is promoting are so important.

The same is true for our public programs. One of the first bills I cosponsored as a Senator was legislation to establish the State Children's Health Insurance Program, which provides insurance for the children of low-income parents who cannot afford health insurance, yet make too much money to qualify for Medicaid. This important program now provides affordable health insurance coverage to over two million children nationwide, including over 10,000 in Maine's Cub Care and expanded Medicaid program. Even so, hundreds of thousands of qualified children nationwide have yet to be enrolled in this program, many because their parents simply don't know that they are eligible for the assistance.

The resolution we are submitting today is simple. It expresses the sense of Congress that a National Importance of Health Care Coverage Month be established to promote a comprehensive educational effort about the importance of health care coverage; increase awareness of the available health care coverage options; and inform those eligible for public insurance programs about ways to access those programs. The resolution further calls on the President to issue a proclamation calling on the federal government, States, local governments and businesses in the United States to conduct appropriate programs and activities to promote this educational effort.

The resolution we are submitting today will assist in our efforts to expand access to affordable health care by helping small businesses, families and uninsured individuals learn more about health insurance and the various options which may already be available to them, and I urge all of our colleagues to join us as cosponsors.

## AMENDMENTS SUBMITTED AND PROPOSED

SA 2699. Mr. BUNNING submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table.

SA 2700. Mr. McCAIN (for himself, Mr. ALLARD, Mr. LIEBERMAN, Ms. SNOWE, Mr. LEVIN, Mr. MURKOWSKI, Mr. CLELAND, Mr. INHOFE, Ms. LANDRIEU, Mr. BURNS, Mr. DURBIN, Mr. SESSIONS, Mr. DEWINE, Mr. THURMOND, Mr. SHELBY, Mr. HAGEL, Mr. LUGAR, Mr. KENNEDY, Mr. WARNER, Ms. COLLINS, Mr. HATCH, Mr. HELMS, Mr. ALLEN, Mr. KERRY, Mr. FITZGERALD, Mr. STEVENS, Mr. REID, Mr. MILLER, Mr. ROBERTS, Mr. BAYH, Mr. ENSIGN, Mr. BUNNING, Mr. CAMPBELL, Mr. NELSON, of Nebraska, Mr. DODD, Mr. JEFFORDS, Mr. BROWNBACK, Mr. BIDEN, Ms. STABENOW, and Mr. COCHRAN) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2701. Mr. BAUCUS (for himself, Mr. ENZI, Mr. REID, Mr. BURNS, Ms. LANDRIEU, Mr. DORGAN, Mr. JOHNSON, and Mr. CONRAD) proposed an amendment to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra.

SA 2702. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2703. Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2704. Mr. KERRY (for himself, Mr. LIEBERMAN, and Mr. KENNEDY) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2705. Mr. SMITH, of Oregon (for himself, Mr. ALLEN, Mr. CRAIG, Mr. BURNS, Mr. NICKLES, Mr. GRASSLEY, Mr. HUTCHINSON, and Mr. SMITH, of New Hampshire) proposed an amendment to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra.

SA 2706. Mr. BOND (for himself and Ms. COLLINS) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2707. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2708. Mr. SPECTER (for himself and Mr. SANTORUM) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

## TEXT OF AMENDMENTS

**SA 2699.** Mr. BUNNING submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title V add the following:

**SEC. ___. EXCLUSION FOR FOSTER CARE PAYMENTS TO APPLY TO PAYMENTS BY QUALIFIED PLACEMENT AGENCIES.**

(a) IN GENERAL.—The matter preceding subparagraph (B) of section 131(b)(1) (defining qualified foster care payment) is amended to read as follows:

''(1) IN GENERAL.—The term 'qualified foster care payment' means any payment made pursuant to a foster care program of a State or political subdivision thereof—

''(A) which is paid by—

''(i) a State or political subdivision thereof, or

''(ii) a qualified foster care placement agency, and''.

(b) QUALIFIED FOSTER INDIVIDUALS TO INCLUDE INDIVIDUALS PLACED BY QUALIFIED PLACEMENT AGENCIES.—Subparagraph (B) of section 131(b)(2) (defining qualified foster individual) is amended to read as follows:

''(B) a qualified foster care placement agency.''

(c) QUALIFIED FOSTER CARE PLACEMENT AGENCY DEFINED.—Subsection (b) of section 131 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) QUALIFIED FOSTER CARE PLACEMENT AGENCY.—The term 'qualified foster care placement agency' means any placement agency which is licensed or certified by—

''(A) a State or political subdivision thereof, or

''(B) an entity designated by a State or political subdivision thereof,

for the foster care program of such State or political subdivision to make foster care payments to providers of foster care.''

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

**SA 2700.** Mr. McCAIN (for himself, Mr. ALLARD, Mr. LIEBERMAN, Ms. SNOWE, Mr. LEVIN, Mr. MURKOWSKI, Mr. CLELAND, Mr. INHOFE, Ms. LANDRIEU, Mr. BURNS, Mr. DURBIN, Mr. SESSIONS, Mr. DEWINE, Mr. THURMOND, Mr. SHELBY, Mr. HAGEL, Mr. LUGAR, Mr. KENNEDY, Mr. WARNER, Ms. COLLINS, Mr. HATCH, Mr. HELMS, Mr. ALLEN, Mr. KERRY, Mr. FITZGERALD, Mr. STEVENS, Mr. REID, Mr. MILLER, Mr. ROBERTS, Mr. BAYH, Mr. ENSIGN, Mr. BUNNING, Mr. CAMPBELL, Mr. NELSON of Nebraska, Mr. DODD, Mr. JEFFORDS, Mr. BROWNBACK, Mr. BIDEN, Ms. STABENOW, and Mr. COCHRAN) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

**SEC. ___. SPECIAL RULE FOR MEMBERS OF UNIFORMED SERVICES AND FOREIGN SERVICE IN DETERMINING EXCLUSION OF GAIN ON SALE OF PRINCIPAL RESIDENCE.**

(a) IN GENERAL.—Section 121(d) (relating to special rules) is amended by adding at the end the following:

''(9) MEMBERS OF UNIFORMED SERVICES AND FOREIGN SERVICE.—

''(A) IN GENERAL.—The running of the 5-year period described in subsection (a) shall be suspended with respect to an individual during any time that such individual or such individual's spouse is serving on qualified official extended duty as a member of a uniformed service or of the Foreign Service.

''(B) QUALIFIED OFFICIAL EXTENDED DUTY.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'qualified official extended duty' means any period of extended duty during which the member of a uniformed service or the Foreign Service is under a call or order compelling such duty at a duty station which is a least 50 miles from the property described in subparagraph (A) or compelling residence in Government furnished quarters while on such duty.

''(ii) EXTENDED DUTY.—The term 'extended duty' means any period of active duty pursuant to a call or order to such duty for a period in excess of 90 days or for an indefinite period.

''(C) DEFINITIONS.—For purposes of this paragraph—

''(i) UNIFORMED SERVICE.—The term 'uniformed service' has the meaning given such term by section 101(a)(5) of title 10, United States Code.

''(ii) FOREIGN SERVICE OF THE UNITED STATES.—The term 'member of the Foreign Service' has the meaning given the term 'member of the Service' by paragraph (1), (2), (3), (4), or (5) of section 103 of the Foreign Service Act of 1980.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to sales or exchanges on or after the date of the enactment of this Act.

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**SA 2701.** Mr. BAUCUS (for himself, Mr. ENZI, Mr. REID, Mr. BURNS, Ms. LANDRIEU, Mr. DORGAN, Mr. JOHNSON, and Mr. CONRAD) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the end add the following:

**TITLE ____—EMERGENCY AGRICULTURE ASSISTANCE**

**Subtitle A—Income Loss Assistance**

**SEC. ____01. INCOME LOSS ASSISTANCE.**

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this title as the ''Secretary'') shall use $1,800,000,000 of funds of the Commodity Credit Corporation to make emergency financial assistance available to producers on a farm that have incurred qualifying income losses in calendar year 2001.

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 815 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–55), including using the same loss thresholds for the quantity and economic losses as were used in administering that section.

(c) USE OF FUNDS FOR CASH PAYMENTS.—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments not for crop disasters, but for income loss to carry out the purposes of this section.

**SEC. ____02. LIVESTOCK ASSISTANCE PROGRAM.**

(a) IN GENERAL.—The Secretary shall use $500,000,000 of the funds of the Commodity Credit Corporation to make and administer payments for livestock losses to producers for 2001 losses in a county that has received an emergency designation by the President or the Secretary after January 1, 2001, of which $12,000,000 shall be made available for the American Indian livestock program under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–51).

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–51).

**Subtitle B—Administration**

**SEC. ____11. COMMODITY CREDIT CORPORATION.**

The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this title.

**SEC. ____12. ADMINISTRATIVE EXPENSES.**

(a) IN GENERAL.—In addition to funds otherwise available, not later than 30 days after the date of enactment of this Act, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to pay the salaries and expenses of the Department of Agriculture in carrying out this title $50,000,000, to remain available until expended.

(b) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under subsection (a), without further appropriation.

**SEC. ____13. REGULATIONS.**

(a) IN GENERAL.—The Secretary may promulgate such regulations as are necessary to implement this title.

(b) PROCEDURE.—The promulgation of the regulations and administration of this subtitle shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the ''Paperwork Reduction Act'').

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

**SEC. 14. EMERGENCY DESIGNATION.**

The entire amount made available by each of Subtitle A and Subtitle B—

(1) shall be available only to the extent that the President submits to Congress an official budget request for the amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.); and

(2) is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

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**SA 2702.** Mr. ALLEN submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**TITLE ____—TERRORIST RESPONSE TAX EXEMPTION ACT**

**SECTION 1. SHORT TITLE.**

This title may be cited as the ''Terrorist Response Tax Exemption Act''.

**SEC. 2. EXCLUSION OF CERTAIN TERRORIST ATTACK ZONE COMPENSATION OF CIVILIAN UNIFORMED PERSONNEL.**

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by inserting after section 112 the following new section:

**''SEC. 112A. CERTAIN TERRORIST ATTACK ZONE COMPENSATION OF CIVILIAN UNIFORMED PERSONNEL.**

''(a) IN GENERAL.—Gross income does not include compensation received by a civilian uniformed employee for any month during any part of which such employee provides security, safety, fire management, or medical services during the initial response in a terrorist attack zone.

''(b) DEFINITIONS.—For purposes of this section—

''(1) CIVILIAN UNIFORMED EMPLOYEE.—The term 'civilian uniformed employee' means any nonmilitary individual employed by a Federal, State, or local government (or any agency or instrumentality thereof) for the purpose of maintaining public order, establishing and maintaining public safety, or responding to medical emergencies.

''(2) INITIAL RESPONSE.—The term 'initial response' means, with respect to any terrorist attack zone, the period beginning with the receipt of the first call for services described in subsection (a) in such zone by an entity described in paragraph (1) and ending with the beginning of the recovery phase in such zone as determined by the appropriate official of the Federal Emergency Management Agency.

''(2) TERRORIST ATTACK ZONE.—

''(A) IN GENERAL.—The term 'terrorist attack zone' means any geographic area designated in an Executive order by the President, pursuant to a request by the chief executive officer of the State in which such area is located to the appropriate official of the Federal Emergency Management Agency, to be an area in which—

''(i) a violent act or acts occurred which—

''(I) were dangerous to human life and a violation of the criminal laws of the United States or of any State, and

''(II) would appear to be intended to intimidate or coerce a civilian population, influence the policy of a government by intimidation, or affect the conduct of a government by assassination or kidnapping, and

''(ii) as a direct result of such act or acts, loss of life, injury, or significant damage to property or cost of response occurred.

''(B) SIGNIFICANT DAMAGE TO PROPERTY OR COST OF RESPONSE.—For purposes of subparagraph (A)(ii), damage to property or cost of response with respect to any area is significant if such damages or cost exceeds or will exceed $500,000.

''(C) LIMITATION ON DESIGNATION.—An area may not be designated as a terrorist attack zone under subparagraph (A) if a negative economic impact to such area was the sole result of the act or acts described in subparagraph (A)(i).

''(3) COMPENSATION.—The term 'compensation' does not include pensions and retirement pay.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 3401(a)(1) of the Internal Revenue Code of 1986 is amended by inserting ''or section 112A (relating to certain terrorist attack zone compensation of civilian uniformed personnel)'' after ''United States)''.

(2) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by inserting after the item relating to section 112 the following new item:

''Sec. 112A. Certain terrorist attack zone compensation of civilian uniformed personnel.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending on or after September 11, 2001.

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**SA 2703.** Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. ____. FEDERAL-AID HIGHWAY PROGRAMS.**

(a) IN GENERAL.—Section 9503(c)(1) (relating to expenditures from Highway Trust Fund) is amended—

(1) by striking ''or'' at the end of subparagraph (D),

(2) by striking the period at the end of subparagraph (E) and inserting '', or'', and

(3) by inserting after subparagraph (E) the following new subparagraph:

''(F) authorized under paragraph (6).''.

(b) INCREASE IN OBLIGATION AUTHORITY.—Section 9503(c) is amended by adding at the end the following new paragraph.—

''(6) SPECIAL OBLIGATION AUTHORITY.—In addition to any obligation authority provided by any other law enacted before, on, or after the date of the enactment of this paragraph, $5,000,000,000 in obligation authority shall be made available for fiscal year 2002 for obligation of funds apportioned under section 104(b) of title 23, United States Code (as in effect on the date of the enactment of this paragraph) and shall be distributed to each State in the same manner as calculated for fiscal year 2002 under section 105(f) of such title 23.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

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**SA 2704.** Mr. KERRY (for himself, Mr. LIEBERMAN, and Mr. KENNEDY) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. . ALTERNATIVE MINIMUM TAX RELIEF WITH RESPECT TO INCENTIVE STOCK OPTIONS EXERCISED DURING 2000.**

In the case of an incentive stock option (as defined in section 422 of the Internal Revenue Code of 1986) exercised during calendar year 2000, the amount taken into account under section 56(b)(3) of such Code by reason of such exercise shall not exceed the amount that would have been taken into account if, on the date of such exercise, the fair market value of the stock acquired pursuant to such option had been an amount equal to 150 percent of its fair market value as of April 15, 2001 (or, if such stock is sold or exchanged on or before such date, 150 percent of the amount realized on such sale or exchange).

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**SA 2705.** Mr. SMITH of Oregon (for himself, Mr. ALLEN, Mr. CRAIG, Mr. BURNS, Mr. NICKLES, Mr. GRASSLEY, Mr. HUTCHINSON, and Mr. SMITH of New Hampshire) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the end of the bill, add the following:

**SEC. ___. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.**

(a) IN GENERAL.—Section 168 of the Internal Revenue Code of 1986 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

''(k) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.—

''(1) ADDITIONAL ALLOWANCE.—In the case of any qualified property—

''(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

''(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

''(2) QUALIFIED PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified property' means property—

''(i)(I) to which this section applies which has a recovery period of 20 years or less or which is water utility property, or

''(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

''(ii) the original use of which commences with the taxpayer after September 10, 2001,

''(iii) which is—

''(I) acquired by the taxpayer after September 10, 2001, and before September 11, 2004, but only if no written binding contract for the acquisition was in effect before September 11, 2001, or

''(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after September 10, 2001, and before September 11, 2004, and

''(iv) which is placed in service by the taxpayer before January 1, 2005, or, in the case of property described in subparagraph (B), before January 1, 2006.

''(B) CERTAIN PROPERTY HAVING LONGER PRODUCTION PERIODS TREATED AS QUALIFIED PROPERTY.—

''(i) IN GENERAL.—The term 'qualified property' includes property—

''(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

''(II) which has a recovery period of at least 10 years or is transportation property, and

''(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

''(ii) ONLY PRE-SEPTEMBER 11, 2004, BASIS ELIGIBLE FOR ADDITIONAL ALLOWANCE.—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before September 11, 2004.

''(iii) TRANSPORTATION PROPERTY.—For purposes of this subparagraph, the term 'transportation property' means tangible personal property used in the trade or business of transporting persons or property.

''(C) EXCEPTIONS.—

''(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

''(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

''(II) after application of section 280F(b) (relating to listed property with limited business use).

''(ii) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

''(iii) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—The term 'qualified property' shall not include any qualified leasehold improvement property (as defined in section 168(e)(6)).

''(D) SPECIAL RULES.—

''(i) SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after September 10, 2001, and before September 11, 2004.

''(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(ii), if property—

''(I) is originally placed in service after September 10, 2001, by a person, and

''(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

''(E) COORDINATION WITH SECTION 280F.—For purposes of section 280F—

''(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $4,600.

''(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2).''

(b) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Section 56(a)(1)(A) of the Internal Revenue Code of 1986 (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end the following new clause:

''(iii) ADDITIONAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.—The deduction under section 168(k) shall be allowed.''

(2) CONFORMING AMENDMENT.—Clause (i) of section 56(a)(1)(A) of the Internal Revenue Code of 1986 is amended by striking ''clause (ii)'' both places it appears and inserting ''clauses (ii) and (iii)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after September 10, 2001, in taxable years ending after such date.

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**SA 2706.** Mr. BOND (for himself and Ms. COLLINS) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

On page 16, after line 2 add the following new section:

**SEC. 202. TEMPORARY INCREASE IN EXPENSE TREATMENT OF CERTAIN DEPRECIABLE BUSINESS ASSETS FOR SMALL BUSINESSES.**

(a) IN GENERAL.—The table contained in section 179(b)(1) (relating to dollar limitation) is amended to read as follows:

| **''If the taxable year begins in:** | **The applicable amount is:** |
|---|---|
| 2002 or 2003 | $40,000 |
| 2004 or thereafter | 25,000. |

(b) TEMPORARY INCREASE IN AMOUNT OF PROPERTY TRIGGERING PHASEOUT OF MAXIMUM BENEFIT.—Paragraph (2) of section 179(b) is amended by inserting before the period ''($325,000 in the case of taxable years beginning during 2002 or 2003)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

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**SA 2707.** Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. ___. PERSONAL TRAVEL CREDIT.**

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25B the following new section:

**"SEC. 25C. PERSONAL TRAVEL CREDIT.**

''(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified personal travel expenses which are incurred and paid by the taxpayer on or after the date of the enactment of this section and before the date which is 30 days after the date of such enactment.

''(b) MAXIMUM CREDIT.—The credit allowed to a taxpayer under subsection (a) for any taxable year shall not exceed $500 ($1,000, in the case of a joint return).

''(c) QUALIFIED PERSONAL TRAVEL EXPENSES.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified personal travel expenses' means reasonable expenses in connection with 1 qualifying personal trip away from the taxpayer's residence for—

''(A) travel by aircraft, rail, watercraft, or motor vehicle, and

''(B) lodging while away from home at any commercial lodging facility.

Such term does not include expenses for meals, entertainment, amusement, or recreation.

''(2) QUALIFYING PERSONAL TRIP.—

''(A) IN GENERAL.—The term 'qualifying personal trip' means travel within the United States (including the Commonwealth of Puerto Rico and the possessions of the United States)—

''(i) the farthest destination of which is at least 100 miles from the taxpayer's residence,

''(ii) involves an overnight stay at a commercial lodging facility, and

''(iii) which is taken on or after the date of the enactment of this section.

''(B) ONLY PERSONAL TRAVEL INCLUDED.—Such term shall not include travel if, without regard to this section, any expenses in connection with such travel are deductible in connection with a trade or business or activity for the production of income.

''(3) COMMERCIAL LODGING FACILITY.—The term 'commercial lodging facility' includes any hotel, motel, resort, rooming house, or campground.

''(d) SPECIAL RULES.—

''(1) DENIAL OF CREDIT TO DEPENDENTS.—No credit shall be allowed under this section to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual's taxable year begins.

''(2) EXPENSES MUST BE SUBSTANTIATED.—No credit shall be allowed by subsection (a) unless the taxpayer substantiates by adequate records or by sufficient evidence corroborating the taxpayer's own statement the amount of the expenses described in subsection (c)(1).

''(e) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any expense for which credit is allowed under this section.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 24(b)(3)(B) of the Internal Revenue Code of 1986, as added and amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking ''23 and 25B'' and inserting ''23, 25B, and 25C''.

(2) Section 25(e)(1)(C) of such Code is amended by striking ''23 and 1400C'' and by inserting ''23, 25C, and 1400C''.

(3) Section 25(e)(1)(C) of such Code, as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by inserting ''25C,'' after ''25B,''.

(4) Section 25B of such Code, as added by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking ''section 23'' and inserting ''sections 23 and 25C''.

(5) Section 26(a)(1) of such Code, as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking ''and 25B'' and inserting ''25B, and 25C''.

(6) Section 1400C(d) of such Code is amended by inserting ''and section 25C'' after ''this section''.

(7) Section 1400C(d) of such Code, as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking ''and 25B'' and inserting ''25B, and 25C''.

(8) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting before the item relating to section 26 the following new item:

''Sec. 25C. Personal travel credit.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

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**SA 2708.** Mr. SPECTER (for himself and Mr. SANTORUM) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. ___. TREATMENT OF CERTAIN COUNTIES FOR PURPOSES OF REIMBURSEMENT UNDER THE MEDICARE PROGRAM.**

(a) RECLASSIFICATION OF CERTAIN PENNSYLVANIA COUNTIES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, subject to paragraph (3), effective for discharges occurring during fiscal year 2002, for purposes of making payments under subsections (d) and (j) of section 1886 of the Social Security Act (42 U.S.C. 1395ww) to hospitals (including rehabilitation hospitals and rehabilitation units under such subsection (j))—

(A) in Columbia, Lackawanna, Luzerne, Wyoming, and Lycoming Counties, Pennsylvania, such counties are deemed to be located in the Newburgh, New York-PA Metropolitan Statistical Area;

(B) in Mercer County, Pennsylvania, such county is deemed to be located in Youngston-Warren, Ohio Metropolitan Statistical Area; and

(C) in Northumberland County, Pennsylvania, such county is deemed to be located in the Harrisburg-Lebanon-Carlisle, Pennsylvania Metropolitan Statistical Area.

(2) RULES.—The reclassifications made under paragraph (1) with respect to a subsection (d) hospital shall be treated as a decision of the Medicare Geographic Classification Review Board under paragraph (10) of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)).

(3) LIMITATION ON APPLICATION DURING FISCAL YEAR 2002.—With respect to fiscal year 2002, this subsection shall apply only to discharges occurring on and after April 1, 2002.

(b) IMPLEMENTATION OF PROVISIONS.—The Secretary of Health and Human Services shall implement the provisions of subsection (a) by program memorandum. In implementing such provisions, the Secretary shall recalculate new standardized amounts, weighting factors, rates, and wage indices by April 1, 2002, in a manner that assures overall budget neutrality.

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## AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, January 24, 2002, at 9 a.m., on the nomination of Dr. James Mahoney to be Assistant Secretary for Oceans and Atmosphere and Deputy Administrator for the National Oceanic and Atmosphere Administration.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, January 24, 2002, at 9:30 on national security, safety, technology and employment implications of increasing the cafe standards.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Thursday, January 24, 2002, at 9:30 a.m., to conduct a hearing entitled, ''Partner's for America's Transportation Future.'' The hearing will focus on the lessons learned from TEA–21 and perspectives on reauthorization from the Federal, State and local level. The hearing will be held in SD–406.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Thursday, January 24, 2002, at 2:30 p.m., to hear from the following nominees pending before the committee: Linda Morrison Combs to be Chief Financial Officer of the Environmental Protection Agency; J. Paul Gilman to be Assistant Administrator of the Environmental Protection Agency; and Morris X. Winn to be Assistant Administrator of the Environmental Protection Agency. The hearing will be held in SD–406.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Thursday, January 24, 2002, at 10 a.m., to hold a hearing entitled ''The Fall of Enron: How Could It Have Happened?''

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

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on Early Learning: Investing In Our Children, Investing In Our Future, during the session of the Senate on Thursday, January 24, 2002, 9:45 a.m.

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

COMMITTEE ON THE JUDICIARY

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on ''Judicial Nominations'' on Thursday, January 24, 2002, at 2 p.m., in Dirksen Room 226.

TENTATIVE WITNESS LIST

Panel I: The Honorable Charles E. Grassley; the Honorable Tom D. Harkin; the Honorable John B. Breaux; the Honorable Ben Nighthorse Campbell; the Honorable Jon Kyl; the Honorable Wayne Allard; the Honorable Mary L. Landrieu; and the Honorable Eleanor Holmes Norton.

Panel II: Michael Melloy to the U.S. Court of Appeals for the Eighth Circuit.

Panel III: Robert Blackburn to be U.S. District Court Judge for the District of Colorado; James Gritzner to be U.S. District Court Judge for the Southern District of Iowa; Cindy Jorgenson to be U.S. District Court Judge for the District of Arizona; Richard Leon to be U.S. District Court Judge for the District of Columbia; and Jay Zainey to be U.S. District Court Judge for the Eastern District of Louisiana.

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

## PRIVILEGES OF THE FLOOR

Mr. GRASSLEY. Mr. President, I ask unanimous consent that Chuck McFadden, a legislative fellow on the Finance Committee, be afforded floor privileges during the duration of the debate on the economic stimulus bill.

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

Mr. GRAMM. Mr. President, I ask unanimous consent that a member of the staff of the chairman of the Finance Committee, Christy Mistr, be granted the privilege of the floor.

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

## NOTICE—REGISTRATION OF MASS MAILINGS

The filing date for 2001 fourth quarter mass mailings is January 25, 2002. If your office did no mass mailings during this period, please submit a form that states ''none.''

Mass mailing registrations, or negative reports, should be submitted to the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510–7116.

The Public Records office will be open from 8 a.m. to 6 p.m. on the filing date to accept these filings. For further information, please contact the Public Records office at (202) 224–0322.

## NOTICE—2001 YEAR END REPORT

The mailing and filing date of the 2001 Year End Report required by the Federal Election Campaign Act, as amended, is Thursday, January 31, 2002. Principal campaign committees supporting Senate candidates file their reports with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510–7116.

The Public Records office will be open from 8 a.m. to 6 p.m. on the filing date to accept these filings. For further information, please contact the Public Records office at (202) 224–0322.

## COMMENDING THE UNIVERSITY OF MIAMI HURRICANES FOOTBALL TEAM

Mr. REID. Mr. President, I ask unanimous consent the Senate proceed to S. Res. 201 introduced earlier today by Senators NELSON of Florida and GRAHAM of Florida.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 201) commending the University of Miami Hurricanes football team for winning the 2001 NCAA division I–A collegiate football national championship.

There being no objection, the Senate proceeded to consider the resolution.

Mr. NELSON of Florida. Mr. President, I rise today to note the accomplishment of the University of Miami Hurricanes football team, who on January 3, 2002 won the NCAA Division I–A football championship, defeating the University of Nebraska Cornhuskers in the 88th Rose Bowl game.

It was an exciting and memorable game, pitting two of college football's elite programs in the ''Granddaddy of Them All''. Ultimately, the Hurricanes won 37–14, capping an extraordinary season with their 5th national championship all since 1983.

Along with students, alumni and fans from across the country, the State of Florida has become accustomed to great teams and a rich history of collegiate football success. While the future of Florida football is sure to yield many more great teams and great battles, today I want to congratulate the University of Miami for their latest triumph, which truly was a team effort.

Led by Consensus All-Americans Bryant McKinnie and Edward Reed, as well as Joaquin Gonzalez who was named the nation's top college football scholar-athlete, the Hurricanes showed that individual achievement, well-rounded student leadership and team spirit add up to success both on and off the field.

Head Coach Larry Coker has much to be proud of, molding this team into national champions and becoming the first rookie coach to do so since 1948. For his efforts, dedication and success, he was awarded the Bear Bryant Award as the college football Coach of the Year.

The University of Miami program is a meaningful example for all Americans of determination, perseverance and excellence, and I want to extend my appreciation to every member of this team that contributed to the Hurricanes' victory.

I ask unanimous consent that the full roster of this championship team, and their first-rate coaching staff be printed in the RECORD. They have made us very proud.

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

UNIVERSITY OF MIAMI HURRICANES TEAM ROSTER

1. Daryl Jones.
2. Willis McGahee.
3. Jason Geathers.
4. Najeh Davenport.
5. Andre Johnson.
6. Antrel Rolle.
7. Ethenic Sands.
8. Mike Rumph.
9. Kevin Beard.
11. Ken Dorsey.
12. Jair Clarke.
12. Nate Smith.
13. Freddie Capshaw.
15. Buck Ortega.
15. Dan Lundy.
16. Todd Sievers.
17. D.J. Williams.
18. Derrick Crudup.
19. Troy Prasek.
20. Edward Reed.
21. Jermell Weaver.
22. Kelly Jennings.
23. James Lewis.
24. Marcus Maxey.
25. Alfonso Marshall.
26. Sean Taylor.
27. Markese Fitzgerald.
28. Clinton Portis.
29. James Scott.
30. Alex Duk.
30. Jeff Malley.
31. Phillip Buchanon.
32. Frank Gore.
33. Mark Gent.
34. Jarrett Payton.
35. Quadtrine Hill.
36. Maurice Sikes.
37. Jean Leone.
38. Carl Walker.
39. LaVaar Scott.
40. Kyle Cobia.
41. Frank Bayless.
43. Jarvis Gray.
44. Leon Williams.
45. Howard Clark.
46. Michael Langley.
47. Ken Dangerfield.
48. Chris Campbell.
49. Darrell McClover.
50. Roger McIntosh.
51. Jonathan Vilma.
52. Tariq Vlaun.
52. Steve Adzima.
53. James Sikora.
54. Alex Garcia.
55. Jamaal Green.
56. Santonio Thomas.
57. Javon Nanton.
58. Jarrell Weaver.
59. Brad Kunz.
60. Vernon Carey.

61. Tony Tella.
62. Chris Harvey.
63. Scott Puckett.
64. Rashad Butler.
65. Martin Bibla.
66. Brett Romberg.
67. Joe McGrath.
68. Joe Fantigrassi.
69. Kyle Morgan.
70. Joel Rodriguez.
71. Jim Wilson.
72. Ed Wilkins.
73. Joaquin Gonzalez.
74. Sherko Haji-Rasouli.
75. Vince Wilfork.
76. Carlos Joseph.
77. Chris Myers.
78. Bryant McKinnie.
79. Robert Bergman.
80. Robert Williams.
81. Kellen Winslow II.
82. David Williams.
83. Aaron Greeno.
85. Ennis Crafton.
84. Roscoe Parrish.
86. Brandon Sebald.
88. Jeremy Shockey.
90. Thomas Carroll.
91. Matt Walters.
92. Orien Harris.
93. John Square.
94. William Joseph.
95. Jerome McDougle.
96. Miguel Robede.
97. Larry Anderson.
98. Cornelius Green.
99. Andrew Williams.

2001 UNIVERSITY OF MIAMI HURRICANES COACHES AND STAFF

Larry Coker, Head Coach.

Randy Shannon, Defensive Coordinator.

Rob Chudzinski, Offensive Coordinator/Tight Ends.

Vernon Hargreaves, Linebackers.

Curtis Johnson, Wide Receivers.

Art Keheo, Offense Line.

Greg Mark, Defensive Line.

Don Soldinger, Running Backs/Special Teams.

Mark Stoops, Defensive Backs.

Andrew Swasey, Head Strengths & Conditioning.

Dan Werner, Quarterbacks.

Jeff Merk, Director of Football Operations/Academic Advisor.

Frank Giufre, Graduate Assistant Coach.

Rod Holder, Graduate Assistant Coach.

Mr. REID. Mr. President, I ask unanimous consent that the resolution and the preamble be agreed to en bloc, and the motion to reconsider be laid on the table, with no intervening action or debate, and that any statements relating to this matter be printed in the RECORD.

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

The resolution (S. 201) was agreed to.

The preamble was agreed to.

(The resolution, with its preamble, is printed in today's RECORD under ''Submitted Resolutions.'')

## ORDERS FOR FRIDAY, JANUARY 25, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10 a.m., Friday, January 25; that following the prayer and pledge, the Journal of proceeding be approved to date, the morning hour be deemed expired, and the time for the two leaders be reserved for their use later in the day.

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

## PROGRAM

Mr. REID. Mr. President, under the previous consent agreement, the next rollcall vote will be in relation to the Smith of Oregon amendment at 10:30 tomorrow morning. Additional rollcall votes are expected throughout the day. We will have the two executive nominations that have been previously agreed to by virtual unanimous consent agreement.

## ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:21 p.m., adjourned until Friday, January 25, 2002 at 10 a.m.

# EXTENSIONS OF REMARKS

## IN HONOR OF THE 2ND CONGRESSIONAL DISTRICT ACADEMY NOMINATION COMMITTEE

### HON. GREG WALDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. WALDEN of Oregon. Mr. Speaker, I rise today to express my immense gratitude to the academy nominating committee that assists me in selecting the best and brightest young people in central, southern and eastern Oregon for nominations to our nation's military academies.

As I'm sure my colleagues would agree, one of the greatest honors I have as a Member of Congress is the privilege of nominating outstanding young men and women from my district to the United States Military, Naval, Air Force, and Merchant Marine Academies. Not only do these prestigious institutions offer the finest education in the world, but they also provide an avenue to one of the most honorable forms of public service available to our citizens: the opportunity to serve in the United States armed forces. Graduates of these institutions serve not only as the leaders of our nation's military, but also in high positions of civic and social responsibility in later life.

Mr. Speaker, given the tremendous investment our government makes in these young men and women and the faith the nation places in them after their graduation, nominating the most qualified candidates to America's military academies is an important responsibility. For this reason, in the process of selecting nominees I seek the guidance of men and women whose patriotism, professionalism, and judgment are beyond reproach. I am immensely fortunate to have the assistance of a number of retired military officers in my district who personify these virtues.

In the process of selecting candidates for nomination, I have called upon the expertise of the following outstanding retired military officers to assist me:

The Oregon 2nd Congressional District Academy Nomination Committee:

Major General David S. Trump, USAF (Ret.)
Colonel Linda Sindt, USAF (Ret.)
Colonel Thomas G. Foster, USA (Ret.)
Captain Bud Hart, USN (Ret.)
Captain Sam Edelstein, USN (Ret.)
Colonel Norman Smedes, USAF (Ret.)
Captain Robert J. Trott, USN (Ret.)

Mr. Speaker, these dedicated individuals have served their fellow citizens selflessly in their careers as professional military officers, and their service to the nation continues in this new capacity. Drawing from their considerable experience, they assist me in selecting candidates who understand and appreciate the gravity of the pursuit they are undertaking. The members of the nominating committee spend countless hours reviewing each candidate's record and conducting extensive interviews to enable me to choose the best of the best. They are both thorough and demanding in ensuring that the candidates they recommend bear the qualities that will be of value to the services they hope one day to join.

At a time when our nation is being tested as it has never been tested before, we are more mindful than ever of the need to identify and invest in the future leaders of our nation's military, the men and women who safeguard the very mantle of freedom under which we rise and sleep. I am grateful to have the guidance of these experienced officers who have, through their own outstanding military careers, demonstrated the qualities we seek in academy nominees. Our country will reap the benefits of their service for many years to come.

## EMERGENCY WORKER AND INVESTOR PROTECTION ACT OF 2002

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. RANGEL. Mr. Speaker, we have all seen the press reports about how many of the employees of Enron lost virtually all of their retirement savings because of the Enron collapse. While the retirement savings of the rank and file Enron employees were disappearing, the corporate insiders sold millions of dollars worth of their Enron stock. The corporate insiders were able to sell their stock even though those insiders continued to promote Enron stock as a sound investment to the rank and file employees. In addition, Enron placed substantial restrictions on the ability of the rank and file employees to sell the Enron stock held in their retirement plan.

The Republican leadership has made it clear that it is willing to act promptly, without hearings, when providing large benefits to corporations. This Congress enacted an airline bailout bill promptly without hearings while making promises to help airline workers later. The House of Representatives passed legislation last year, without hearings, that would have provided a cash payment to Enron of over $250 million. The House passed legislation protecting the insurance companies from claims in future terrorist attacks, again without hearings and also with further promises to provide worker benefits later.

Now, I ask the Republican leadership to permit prompt consideration of legislation to protect workers from another Enron-like incident. Workers should be entitled to the same consideration as large corporations.

The bill that I am introducing today along with Minority Leader GEPHARDT and others contains two provisions that I believe can and should be enacted immediately. The bill does not pretend to be the final answer to the issues raised by the Enron collapse. However, it will provide interim protection for workers. It ensures that the employees of a company will have the same ability to sell stock in company that the corporate insiders have. It also will help ensure that companies provide workers and shareholders with accurate information about the true liabilities of the company so that they can make informed decisions as to whether to hold or sell that company's stock.

Mr. Speaker, I fully support investigations and hearings on the Enron situation. We need to fully understand what Enron did and how it was permitted to do it, in order to formulate a comprehensive legislative response. However the investigations, hearings, studies, and task forces should not be an excuse to delay immediate action designed to protect millions of employees as well as shareholders.

I believe there is some risk that Enron and its accounting firm may have been successful in destroying documents necessary for the investigations. I would note that there is one set of documents that Enron and its accountants did not destroy, namely Enron's tax returns. The executives from Enron have stated that the destruction of documents was contrary to their express instructions. If those executives are serious in desiring a full investigation, laying out all facts available, then they should release immediately Enron's tax returns for public examination. Those could be the only documents remaining that would fully disclose what happened to Enron and who is responsible.

Mr. Speaker, this is not the last bill that I will introduce as a result of the issues arising from the Enron case. As we learn more about specific problems that should be addressed, I will urge my colleagues to consider additional proposals. For example, recently there have been press reports that Enron enhanced its guaranteed retirement benefits for its executive officers while it was reducing or eliminating guaranteed pension benefits for rank and file workers. There may be need for legislation to prevent such an abuse in the future. In addition, it is clear that certain areas in our pension system need to be addressed to provide a greater level of retirement security to workers.

Following is a brief description of the bill I am introducing today.

SHORT-TERM WORKER PROTECTIONS

Eron employees suffered large losses on their investments in Enron stock because Enron placed restrictions on sales of its stock held by employees in section 401(k) plans. Indeed, during the critical period within which Enron collapsed, it prohibited all sales of stock in its 401(k) plans.

During the early 1980s Congress enacted legislation to respond to certain corporate transactions where insiders received large payments, called ''golden parachutes.'' They were called golden parachutes because they enabled the insiders to bail out with extraordinary sums of dollars, often leaving a weak or bankrupt company behind. The legislation imposed a 20 percent excise tax on those payments.

My bill would extend the golden parachute excise tax to sales of corporate stock by corporate insiders during periods when rank and file employees of the company are not able to freely sell the company stock held their 401(k) accounts.

This portion of the bill would be temporary (in effect for 6 months). It is designed to force

a comprehensive legislative solution that protects workers. Currently, congressional delay protects corporate interests while leaving rank and file workers at risk. I wish to reverse that dynamic.

I believe that it is a matter of simple fairness that corporate insiders should not have greater freedom to sell their stock than the freedom that those insiders decide to grant to their employees.

ELIMINATE TAX SUBSIDES FOR INACCURATE ACCOUNTING

The Wall Street Journal in an article on Monday, January 14, noted that ''some of the world's leading banks and brokerage firms'' provided Enron with crucial help in creating the intricate—and, in crucial ways, misleading—financial structure that fueled the energy trader's impressive rise but ultimately led to its spectacular downfall.''

The article failed to note that tax lawyers also provided crucial assistance by their creation of hybrid instruments that are treated as equity for shareholder reporting but are treated as debt for tax purposes. Those instruments permit companies, in effect, to borrow money with tax deductible interest while excluding the borrowing from total liabilities when reporting to shareholders.

Companies use these hybrid instruments, rather than traditional borrowing, only because the hybrid instruments permit the company to understate its liabilities when reporting to shareholders. The hybrid instruments typically have greater underwriting costs and interest rates than those that would have occurred on a traditional borrowing.

Enron used these instruments to a fairly large extent. The footnotes to the balance sheet in Enron's last financial statement disclosed that it had somewhere between $700 million and $2 billion of these instruments. In addition, press reports indicate that Enron also had at least an additional $1.2 billion of these transactions that were not disclosed in the financial statement.

In 1996 and 1997 the Clinton administration proposed eliminating tax deductions for interest on debt instruments when the corporation showed the instruments as equity on its books. If the congressional Republicans had permitted action on that budget proposal, we might not have seen the spectacular rise and collapse of Enron.

My bill would deny the deduction for interest on instruments that the company treats as debt for tax purposes but does not include in its liabilities when it reports to shareholders. The bill would apply only when the proceeds of the borrowing are included in the assets of the corporation for shareholder reporting purposes. Therefore, it does not apply to borrowings by off-balance sheet entities where both the liability and the proceeds of the liability are not shown on the company's balance sheet. The bill only applies to corporations that file certified financial statements with the SEC, and it is prospective.

Providing workers with the right to freely transfer employer stock is not sufficient if the employer's financial statements do not accurately reflect the company's financial position. I do not understand why the tax laws should subsidize companies attempting to hide liabilities when reporting to shareholders.

I am open to other ideas and solutions. I welcome additional suggestions and promise to work with any Member of Congress who want to protect workers and shareholders. I urge that we move quickly to provide some protections now while we study additional measures we may wish to undertake in the future.

## THE INTRODUCTION OF THE ENRON EMPLOYEE PENSION RECOVERY ACT

### HON. MAXINE WATERS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Ms. WATERS. Mr. Speaker, today I rise to introduce the Enron Employee Pension Recovery Act. This legislation will enable Enron employees who lost their retirement savings to recover more of their lost assets.

When the Securities and Exchange Commission brings an action against a company or individual, any ill-gotten gains are placed in a disgorgement fund, and the proceeds are distributed to the victims of the wrongdoing. It is very likely that the disgorged profits of Enron executives will not begin to cover the losses experienced by Enron employees.

These employees were encouraged to heavily invest in Enron stock, and were not permitted to divest when the stock value was plummeting. My legislation would provide that the Enron disgorgement fund contain not only the disgorged profits of the wrongdoers, but also any civil penalties that are levied. In addition, my bill alters the Federal Election Campaign Act to permit elected officials to contribute to this fund from their campaign accounts. In this way, the hundreds of thousands of dollars that were contributed by the officers of Enron can be used to benefit the employees.

My legislation would work within an existing structure to ensure that real relief is granted to these employees who lost both their jobs and their retirement savings while the officers and directors profited. In addition, the staggering sums that were contributed to politicians by the officers and directors of Enron, can be redirected to benefit these employees. I urge all of my colleagues to join me by cosponsoring the Enron Employee Pension Recovery Act.

## A TRIBUTE TO REVEREND BARBARA CRAFTON

### HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. NADLER. Mr. Speaker, I rise today to honor Rev. Barbara Crafton, Rector of St. Clement's Episcopal Church in New York City, for her consummate service to the Hell's Kitchen community. During her 6 years at St. Clement's, Rev. Crafton has consistently and passionately served this community with grace and compassion. As a member of the Mayor's Office of Midtown Enforcement and a member of the Board of Directors of Integrity, an organization of gay and lesbian Episcopalians, Mother Crafton is an extremely valued and well-respected community leader.

In response to the tragic events of last year, Rev. Crafton has been an active volunteer at Ground Zero, providing meals and ministering to the needs of rescue workers. Included among the many programs and events initiated by Rev. Crafton is ''A Celebration of Heroism and Strength,'' which benefited the families of the heroes of September 11. In addition to providing unwavering support to her community, Mother Crafton is also a nationally acclaimed author, actress and director.

Barbara Crafton is a passionate, empathetic, and caring priest as well as a devoted and loving mother, wife, and grandmother. Her dedication to our community has been felt far from the confines of St. Clement's. Due to issues of health it is no longer possible for Rev. Crafton to serve as the Rector of St. Clement's. We know that the recuperation of Mother Crafton is of the utmost importance at present, and we wish her a full recovery and the best of luck in all her future endeavors.

## AWARDING A CONGRESSIONAL GOLD MEDAL TO SAMMY DAVIS, JR.

### HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. HASTINGS of Florida. Mr. Speaker, Sammy Davis, Jr., was more than a brilliant entertainer, he was a showbiz iconoclast—a breaker of barriers and a man who proved that talent, sheer talent, is the measure of greatness.

Mr. Speaker, Sammy Davis, Jr., has left behind a rich body of work, such as his legendary ''Candy Man'', from his various film credits—including his portrayal of Sportin' Life in the 1959 film ''Porgy and Bess'' and his role as a veteran hoofer in his last move ''Tap'' in 1989. Also to his credits can be added some 40 albums and appearances in more than 20 films.

Mr. Speaker, Sammy Davis, Jr., was a versatile and dynamic singer, dancer, and actor who for over 60 years overcame extraordinary obstacles to become a leading American entertainer. He will forever be missed and remembered for years to come.

## AMERICA'S NEED FOR MISSILE DEFENSE

### HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. SCHAFFER. Mr. Speaker, though America boasts the world's most lethal and sophisticated military, the U.S. is unable to defend itself against even one long-range ballistic missile. Should an offensive missile launch be perpetrated against America today, the public could only stand by helplessly as each missile streaks toward its target. In the case of a nuclear attack, the devastation would be unlike anything the world has ever seen.

This reality should be the cause for prudent action, not hysteria. The recent decision by President George W. Bush to withdraw the United States from the 1972 Anti-ballistic Missile (ABM) Treaty was a thoughtful, balanced decision, however overdue. The ABM Treaty was conceived under different international circumstances with a country that no longer exists.

The treaty was ratified with the Soviet Union which posed the singular nuclear threat. Thirty years later, we are more concerned about rapid nuclear proliferation by so-called ''rogue'' nations like North Korea, Libya, Iran and Iraq that neither abide by norms of diplomacy nor engage tangible commitments toward peace. These unstable countries have exhibited the capacity to attack defenseless American civilians. In addition, Chinese military officials have publicly threatened to use long-range missiles against the United States. One Chinese officer even named Los Angeles as a target.

Americans do not have to accept this vulnerability. The United States Congress has for years expressed its desire to develop and deploy an effective missile defense system—one that provides multiple layers of protection against a potential missile attack from anywhere in the world.

The technology exists, and has been perfected for many years. What has been missing, up until now, are national leaders with the political will to get the job done. Some in Washington, D.C., still believe we can simply talk our enemies out of harming Americans or placate their hostility by giving them cash from the U.S. Treasury.

Building upon President Bush's announcement, twenty-three of my colleagues in the United States Congress cosigned a letter I authored assuring President Bush we are ready to help him make missile defense a key funding priority in the Congress. Incredibly, even though the need for a national missile defense system was proven back in 1981, funding for one has fallen far behind. Where billions of dollars have been urgently needed, the Congress has only been willing to spend token amounts to keep the research on life support.

The first responsibility of the federal government is to provide for the nation's defense. As a father of five, I am not content with America's past decisions to remain vulnerable to tyrant leaders of unstable rogue nations. When I tuck my children into bed at night, I want to know they will wake up safe in a country that values their liberty and is prepared to defend it.

U.S. defense spending is enduring one of its lowest levels since before Pearl Harbor. President Bush is right to make missile defense a priority. Weakness is no longer an option.

## RECOGNITION OF STEVEN GARFINKEL'S 31 YEARS OF SERVICE

### HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mrs. MORELLA. Mr. Speaker, I am pleased to honor one of my constituents, Steven Garfinkel, of Silver Spring, MD. Mr. Garfinkel retired from the Federal Government on January 3, 2002, after 31 years of faithful and dedicated service.

Mr. Garfinkel has been the Director of the Information Security Oversight Office (ISOO) since 1980. He was appointed by President Carter in May 1980 and served under each administration since. During his time in ISOO, he has become a leader on security classification policy. His expertise has allowed him to create a system that has produced the largest number of declassified pages in the history of the Government's program—more than 800 million. This system will provide researchers and historians with new information that will help write our Nation's history for years to come.

Currently, Mr. Garfinkel is the Chair of the Nazi War Crimes and Japanese Imperial Government Records Interagency Working Group (IWG). During his chairmanship, the IWG has secured the release of more than 400,000 pages from the Office of Strategic Services and of the Strategic Services Unit, forerunners of the Central Intelligence Agency.

In addition to being a member of the District of Columbia Bar, Mr. Garfinkel has served in the Office of General Counsel of the General Services Administration (GSA) for almost 10 years. His positions in that office included Chief Counsel for the National Archives and Records Service, Chief Counsel for Information Privacy, and Chief Counsel for Civil Rights.

Mr. Garfinkel has received numerous honors and awards for his service to the Federal Government, including 18 commendations or citations from President Ford through President Clinton. Congratulations Mr. Garfinkel on a long and distinguished career. I wish you and your family best wishes during your retirement.

## TRIBUTE TO FLORENCE JONES

### HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. BERRY. Mr. Speaker, I rise today to pay tribute to a great American citizen, and I and proud to recognize Florence Jones in the Congress for her invaluable contributions and services to northeast Arkansas and our nation.

Florence devoted much of her 50-year nursing career to efforts to bring hospice care for the terminally ill as well as home care to northeast Arkansas. She helped to provide healthcare to the indigent and uninsured through a non-profit clinic, and served as a ''hospice ambassador,'' spending time and personal assets to take her work abroad and share her knowledge of these services with other countries.

For all of these remarkable accomplishments, Florence was recognized this month with the Distinguished Service Award from the Arkansas Hospital Association.

A graduate of St. Joseph's Hospital School of Nursing in Chicago, Florence began her nursing career working with the Visiting Nurses Association, the U.S. Navy, and St. Bernard's Medical Center in Jonesboro.

Florence also has been actively involved in philanthropic service through the United Way, Arkansas Hospice Association, St. Bernard's Hospice, American Heart Association, March of Dimes, Arkansas State Nurses Association, and other organizations.

On behalf of the Congress, I extend congratulations and best wishes to this faithful servant, Florence Jones, on her successes and achievements.

## A TRIBUTE TO PEGGY KELLY

### HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. GALLEGLY. Mr. Speaker, I rise in tribute to Peggy Kelly, who has been named the Santa Paula, CA, Citizen of the Year for 2001.

It's unusual for a journalist to be named a city's Citizen of the Year, but then Peggy Kelly is an unusual journalist. Peggy believes that when a journalist picks up a notebook she does not simultaneously give up her civic responsibility to actively improve her community. Her rich and thorough reporting on the people and activities in Santa Paula reflect her profound understanding of the community—an understanding she cultivated through passionate and personal interactions with her neighbors throughout the 13 years she has called the city home.

In a sense, I followed Peggy to Santa Paula. When I was first elected to Congress, Peggy lived in Thousand Oaks, which was then in my district. In 1992, I lost the majority of Thousand Oaks and picked up Santa Paula, ensuring that I would once again represent Peggy in the halls of Congress.

And Peggy is the model of why I am proud to represent the people of the 23rd Congressional District of California. She is active in the local Rotary Club and has hosted many fundraising events for local nonprofit organizations, activities she undertakes with an ever-present smile and a sharp wit. When I attend an event in Santa Paula, I know Peggy will be there as well. When she talks to you, you know you have her full attention—a fact that's underlined when she puts it in writing.

As a freelance journalist who works primarily for the Santa Paula Times, Peggy covers every aspect of the city—City Council, Planning Commission, and School Board meetings; Chamber of Commerce events; and virtually every other event where the people of Santa Paula gather. Her reporting has been described as being wrought by ''professionalism, balance and heartfelt love and admiration for the people she writes.''

Mr. Speaker, Peggy Kelly is a credit to her profession and a godsend to her community. She is very deserving of the honor of being named Santa Paula's 2001 Citizen of the Year. I ask my colleagues to join me in congratulating her for a job well done.

## HONORING THOSE WHO ARE HELPING VICTIMS' FAMILIES

### HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. NADLER. Mr. Speaker, I rise today to congratulate Trial Lawyers Care on the opening of its headquarters in my district, located at 80 Center Street in New York City. As the city itself works to rebuild, I commend the thousands of volunteer lawyers who are helping victims' families start to put their lives back together in the aftermath of September 11th's senseless tragedies.

Experienced trial lawyers from across America are generously providing free legal services to eligible September 11 terrorist attack

victims who choose to make claims under the federal September 11 Victim Compensation Fund which Congress set up last year. Trial Lawyers Care, Inc. is a nonprofit corporation established for the purpose of helping these victims, and I applaud their very worthwhile efforts. By providing free legal services, 100 percent of the fund's award will go directly to the victims' family. This is an extraordinary offer for an extraordinary situation.

Should any Member of Congress require more information about Trial Lawyers Care and how they may be of service to your constituents, they can be reached at 888–780–8637 and www.911LawHelp.org. Thank you to the volunteers who are helping victims' families.

## IN MEMORY OF RADIO PERSONALITY JACK COLE

### HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. HASTINGS of Florida. Mr. Speaker, radio listeners and fans of fine entertainment suffered a great loss on January 8, 2002, with the passing of Jack Cole. In a broadcasting career that spanned more than 30 years, Jack provided both hard news and commentary to fans in Washington, DC, Boston, St. Louis, Phoenix, and South Florida. Early in his career, Jack worked in several jobs on Capitol Hill. His great love was journalism, though, and it is where he found his greatest success.

Known throughout South Florida as the ''Inquisitor General,'' Jack Cole was a fixture on West Palm Beach radio stations since the 1980s. An unrepentant liberal, he interviewed the famous and the powerful, praising those he deemed worthy and condemning those who strayed from his ideal of honesty and sincerity. More than just a ''talk show host,'' Jack wrote and performed song parodies and entertained audiences with tales of his encounters with some of the 20th century's most interesting people.

A brilliant man, Jack Cole infused his programs with references to opera, theater and classical music, and he educated his audiences with his take on famous events from world history. Jack's show, which he called ''World Headquarters,'' was truly a ''university of the air,'' and I was a frequent listener. Jack Cole has been referred to as a ''renaissance man.'' I definitely agree with that assessment, and I will miss him greatly.

## REMARKS ON MISSILE DEFENSE

### HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. SCHAFFER. Mr. Speaker, never has the case for a national missile defense system been more firmly established than now. The terrorist attack of September 11, 2001, confirmed America's enemies are not only capable of killing innocent American civilians, but they are willing to carry out such acts of violence despite the certainty of America's ferocious retaliation.

That the terrorists would have used long-range ballistic missiles, had they possessed them, is a proposition beyond dispute. Alarmingly, had even a single long-range missile been launched against the American people, our government would have only stood by powerless, unable to defend the very citizenry the Constitution charges it to protect.

America's vulnerability to long-range ballistic missile attack exists today, and it is shameful because it is deliberate. For a myriad of reasons, American presidents and congressmen, generals and budget directors have ignored President Ronald Reagan's call for a national missile shield. They have hemmed and hawed, denied and ridiculed, or just plain procrastinated even in the face of the mounting threat to American liberty that is represented by the global proliferation of long-range missiles.

Despite Reagan's clear and convincing arguments in favor of a national missile defense system, his prescient challenge to the American people has been relegated to the lowest of national priorities. Confronted with difficult decisions, the nation's politicians and military tacticians have routinely dismissed the warnings and summarily discounted the threats that forcefully warrant the deployment of a comprehensive, multi-layered missile defense framework.

Mr. Speaker, September 11, 2001, may have changed that.

America's cold war strategy of mutually assured destruction, though precarious and risky, in the end proved sufficient when carried out against a single opponent whose goal was to at least preserve an independent sovereign state. However tense, the norms and rules of international diplomacy had meaning in the relationship between the Soviets and the United States. Times have changed.

Despite the cold war's celebrated conclusion in 1991, the threat of missile attack has only been displaced. So-called ''rogue'' nations have stepped up efforts to demonstrate long-range ballistic missile capacity. Countries like Iran, Iraq, Libya, North Korea, and others have actively pursued the capability to deliver chemical, biological, explosive, and nuclear warheads—and their rapid acquisition of these means have exceeded our best predictions.

China has publicly threatened the use of nuclear missiles, and the possibility of accidental and unauthorized launches must be taken just as seriously. Americans can no longer rest their complacency upon the spurious belief their diplomats will always be able to talk our enemies out of harming us, or that they can spend enough cash from the U.S. Treasury to buy indifference and placate the rage of those inclined to bury us.

Mr. Speaker, the technology exists today to pursue a robust missile defense system. Moreover, President George W. Bush's decision to withdraw from the 1972 Anti-ballistic Missile Treaty removes perhaps the greatest diplomatic barrier to deployment. The opportunity of a space-based platform effectively means it is now possible to create a world where long-range nuclear missiles are rendered obsolete. Political will is the missing key ingredient.

## RECOGNITION OF DAVID F. ENGSTROM'S GAO SERVICE

### HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mrs. MORELLA. Mr. Speaker, it is with great pleasure that I recognize one of my constituents from Maryland's Eighth Congressional District, David F. Engstrom. Today, Mr. Engstrom is retiring from the United States General Accounting Office after 39 years of faithful and dedicated service.

Mr. Engstrom's career in the Federal Government began at the Federal Bureau of Investigations where he worked for 3 years. For the next 37 years, he worked in the GAO. Mr. Engstrom began as a specialist and auditor in the GAO's Transportation Division, and since 1970, he has been an attorney in the GAO's Office of General Counsel.

During his 30 years in the Office of General Counsel, Mr. Engstrom became an expert in federal personnel law and claims. He has also been recognized for his outstanding contributions to good government. He has received the Comptroller General's Meritorious Service Award in 1970, 1981, and 1991, as well as the General Counsel's Award in 1999.

I join Mr. Engstrom's family, friends, and colleagues in wishing him a happy and healthy retirement.

## TRIBUTE TO ALBERT H. MILLER

### HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. BERRY. Mr. Speaker, I rise today to honor one of Arkansas's finest citizens, Albert H. Miller. I am proud to recognize Al in the Congress for his invaluable contributions and service to his profession, his family, his state and this nation.

For more than four decades, Mr. Miller served in many capacities to further the engineering profession. He was founder and President of both the Miller-Newell Engineers and the Miller-Newell Abstract Company. During his forty-one years as a member of the National Society of Professional Engineers, Mr. Miller held positions on nearly all of the Society's standing committees and task forces. In 1982, the Arkansas chapter named him Engineer of the Year, and in 2000 he was named a fellow member of the Society. However, his greatest contributions were made as President of NSPE, where he was known for his vision and tireless work. Mr. Miller created the ''NSPE GIVES YOU THE EDGE'' campaign to promote the value of membership in the Society. His dedication expanded and advanced the work of his profession.

Mr. Miller's efforts extended into the community as a member and past president of the Newport Rotary International and Paul Harris Fellow, a member and past president of the Newport Area Chamber of Commerce, and member of the Jackson County Industrial Development Commission. He was a member of a number of professional organizations and held offices in several of them, including the Arkansas State Board of Registration for Professional Engineers & Surveyors, the Arkansas Society of Registered Land Surveyors, the

American Society of Agricultural Engineers, the American Society of Civil Engineers, the National Council of Examiners for Engineering and Surveying, the U.S. Council for International Engineering Practice, and the Engineering Advisory Council of the University of Arkansas.

Albert Miller was a faithful and dedicated husband to his wife Lynette, the loving father to Alex and Allison, and the proud grandfather to three grandchildren. Throughout his life, he was dedicated to serving his fellow citizens as a leader in both his profession and his community, and he deserves our respect and gratitude for his priceless contributions. He was my friend and I forever will be honored by that friendship.

On behalf of the Congress, I extend sympathies to Al's family, and gratitude for all he did to make the world a better place.

## TRIBUTE TO MRS. VELMA HICKEY, OUTGOING PRESIDENT, NORCO CHAMBER OF COMMERCE

### HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. CALVERT. Mr. Speaker, I rise today to honor and pay tribute to an individual whose dedication to the community and to the overall well-being of Norco, CA, is exceptional. The city of Norco has been fortunate to have dynamic and dedicated business and community leaders who willingly and unselfishly give time and talent to making their communities a better place to live and work. Mrs. Velma Hickey is one of these individuals.

On January 26, 2002, Mrs. Hickey will be honored as the outgoing 2001 president of the Norco Chamber of Commerce. Through the years, Velma has served as a director on the Board of the Chamber, the Virginia Weidman Home Arts Competition Chairman, Installation Banquet Chair and most recently the Norco Fair Chairman in 2001. She is an active member of the Republican Women's Club, United We Stand America organization, and the vice president of the Norco Historic Society.

Velma Hickey's leadership has led to numerous awards and recognitions. The highlights include: Volunteer of the Year Award from United We Stand America in 1990 and Principal for a Day received from the Corona/Norco Unified School District in 2001, and Lecturer at St. Mel's Catholic Church in Norco from 1987 thru 1990. A graduate of UC Irvine, Velma has a Bachelor of Science degree in Sociology.

Velma's tireless, engaged action has propelled the city of Norco forward in a positive and progressive manner. I know that all of Norco is grateful for her contribution to the betterment of the community and salute her as she departs. I look forward to continuing to work with her for the good of our community in the future.

## THE MATURE RESPONSE

### HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. BEREUTER. Mr. Speaker, this Member wishes to commend to his colleagues the January 20, 2002, editorial from the Omaha World-Herald entitled ''The Seriousness of War.''

The current war on terrorism is the appropriate response to horrific and unspeakable terrorist attacks on U.S. soil which resulted in the deaths of thousands of innocent people. Under no sadder circumstances could the United States have launched a war. Let us not forget the pain of those circumstances and thus use our incredible capabilities to ensure that the likelihood of similar attacks is greatly diminished for not only future Americans, but also for others around the world.

[From the Sunday World-Herald, Jan. 20, 2002]

THE SERIOUSNESS OF WAR

Pacifism is a legitimate point of view, but its principles seem a woefully impractical response to terrorists who are unmoved by moral arguments.

This thought is prompted by writings from readers who are uncomfortable with the American government's response to the Sept. 11 Osama bin Laden attacks. One such writing by Robert Williams, an Iowa farmer and retired minister, included a bitter denunciation. He said Americans ''seek and improve ever more lethal weapons, and we use them now with barely restrained excitement and pride.''

Williams is right about one thing—weapons improvement. But in many cases the result has been a dramatic increase in precision, making civilian deaths less likely. That is a reason for some of the pride.

Certainly the nation is not romanticizing war. Not as Americans did in 1861, for example, when picnickers lightheartedly camped near Bull Run with the soon-to-be dashed expectation of enjoying a quick rout of Confederate forces. Europeans cheered during parades at the start of World War I, mistakenly anticipating that the conflict would be brief and glorious.

In 2001, most Americans approached the war in Afghanistan with a commendable seriousness of purpose. They have not cheered the deaths of innocent Afghans (in contrast to Osama bin Laden, whose cackling over the murder of the Sept. 11 victims was captured on videotape). They have supported the enormous humanitarian effort with which America extended its hand to the Afghan people while liberating them from their Taliban and al-Qaida tormentors.

American armed forces, moreover, have carried out their duties honorably. Perhaps no military operation in history has gone to greater lengths to use technology to minimize civilian casualties. An Afghanistan-based correspondent for USA Today recent noted that ''despite their popular image as modern-day Rambos, Green Berets are, in fact, a remarkably low-key and cerebral group.'' One Green Beret told the reporter: ''Our mission is not necessarily to outfight the enemy, although we can do that if we have to. We would rather outthink them.''

Americans can be proud that our defense lies in the capable hands of level-headed individuals. And that our nation has responded to the assault against us with commendable maturity.

## AMERICAN FLAG FLIES OVER REBUILT DOGWOOD ELEMENTARY SCHOOL

### HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. WOLF. Mr. Speaker, in November 2000, the Dogwood Elementary School in Reston, VA, was completely demolished as a result of a tragic and extensive fire. The students soon found that the school flag also was lost in the fire.

As members of Congress, we have the privilege of having flags flown over the U.S. Capitol—the symbol of our democracy—and I was honored to present one of those new American flags to the students and teachers at Dogwood Elementary.

The school is now rebuilt and ready to reopen. I want to share with our colleagues the following message provided to me by Linda Thetford, assistant principal at Dogwood Elementary School, about the importance of the American flag to the school and its students.

On behalf of the Dogwood Elementary School we consider it an honor to be selected to receive an American Flag that has flown over the United States capitol. The tragedies of recent world events provide a backdrop for our local tragedy and have provided opportunities for our students to understand the significance of all Americans together to rebuild our future.

In November 2000, the Dogwood Elementary School in Reston suffered a shocking crisis when the entire school was demolished due to an extensive fire. The students, staff, parents and community experienced a tremendous loss as they tried to cope with this catastrophe. Once students were reassigned to temporary classrooms they gathered to raise the flag, which was a daily routine. However they quickly realized the American flag had burned along with all the other building contents.

The 530 students of Dogwood take great pride in representing their community and their country. Many students' families originate from countries throughout the world and speak over 22 languages. While the students attend school, many of their parents have studied to become American citizens. The gift of an American Flag would be a fitting tribute, not only to those heroes of September 11, but also to those in our community who have displayed the American spirit by coming together in time of crisis to rebuild Dogwood Elementary.

During the past year a tremendous number of people have collaborated together to rebuild Dogwood Elementary School. Many individuals have donated their professional skills and talents to help create a wonderful new school for the children of Reston. Thanks to all the dedication and continued effort we are now ready to open our re-built school.

## PERSONAL EXPLANATION

### HON. SUE WILKINS MYRICK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mrs. MYRICK. Mr. Speaker, I was unable to participate in the following votes. If I had been present, I would have voted as follows: January 23, 2002: Rollcall vote 3, on passage of

H.R. 2234, the Tumacacori National Historical Park Boundary Revision Act, I would have voted ''yea.''

## TRIBUTE TO L. GEORGE YAP AND LEASA INDUSTRIES CO., INC.

### HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mrs. MEEK of Florida. Mr. Speaker, I rise to honor George Yap, the President and Chief Executive Officer of LEASA Industries, Inc., which is located in the heart of one of the poorest neighborhoods in my 17th Congressional District.

George Yap is a special man, and a truly gifted businessman. He has demonstrated beyond all doubt that businesses can operate successfully and profitably in poor communities, relying on neighborhood workers to produce their products, if management has a sound business plan and the commitment to make it work.

George Yap is responsible for nothing less than an economic transformation of an area in my district that had few economic opportunities.

George has reached out to the people in his neighboring community in a way that no one else has. LEASA currently employs 70 full and part-time workers, the majority of whom are residents of public housing who include single mothers, school drop outs and even ex-convicts. Many of his workers have been with the company for more than 10 years and have moved up to supervisory positions.

He has been unselfish in extending his help to people who reside in public housing—people who other businesses, even government leaders, considered unemployable. He recognized and fostered in them the personal pride, desire for achievement, ability to learn, loyalty and commitment that any successful business needs from its employees.

In so doing, George Yap proved to be more than just an employer, and his workers received more than just wages. He has been the biggest motivator and supporter of his employees, helping to keep families together, encouraging them to improve their skills and learn new ones, and improving their quality of life by providing day care for their children and insuring that they receive the health services they need. George also provides mentoring services to new entrepreneurs. Under his guidance, LEASA Industries has won national awards from the U.S. Department of Commerce, U.S. Small Business Administration, Inc. Magazine and the U.S. Chamber of Commerce.

This Saturday, January 26, LEASA Industries will break ground on a new $4.6 million production facility in the Poinciana Industrial Park. I was happy to assist in this effort by legislatively directing almost $2 million in federal Economic Development funds to this project, which is truly a wise public investment.

I know that my colleagues join with me in offering congratulations to George, his wife Einez, and there three children Andrew, Sean, and Allison for a job well done.

## IN HONOR OF BLAKE HASELTON

### HON. KEN LUCAS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. LUCAS of Kentucky. Mr. Speaker, I rise today in recognition of Blake Haselton. Mr. Haselton is the Superintendent of Oldham County Schools, a district which lies in Kentucky's Fourth Congressional District.

Last month, Mr. Haselton was named Superintendent of the Year by the Kentucky Association of School Superintendents. Next month, he could be named National Superintendent of the Year by the American Association of School Administrators.

Since he began in Oldham County in 1973, Mr. Haselton has served as a high school biology teacher, athletic director, director of guidance services, and principal. He also served as the district's director of pupil personnel before being named superintendent in 1991.

His colleagues praise him as an education leader who ''stays on top of both the academic and financial elements of operating a school system,'' and ''makes his decisions on what's best for kids.'' The Oldham County Teachers Association says Mr. Haselton is everything teachers want in a superintendent: child-centered, focused on teachers' needs, and an aggressive planner. The chair of the Oldham County Board of Education says Mr. Haselton is a ''leader amongst leaders . . . a master teacher'' who ''inspires the best in others.''

Mr. Haselton also serves his community by doing volunteer work for several recreational, civic, and scouting organizations.

I rise today to congratulate Blake Haselton on being named Kentucky Superintendent of the Year, and to wish him well as he vies for the national title next month. I ask my colleagues to join me in commending Mr. Haselton for his nearly three decades of outstanding service to the people of Oldham County, KY.

## IN HONOR OF JIM ARMSTRONG

### HON. JANE HARMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Ms. HARMAN. Mr. Speaker, I rise today to commemorate the life of a true leader of the city of Torrance and dear friend.

I met Jim Armstrong when I first ran for Congress. As a teacher of government and former mayor, he shared with me his great insight into the community. Indeed, in the years since, I came to value him as an advisor and friend. He helped me in every campaign and served as a member of my advisory committee on public education. He called himself a ''Harman man,'' and I was clearly an ''Armstrong woman.''

It is hard to do justice to the true extent of Jim's reputation, influence, and impact. As teacher, councilman, mayor, and citizen, he exemplified the highest standard of community leadership and public service. During his six years on the Torrance City Council and eight more as Mayor, Jim fought for more parkland, for the Cultural Arts Center, for a new police station, and oversaw Torrance's renaissance into a beautiful and modern city. Even in retirement, Jim remained an active leader in the community, serving in leadership roles in the Torrance Cultural Arts Foundation, Torrance Education Foundation, and Torrance Area Chamber of Commerce.

While Jim's work can be seen in buildings and parks across Torrance, his true legacy lies in the generation of students he inspired as a teacher. Countless students he taught have since pursued careers in which they too serve the community. I am proud to count myself among his students of politics, and am proud to be a part of establishing a college scholarship in Jim Armstrong's honor. This scholarship will be awarded to a student who exemplifies Jim's outstanding community leadership and scholastic aptitude.

No one was more committed to Torrance, to service, or to education than Jim Armstrong. I will miss his counsel, his sense of humor, and his generosity, but mostly, my family and I will miss Jim.

## THE QUONSET AIR MUSEUM'S ACQUISITION OF AN F–14 AIRCRAFT

### HON. JAMES R. LANGEVIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. LANGEVIN. Mr. Speaker, it gives me great pleasure to announce a very important achievement by the Quonset Air Museum in North Kingston, Rhode Island. Thanks to the coordinated effort of the Hasbro Corporation, the Rhode Island Air National Guard, the Rhode Island delegation and the Quonset Air Museum, an all-volunteer organization, the museum has been selected as the new home for the US Navy F–14 Tomcat, tail number A162591.

The mission to bring an F–14 to the museum began over 3 years ago. Thanks to countless letters and phone calls over the years and the diligence of many dedicated civilians and members of the services, today we are rewarded with the acquisition of a military treasure. This aircraft will join 30 other military and civilian aircraft and 5,000 smaller artifacts that are on display in the Quonset Air Museum. This plane was recently given a noble warrior's retirement from Fallon Naval Air Station in Nevada, the new home of the Navy's Top Gun competition. And it was even featured in the movie, Top Gun. But perhaps, most important of all, the F–14 has served the military for over 25 years. It was used in the Persian Gulf War and is now leading our effort in Afghanistan.

Today Rhode Island celebrates these accomplishments at an appropriate time in our nation's history. This aircraft has trained and prepared some of the Navy's top fighter pilots. It exemplifies the strength and vigilance of our country's armed forces and it demonstrates the honor attached to the service to one's country. This occasion reminds me of the importance of patriotism and of my love of this country.

I am proud to be an American, and I am proud to be a Rhode Islander. I hope that current and future generations visiting the Quonset Air Museum share my appreciation for the hard work of the museum in bringing this living legend to our community and for the

tremendous debt owed to the F–14s and their pilots who have fought over the years to ensure America's freedom.

## GENEROSITY OF HAROLD L. AND DELORES K. BRAKE OF SAINT THOMAS, PENNSYLVANIA

### HON. BILL SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. SHUSTER. Mr. Speaker, I rise today to share with you the generosity of Harold L. and Delores K. Brake of Saint Thomas, Pennsylvania, who gave $500,000 to help build the Rhonda Brake Schreiner Women's Center, an affiliate of Summit Health. The center honors the memory of their daughter, Rhonda Brake Schreiner, who passed away April 7, 1999, after suffering from pancreatic cancer. During their daughter's struggle with the fatal illness, Harold and Delores realized the need for a medical center which concentrated on women's health issues.

The center offers diagnostic and support services to help women maintain good health. Mammography, stereotactic breast biopsy, bone density, ultrasound, and cardiology studies are provided through physician's referral. The center also houses a resource center, staffed by a clinically trained women's health coordinator, equipped with decision support tolls, internet access, and educational materials to allow women to take an active role in preserving or restoring their health.

The Brakes made the pledge for the funding in September of 2000. They graciously fulfilled their commitment and were honored in January of 2001, when the Rhonda Brake Schreiner Women's Center opened. In the front hall of the center hangs a plaque honoring the Brake family which states, ''The Rhonda Brake Schreiner Women's Center has been established in her memory through a gift from her parents, Harold and Delores Brake, and her brother, Randy. Through it, they want to encourage women to seek early detection and treatment necessary for a long, fulfilling life.''

## INTRODUCTION OF THE NEXT STEP IN REFORMING WELFARE ACT

### HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. CARDIN. Mr. Speaker, our work in helping people move from welfare to employment, and from poverty to a better way of life, is far from done. We must continue the progress States have made in promoting employment among welfare recipients, while also increasing our focus on job advancement and poverty reduction. To achieve these goals, I am introducing the Next Step in Reforming Welfare Act to reauthorize and improve the Temporary Assistance for Needy Families (TANF) program and to enhance several related programs. I am proud to be joined by my Democratic colleagues on the Ways and Means Subcommittee on Human Resources, Representatives STARK, LEVIN, MCDERMOTT and DOGGETT, in sponsoring this important legislation.

As we approach the reauthorization of TANF, it is important to acknowledge the progress our Nation has made over the last six or seven years in reducing poverty and other critical social problems. For example, the percentage of children living in poverty in the United States has dropped to its lowest level since 1979. Unfortunately, even with that improvement, one out of every six children still lives in poverty.

Three developments are primarily responsible for these positive changes in the poverty rate. First, until recently, we have seen nearly unprecedented economic growth. Second, the work supports put in place by Congress, particularly the 1993 increase in the Earned Income Tax Credit, are now paying important dividends. And third, welfare reform has encouraged more low-income mothers to enter the workforce.

As impressive as these poverty reductions have been over the last few years, they pale in comparison to the decline in the welfare rolls over the same time period. This raises some troubling issues, not the least of which is the fact that many families are *not* leaving poverty when they leave welfare for work. Additionally, some families at the very bottom of the income scale may have lost ground over the last 5 years because of a reduction in various forms of public assistance.

This should raise a basic question for every Member of this body: is caseload reduction a goal unto itself, or is it a means to an end? I believe it must be the latter. In other words, we want people to leave welfare so they can lift their families out of poverty. To achieve that objective, we must continue the expectation that welfare recipients move toward employment. But at the same time, we must do more to help them escape poverty and move up the economic ladder. Both of these goals will undoubted be made more difficult by a slowing economy that is now shedding more jobs than it is creating. In fact, the current recession raises the stakes on our efforts since many recent welfare leavers may lose ground in their fight to escape poverty and current welfare recipients may find it even harder to leave the rolls for work unless we make some necessary improvements to TANF.

At its core, the Next Step in Reforming Welfare Act is driven by a philosophy that we should help people escape poverty through hard work. The TANF program is not, nor should it be, our only weapon to achieve this goal, but it must be an important part of our arsenal. Here are the eight steps our legislation would pursue to improve TANF and several other important poverty-related programs.

First, the legislation would maintain our financial commitment to the TANF program by increasing the current annual $16.5 billion allocation by an inflation adjustment in coming years. Such an increase is necessary to stop the continual erosion in the real value of the States' TANF grants (which will be worth 22 percent less in FY 2007 compared to FY 1997 unless adjustments are made). Of course, some may suggest we should cut funding because of declines in TANF's cash caseload. However, three facts are in conflict with such a suggestion: (1) there are still many unmet needs that demand significant resources; (2) an increasing amount of TANF funds are spent on work supports, rather than on direct cash assistance; and (3) the current recession will present new challenges to our welfare system. In addition to prospectively increasing the TANF grant for inflation, the bill would improve and extend the current supplemental grants for States with low Federal funding per poor child, the annual work-based performance bonuses and the contingency fund, which would be redesigned to provide real assistance to State TANF programs during economic downturns.

Second, the bill would include poverty reduction as an explicit goal in the welfare reform law, and States should be given financial bonuses if they reduce child poverty. Broadening the goals of TANF and providing financial bonuses would encourage States to consider developing new approaches and providing additional assistance to help struggling families. Furthermore, under the bill, a conciliation process would be required before a TANF recipient's benefit can be sanctioned, funding for the Social Services Block Grant would be restored to $2.8 billion a year, and the current caseload reduction credit would be replaced with an employment credit, which would reward States for moving people from welfare to work, rather than for people simply exiting welfare.

Third, the current requirement that TANF recipients be working or enrolled in related employment activities would be continued. However, additional incentives and rewards for work would be established, including not counting TANF payments to recipients' with earnings towards the five-year time limit (such payments would be considered wage subsidies). The legislation also would make a dramatic new investment in the Child Care and Development Block Grant (an additional $11.25 billion over 5 years) to ensure that both welfare leavers and the working poor have access to quality and affordable day care.

Fourth, State TANF plans would have to include goals for improving earnings for TANF recipients and leavers, and new demonstration projects ($150 million per year) would be established to increase wages for low-wage workers and to improve employment outcomes for welfare recipients with multiple barriers. Additionally, to promote the skills needed for employment advancement, the legislation would eliminate the current cap on the number of TANF recipients who can be enrolled in vocational education and still count towards the participation requirement.

Fifth, the bill would take a series of step to encourage family formation and responsible parenting. For example, the measure would create a new fund ($100 million a year) to promote the best practices on promoting the formation of two-parent families, reducing teenage pregnancy, and helping low-income, noncustodial parents support their children. Furthermore, the legislation would encourage States to pass through more child support to families, rather than retaining those collections to recoup past welfare costs.

Sixth, the legislation would revise the harsh immigrant provisions in the 1996 law by restoring TANF and Supplemental Security Income (SSI) eligibility to non-citizens who are legally residing in the country (with a requirement that their sponsor's income be deemed available to them for a certain period of time).

Seventh, the bill would maintain State accountability under TANF by extending the current maintenance-of-effort requirement (plus an inflation increase), and by requiring States to generally use Federal funds to supplement, rather than replace, State funding in various low-income programs.

Eight and finally, the measure would call for increased information about State TANF programs and about the status of welfare leavers.

Mr. Speaker, I believe we can pursue these eight goals while maintaining the State general discretion to tailor their own TANF policies. Furthermore, I am hopeful these suggestions can attract bipartisan support on the basis that promoting work and reducing poverty are goals that hopefully draw near universal approval. I look forward to working with the Administration and with all of my colleagues on a TANF reauthorization bill designed to reward work, reduce poverty, and increase self-sufficiency.

## SUPPORTING THE NEXT STEP IN REFORMING WELFARE ACT

### HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. STARK. Mr. Speaker, I rise today in support of the ''Next Step in Reforming Welfare Act'' for which I am an original cosponsor.

In 1996, I vehemently opposed the ''Temporary Assistance for Needy Families Act,'' which changed our nation's welfare system, because it removed an important safety net for the poor and the most vulnerable in our society. I still hold these views today.

However, I support the ''Next Step in Reforming Welfare Act'' because—unlike the 1996 law—this new legislation improves our national safety net and actually helps the poor and most vulnerable in our society. This bill increases funding for TANF, redirects the goal of the program to that of poverty reduction, rewards work, provides new funding for work support programs, like child care, and encourages states to better assist hard-to-serve TANF recipients.

The ''Next Step in Reforming Welfare Act'' increases the TANF block grant by inflation, and more than doubles child care funding so that more families are able to go to work.

This legislation appropriately redirects the goal of the TANF program to reducing poverty. This replaces the draconian idea that the purpose of welfare is to kick TANF recipients off the rolls as fast as possible. The bill accomplishes this by making child poverty reduction an explicit goal of TANF and by providing $150 million each year in incentive grants to states who reduce child poverty.

Another important focus of this legislation is its commitment to increasing quality childcare to current and former TANF recipients. The bill triples the portion of the Child Care Development Block Grant available for this purpose. Additionally, the bill requires that all TANF funding used for childcare only be used in facilities that meet state health and safety standards. It also increases the age for which childcare must be available for children from 6 to 13 years old.

This bill directs resources to TANF recipients who suffer from disabilities, substance abuse, domestic violence, and lack of proficiency in English. It requires states to assess and screen recipients to determine if they need rehabilitative or educational services to go to work. It also provides families in these situations a chance to get on their feet by allowing rehabilitative services to count as a work activity for six months.

These changes in TANF are a first step toward improving our welfare system so that it truly helps poor working families and gives them not just a safety net, but also springboard out of poverty. I hope that my colleagues in the House will work with me to make TANF a program we can all be proud of.

## SALUTING FIRST LIEUTENANT JOHN P. PARKER

### HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. BARCIA. Mr. Speaker, I rise today to pay tribute to First Lieutenant John P. Parker upon his retirement as Commander of the Bay City Post of the Michigan State Police. John's exemplary work ethic and can-do attitude have served as standards of optimism, hard work and determination for his fellow officers, friends, neighbors and all who have come into contact with him during his 27-year career with the Michigan State Police and his more than eight years in charge of the Bay City post.

As a law enforcement officer, devoted father and contributor to our community, John has always impressed others with his lead-by-example approach to any venture he has undertaken. A Lansing native, John began his law enforcement career in 1974 as a radio dispatcher in the Jackson post. After graduating from the police academy in 1977, John served briefly with the Bad Axe post as a trooper before being assigned to the Detroit Freeway post. He later worked in Lansing and Brighton. In 1992, John earned a promotion to First Lieutenant and took command of the Sandusky Post, where he served for a year until his transfer to Bay City.

When John took command of the Bay City post, he had his work cut out for him to restore morale and train a professional core of new troopers to bring the post up to full strength. John modestly credits the sworn officers and civilian staff who have worked for him with rebuilding the post, but he deserves praise for leading the effort. Today, John and those under his command can point proudly to having transformed the Bay City post into one of the more widely respected posts in the state. John's strong sense of duty and superior managerial skills clearly sparked the engine that has driven the Bay City Post to be ranked among the best in the state.

Never one to sit on the sidelines, John also found time to devote to civic, religious and fraternal organizations to serve our community and his fellow citizens. His participation in these organizations, which include the Board of Director of the Bay County Crime Stoppers, the Tri-County Adjudication Program Board of Directors and Knights of Columbus Council 4232, have made a real difference and he should be commended for his involvement. John's wife, Kathy, and his four sons, John, Scott, Chris and Michael, also deserve high praise for their unselfish support of John in his career goals and his volunteer work.

Finally, Mr. Speaker, I ask my colleagues to join me in expressing gratitude to First Lieutenant John P. Parker for his distinguished service and in wishing him success in all future endeavors. John will no longer carry a badge, but I am confident that the honor and integrity he displayed during his tenure with the Michigan State Police will continue to serve as evidence that he exemplifies the very best values of the men and women in law enforcement.

## TRIBUTE TO COL. EDWARD RICE, JR.

### HON. JOHN R. THUNE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. THUNE. Mr. Speaker, I rise today to congratulate Col. Edward Rice, Jr. on his promotion to Brigadier General.

Col. Rice commands the 28th Bomb Wing at Ellsworth Air Force Base in my home state of South Dakota, with 27 B–1 bombers and more than 3,500 military and civilian members.

A graduate of the U.S. Air Force Academy in 1978, the Colonel is a command pilot with more than 3,600 flying hours in aircraft such as the B–1B, B–52 and B–2. Throughout this distinguished career, Col. Rice has held numerous key operational and staff positions.

Most recently, Col. Rice returned from commanding B–1 and B–52 operations during Operation Enduring Freedom in Afghanistan. The B–1 bomber has been involved in every aspect of the most precise, intense bombing campaign in history, flattening terrorist targets and taking out Taliban strongholds. Col. Rice's bombers were the key to winning in Afghanistan.

Upon his return, Col. Rice stated, ''All of us who wear the uniform understand we may be sent into combat. We all know that when duty calls, we'll stand and do what we've been trained to do.'' That spirit is what makes the U.S. military the best in the world and Col. Rice one of its finest examples.

Yesterday when I spoke with Col. Rice, I was reminded again of what a quality individual he is and what a tremendous asset he is to our country. I am proud of the important role he played in directing missions in the skies above Afghanistan. Mr. Speaker, for all the sophistication of these bombers, we know it is people like Col. Rice who truly help get the job done. I'm proud of how well he represents South Dakota.

Mr. Speaker, I commend Col. Rice for his performance in Operation Enduring Freedom, thank him for his service and congratulate him on his promotion to Brigadier General.

## INDIA'S REPUBLIC DAY, JANUARY 26, 2002

### HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. PALLONE. Mr. Speaker, I rise today to pay tribute to one of the most important dates

on the calendar for the people of India, as well as for the people of Indian descent who have settled in the United States and around the world. January 26th is Republic Day, an occasion that inspires pride and patriotism for the people of India.

On January 26, 1950, India became a Republic, devoted to the principals of democracy and secularism. At that time, Dr. Rajendra Prasad was elected as the nation's first president. Since then, despite the challenges of sustaining economic development and promoting tolerance and cooperation amongst its many ethnic, religious and linguistic communities, India has stuck to the path of free and fair elections, a multi-party political system and the orderly transfer of power from one government to its successor.

On that special day in 1950, India adopted its Constitution. Mr. Speaker, it should be noted that India derived key aspects of her Constitution, particularly its statement of Fundamental Rights, from our own Bill of Rights. Last year, on the eve of Republic Day, India's President K.R. Narayanan stated in his address to the nation: ''Let us remember, it is under the flexible and spacious provisions of our Constitution, that democracy has flourished during the last fifty years and that India has achieved an unprecedented unity and cohesion as a nation and made remarkable progress in the social and economic fields.''

India and the United States both proclaimed their independence from British colonial rule. The Indian independence movement under the leadership of Mahatma Gandhi had strong moral support from American intellectuals, political leaders and journalists. Just last week, we paid tribute to one of our greatest American leaders, the Rev. Martin Luther King, Jr. Dr. King derived many of his ideas of non-violent resistance to injustice from the teachings and the actions of Mahatma Gandhi.

As the world's two largest democracies, the United States and India have a natural relationship, based on their shared values of diversity, democracy and prosperity. These two countries have steadily grown closer for the past ten years, and most recently, the United States' campaign to fight global terrorism has brought the two countries even closer.

Following the tragic events of September 11, India was one of the first countries to come forward to the United States with an offer of full assistance and cooperation in this new global fight against terrorism. Prime Minister Vajpayee expressed his deep sympathy regarding the World Trade Center attacks. The attacks in fact took the lives of 250 Indians and Indian-Americans.

Since September 11, there have been a string of terrorist attacks against India. On October 1st, a suicide car bomb exploded in front of the Jammu and Kashmir State assembly while it was in session, killing over 35 people. Cross-border terrorism in Indian-controlled parts of Kashmir has perpetuated on a daily basis. On December 13th, the Indian Parliament building in New Delhi, a great symbol of democracy, was attacked by Pakistani-based terrorists, killing nine police officers, a Parliament worker and the five terrorists. The most recent terrorist attack this past Tuesday on the American Center in Calcutta killed four police officers and wounded 19.

India has sadly been afflicted with terrorism from Pakistani-based terrorist groups that are to be blamed for over 53,000 deaths of innocent Indian citizens throughout the last 15 years. These are in fact the same terrorist groups that belong to the terrorist networks the United States is now fighting against. It is only natural that these two countries are now united in the global fight against terrorism.

Although Republic Day is an occasion to celebrate India's grand achievements and strong U.S.-India ties, in is also important to note that January 26, 2002 marks the one-year anniversary of the earthquake that literally rocked Gujurat. This devastating natural disaster killed more than 20,000 people, injured more than hundreds of thousands of people and in many ways, robbed millions of their homes and their every day lives. Congress soon thereafter passed a resolution expressing their support for providing assistance and in the FY 2002 Foreign Operations bill, $1 million will be allocated to India for natural disaster preparedness.

Lastly, Mr. Speaker, I want to note that throughout the South Asian region, India stands alone as a pillar of democracy, stability and growth. I join both Indians in India and over 1.6 million Indians living here in the United States in celebrating India's Republic Day.

## IDAHO OLYMPIC TORCH RUNNERS

### HON. MICHAEL K. SIMPSON

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. SIMPSON. Mr. Speaker, in two weeks the world will descend on Salt Lake City to watch the 19th annual Winter Olympic Games. This is an exciting time, especially in my home state of Idaho, where many Idahoans are only a few hours away from witnessing an event of worldwide proportions.

Starting on February 8, the world will turn to the western United States to witness human triumph. We'll see amazing athletes compete on a world level—showing us how pushing the body and the mind can make history. But shortly, there will be another show of triumph and history. It's been occurring across the Nation one state, one town, one person, one day at a time.

While the world will see record setting athletes in Salt Lake City, every day Americans have been carrying the Olympic spirit across the United States. I rise today to honor the men and women who this weekend in Idaho will carry the Olympic flame. Each was selected from thousands of applicants. The torch carriers are everyday Idahoans who make Idaho a great place to live. They are mothers, fathers, business owners, school children, Boy Scouts, cancer survivors, volunteers and good Samaritans.

While millions will tune into the Olympics, the real stars are those citizens who make the United States the land of the free. Idahoans will see exceptional people like Jennifer Debble who miraculously survived multiple injuries in an auto accident or World War II veteran Robert Streib who saw action in North Africa and Italy. There's also Lori Zenahlik who lost her four children and husband in an airplane crash in 1998 or Karen Dunn of Boise who survived breast cancer and volunteers daily in community affairs. Each of the torch bearers has a unique story and a once in a lifetime opportunity to pass on the Olympic torch. I am proud of each of these Idahoans and the hundreds more who were nominated. As we look to Salt Lake city to see the spectacular show, I am pleased to honor everyday stars that live among us as our neighbors, friends and family.

As a tribute to them, I have included their names and hometowns so that all of Congress can know that Idaho stands strong and represents the Olympic spirit.

Cheryl Bolden, White Bird, ID; Larry Davis, Post Falls, ID; Lindsey Davis, Post Falls, ID; Cathleen Gephart, Coeur d'Alene, ID; Megan Rivera, Kamiah, ID; Brandy Wiegers, Moscow, ID; Dustin Ainsworth, Nampa, ID; Curt Apsey, Boise, ID; Karie Arnold, Meridian, ID; Gary Beard, Nampa, ID; Ben Blake, Nampa, ID; Jakob Bourgoin, Boise, ID; Thomas Bowman, Weiser, ID; Kristin Buchanam, Boise, ID; Tamra Buchanan, Boise, ID.

Darin Burrell, Boise, ID; Caroline Butler, Boise, ID; Eileen Butler, Boise, ID; Dustin Charters, Emmett, ID; Lance Coleman, Boise, ID; Teresa Coleman, Meridian, ID; Fred Cornforth, Caldwell, ID; Richard Cortez, Eagle, ID; Eva Cunningham, Boise, ID; Edward Davis, Boise, ID; Lynnette Davis, Boise, ID; Ava DeAngelis, Meridian, ID; Jennifer Deeble, Bosie, ID; Ralph Deklotz, Boise, ID; Karen Dunn, Boise, ID; Michael Eisenbeiss, Sr., Meridian, ID; Jenny Enochson, Eagle, ID; Jim Everett, Boise, ID; Gregory Farmer, Boise, ID; Jon Fishburn, Boise, ID.

Thomas Fleck, Boise, ID; James Freeman, Parma, ID; Nicholas Gifford, Boise, ID; Kaysha Goleman, Parma, ID; Vanessa Gomes, Middleton, ID; Mary Grant, Boise, ID; Nancy Greenwald, Boise, ID; Gary Hagler, Chubbuck, ID; Jay Scot Halladay, Boise, ID; Butch Hansen, Grand View, ID; Carolyn Holly, Boise, ID; Alain Isaac, Mountain Home, ID; Andrea Jackson, Eagle, ID; Kenny Keene, Emmett, ID; Brenda Kiser, Eagle, ID; Mitch Knothe, Boise, ID; Michelle Kormanik, Boise, ID; Theresa Korn, Boise, ID; Jentry Kuebler, Boise, ID; Ricky L. Lewis, Boise, ID; Kent Lind, Meridian, ID.

Jason Lingard, Boise, ID; Carol Lurook, Meridian, ID; Catherine Lynch, Boise, ID; Nicolas Martell, Weiser, ID; Rick Martin, Boise, ID; Kevin Maybon, Mountain Home, ID; Jennifer McPherson, Nampa, ID; Gayle Menlove, Meridian, ID; Lynn Miracle, Boise, ID; Todd Monroe, Nampa, ID; John Murray, Eagle, ID; Morley Nelson, Boise, ID; Lester P Nyborg, Eagle, ID; Darin Ogden, Eagle, ID; Elsie M Osburn, Boise, ID; Danielle Oster, Boise, ID; J Zeb Oswald, Middleton, ID; Jim Peters, Eagle, ID; Cathy Peterson, Meridian, ID; Jene Prudent, Kimberly, ID.

John Quinn, Boise, ID; Jim Rabdau, Boise, ID; Dave Rittersbacher, Council, ID; Bradley Robert, Boise, ID; Barbara Roberts, Boise, ID; David Roedel, Boise, ID; Kelsey Roedel, Boise, ID; Karla Russell, Garden Valley, ID; Douglas Sato, Boise, ID; Sharri R Shippy, Middletown, ID; Harold S Southworth, Boise, ID; Alex Spangler, Boise, ID; Meredith St. Clair, Eagle, ID; Kyle Starratt, Boise, ID; Robert Streib, Boise, ID; Ryan Sullivan, Boise, ID; Robert Teska, Nampa, ID; John Thomas, Boise, ID; Jamie Thomson, Boise, ID; Eileen Thornburgh, Boise, ID.

Bruce Turner, Boise, ID; Jose Villa, Eagle, ID; Dar Walters, Boise, ID; Matthew J Watson, Nampa, ID; Karen White, Boise, ID; Ruth Wiegers, Boise, ID; Rene Woeckener, Boise,

ID; Julie Yamamoto, Caldwell, ID; Lori Zenahlik, Boise, ID; Bill Andrew, Gooding, ID; Tory Bailey, Heyburn, ID; Richard Beeson, Twin Falls, ID; Steven Bielenberg, Twin Falls, ID; Elmer Blaikie, Twin Falls, ID; Donald Campbell, Buhl, ID; Thomas Courtney, Twin Falls, ID; Curtis Eaton, Twin Falls, ID; David W Emerson, Twin Falls, ID; Dick Fosbury, Sun Valley, ID; Jennie Fullmar, Burley, ID.

Esteban Garcia, Twin Falls, ID; Garett Garity, Twin Falls, ID; John Graham, Twin Falls, ID; Jack Harman, Rupert, ID; Lee Heider, Twin Falls, ID; Jeanette Hiner, Boise, ID; Hailey Hodges, Twin Falls, ID; Mick Hodges, Twin Falls, ID; Mary Howard, Twin Falls, ID; Karl Kleinkopf, Twin Falls, ID; Casey Lloyd, Jerome, ID; Fred Locke, Gooding, ID; Derek Mathews, Twin Falls, ID; Dale Meeks, Boise, ID; Jan Mittleider, Twin Falls, ID; Mikkel Nelson, Gooding, ID; Mike Nielsen, Twin Falls, ID; Matt Perkins, Twin Falls, ID; Carolyn Phillips, Jerome, ID; Clayton Pope, Wendell, ID.

Elizabeth Pope, Wendell, ID; Laura Rodeman, Jerome, ID; Lisa Shenk, Twin Falls, ID; Scott Stirling, Jerome, ID; Craig Stotts, Twin Falls, ID; Val Stotts, Twin Falls, ID; Rod Tatsuno, Ketchum, ID; Karen Thompson, Kimberly, ID; Sherry Watson, Twin Falls, ID; Creola Wiggins, Rupert, ID; Jody Alexander, Pocatello, ID; Arthur Bell, Inkom, ID; Josie Bell, Pocatello, ID; Kelsey Bell, Inkom, ID; Bruce Belnap, Ovid, ID; Kirk Benson, Idaho Falls, ID; Adrian Blok, Grace, ID; Casey Bowen, Pocatello, ID; Elizabeth Bowen, Pocatello, ID; Christopher Brayton, Idaho Falls, ID.

Robert Broulim, Rigby, ID; Richard Brown, Idaho Falls, ID; Mark Browning, Pocatello, ID; Patricia Burton, Rexburg, ID; Camie Carlson, Preston, ID; Paul Christiansen, Montpelier, ID; Clarence Cody, Pocatello, ID; Sean Conner, Idaho Falls, ID; Jason Coon, American Falls, ID; Adam Neil Davis, Pocatello, ID; Toni Davis, Pocatello, ID; Eric Devenberg, Pocatello, ID; Stacy Dragila, Pocatello, ID; Ann Driever, Chubbuck, ID; Jeff Duffin, Aberdeen, ID; Betti Eskelsen, Blackfoot, ID; Lyle Godfrey, Blackfoot, ID; Cody Hall, Pocatello, ID; Jami Harding, Idaho Falls, ID; Boyd F. Henderson, Pocatello, ID.

Brett Hill, Shelley, ID; Judy Holmes, Pocatello, ID; Snookins Honena, Blackfoot, ID; Fran Hurley, Idaho Falls, ID; Kenneth Huskinson, Pocatello, ID; Stacy Hyde, Pocatello, ID; Dennis Jackson, Roberts, ID; Julie Jackson, Idaho Falls, ID; Ame Joe Jefferis, Blackfoot, ID; Jennifer Jenson, Idaho Falls, ID; Justin John, Soda Springs, ID; Lisa Jolley, Shelley, ID; Paul Keller, Jackson, WY; Judy Korth, Idaho Falls, ID; Lauren Koss, Idaho Falls, ID; Lori Kruse, Swan Valley, ID; Cynthia Likes, Idaho Falls, ID; Howard Manwaring, Pocatello, ID; Keny McCandless, Idaho Falls, ID; Steven Morris, Pocatello, ID.

Lacey Moser, Preston, ID; RoxAnn Olsen, Little Rock, AR; Chris Osborne, Fort Hall, ID; Lavell Pack, Idaho Falls, ID; Raymond Parks, Blackfoot, ID; Molly Phillipp, Idaho Falls, ID; Steven Phillipp, Idaho Falls, ID; Ted Potter, Idaho Falls, ID; John Rainy, Fort Hall, ID; Ron Ramer, Idaho Falls, ID; John Ratcliff, Idaho Falls, ID; Lee Reilly, Pocatello, ID; Bryce Rydalch, Rexburg, ID; Mark Sabel, Blackfoot, ID; Mack Shirley, Rexburg, ID; Mitchell Shirley, Rexburg, ID; Leslie Soderquist, Idaho Falls, ID; Randy Somsen, Sugar City, ID; Bruce Steege, Idaho Falls, ID; Frank Szelmeczka, Pocatello, ID; Ella Tam, Idaho Falls, ID; Fran Taylor, Blackfoot, ID; Jedd Thomas, Pocatello, ID; Dustin Van Engelen, Chubbuck, ID; Robin Villarreal-Ratcliff, Idaho Falls, ID; Eddie Young, Idaho Falls, ID.

## IN RECOGNITION OF CATHOLIC SCHOOLS WEEK

### HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. SCHIFF. Mr. Speaker, I rise today in order to honor the many Catholic elementary schools and high schools through the 27th Congressional District of California, which I am proud to represent. On January 27th, a weeklong celebration of Catholic Schools will begin. Catholic Schools Week is sponsored by the National Catholic Educational Association and the United States Catholic Conference and recognizes the outstanding educational contributions of America's catholic schools.

The Catholic schools in my district are acclaimed for their academic excellence and are committed to an education which emphasizes the lifelong development of intellectual, social, and moral values. Catholic schools boast a 95 percent graduation rate and 83 percent of Catholic school graduates pursue college degrees. These impressive statistics are certainly a testament to the Catholic school concept of life-long learning.

While Catholic schools set high educational standards, they are also vigorously pursuing the idea that their students must be committed to their community. Catholic school students are responsible for countless hours of volunteer service not only to their individual Catholic communities but also to our community in general.

I can certainly attest to the values of a Catholic school education, as three members of my staff are graduates of both Catholic elementary schools and high schools. The Catholic schools of my district play a pivotal role in promoting and ensuring a brighter, stronger future for our nation. And so it is with pride in representing such valuable institutions that I ask all Members to join me in congratulating the Catholic schools of the 27th Congressional District and our entire Nation.

## HONORING UAW LOCAL 599 REUTHER AWARD RECIPIENTS

### HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. KILDEE. Mr. Speaker, I rise today to pay tribute to the ten recipients of the Walter P. Reuther Distinguished Service Award. These ten individuals will be honored at a banquet to be held on Saturday, February 16, 2002 at United Auto Workers Local 599 in my hometown of Flint, Michigan. I am particularly pleased to recognize these persons because UAW Local 599 was my father's local.

The ten recipients of this award are persons who have diligently served their union for many years. They have demonstrated a commitment to improved working conditions for their brothers and sisters. Over the years each has served the UAW and the community with dedication.

Walter Reuther believed in helping people, and he believed in human dignity and social justice for all. The recipients of the award named in his honor have displayed the same determination to achieving these ideals and principles. Both individually and as a group the recipients of this award are hardworking, perceptive, thoughtful, and responsive. Their insights into the ever changing workplace have helped to develop the strong position Local 599 holds in the Flint community.

The ten persons honored at the banquet are Benigo Cortez, Franklin D. Tinnin, Edward DeKruger, Dennis C. Cannon, Herbert S. Kern, Leo James Dolehanty, Gerald (Jerry) Link, Robert E. Boone, Gerald W. Scott, and William C. Lucas II. I ask the House of Representatives to join me in congratulating these individuals for their tireless efforts to make this a better place to live and work.

## TRIBUTE TO JOHN ''JACK'' SHEA

### HON. JOHN M. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. McHUGH. Mr. Speaker, it is with great sadness that I rise today to pay tribute to a great and honorable man from northern New York—Mr. John ''Jack'' Shea.

Let me begin my remarks by stating how deeply saddened I was to learn of the passing of John Shea—a consummate gentleman, a proven leader, and a North Country hero to all of us. Jack, as he was known to anyone who met him, was looking forward to seeing his grandson, Jim Shea, Jr., compete in next month's Winter Games in Salt Lake City. Sadly, that opportunity has been taken away from him and his family at the hands of a senseless, and regrettably, preventable act. This country as well as northern New York, has lost a great statesman and a good friend.

Like so many others who have met him through the years I considered Jack Shea a personal friend, and I was privileged to have known him. Each time we met I went away feeling not only better of myself, but of the world around me. Jack had the ability to convey warmth and goodwill that is sadly found in too few people today. His spirit, his generosity toward others, and his general outlook on family and life will always be remembered.

Throughout his life Jack Shea was a tremendous ambassador for the Olympic movement, and he worked tirelessly in successfully bringing back the Winter Olympics to his hometown, Lake Placid. The place where he experienced some of this greatest triumphs, and sadly the place where it tragically came to an end this past Tuesday. He embodied everything the Olympics stand for—goodwill, national pride, and the love for competition. But, perhaps one of his greatest attributes was his high sense of moral integrity. After winning two gold medals in the 1932 Winter Games Jack would have been the odds-on favorite to repeat his conquests in the next Olympics. However, in deference to the local Jewish community, Jack boycotted the games being held in Nazi Germany. It was exactly this type of unselfish behavior that made Jack Shea the great man that he was.

While there are no words that can take away the pain his family and friends are experiencing, I would like to offer them my sincerest condolences. I hope that his family is

comforted by the knowledge that he was admired, respected, and appreciated by all of us who knew him. I know I speak for all of us in saying, we will miss him.

## REGARDING CANADIAN LYNX AND ESA

### HON. RICHARD W. POMBO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. POMBO. Mr. Speaker, over the years I have become very disturbed with the high levels of unethical behavior from various Federal Government officials.

In the past 8 years, narrow-minded, radical environmental Federal Government employees have violated the trust of the American people.

Today, we should be shocked that a recent investigation revealed several Federal and State employees submitted unauthorized control samples for analysis as part of an ongoing nationwide Canada lynx survey. The ''lynx'' fiasco illustrates just how vulnerable the public's access rights are to agenda-driven advocates within the Federal and State land management agencies:

Then there is the case of Donald Fife, a professional scientist specializing in environmental mining and engineering geology, who learned from a former U.S. Forest Service official that plants listed under the Endangered Species Act (ESA) had been secretly placed on his property in an attempt to close about 30,000 acres of the highest mineral valued land in southern California.

Then there is the case of a high-ranking official at the Northwest Regional Office at National Marines Fisheries Service (NMFS) who took the time to share her thoughts about the implementation of the Endangered Species Act.

And I quote from the International California Mining Journal (January 2002):

* * * when we (NMFS) make critical habitat designation we just designate everything as critical, without an analysis of how much habitat an ESU (Evolutionarily Significant Unit) needs, what areas might be key, etc. Mostly we don't do this because we lack information. What we really do is the same thing we do for section 7 consultations. We just say we need it all.

The nature of all these events highlight the lack of trust with the Federal agencies that are charged with the task of managing our public lands. The Federal land agencies must be held to the same standards of truth, honesty and accountability as the private sector.

## THE DETENTION OF ILLEGAL ALIENS IS ENTIRELY APPROPRIATE

### HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, January 24, 2002*

Mr. BEREUTER. Mr. Speaker, this Member wishes to commend to his colleagues the January 3, 2002, editorial from the Norfolk Daily News entitled ''Rights of aliens more limited.''

As the editorial correctly notes, people who have overstayed their visas or illegally entered the United States are in direct violation of U.S. immigration laws, and therefore their detention is well within the bounds of U.S. law. Whether the United States is fighting a war on terrorism or is at peace, this is the case.

[From the Daily News, Jan. 3, 2002]

RIGHTS OF ALIENS MORE LIMITED

INVESTIGATORS WITHIN BOUNDS TO DETAIN THOSE WITH DOUBTFUL STATUS

The war against terrorism has unearthed some not-so-innocent immigrants. They are not yet accused of being part of Osama bin Laden's network, or proven to have been involved in terrorist activities. Rather, they have overstayed their visas or entered the country illegally. Now some of their American friends join civil rights activists in believing these individuals are being mistreated by longer-than-usual detention.

Some 1,100 men (no women) in this category, having been detained as possible material witnesses. But so far, only one has been charged with a terror-related crime.

In the view of some critics of the Federal Bureau of Investigation and the Immigration and Naturalization Service, that one in 1,100 ratio proves overzealous federal authorities are acting improperly.

Overlooked is the fact that the individuals being held for further questioning violated the terms of their entry into the United States. Those who maintain that immigration charges are being used because it is not now possible to charge the detainees with more serious crimes may be accurate. But the point they fail to acknowledge is that breaking the immigration laws should have consequences whether one is a terrorist or simply a more benign violator.

Failure to meet conditions of entry is a crime. That Uncle Sam has been slow to enforce immigration laws and forgiving of the sins of illegal aliens in the past is no excuse for softness now.

Using immigration law violations to hold those who might be considered suspects, and fit a profile similar to those known to be guilty of terrorism, is a sensible way to conduct investigations. Fortunately, it is also legal.

America may be moved by this war on terrorism to get better control of its borders. Entry into the United States by foreigners is nothing guaranteed in the Constitution. Immigrants and visitors are to be welcomed, but the terms have been dictated by Congress and should be enforced. One of those terms must be to cooperate with law enforcement authorities.

# *Daily Digest*

## HIGHLIGHTS

**The House passed S. 1762, Fixed Interest Rates for Student Loans—clearing the measure for the President.**

# Senate

## *Chamber Action*

***Routine Proceedings, pages S51–S109***

**Measures Introduced:** Five bills and two resolutions were introduced, as follows: S. 1893–1897, S. Res. 201, and S. Con. Res. 94. **Page S100**

**Measures Passed:**

***Commending University of Miami Football Champions:*** Senate agreed to S. Res. 201, commending the University of Miami Hurricanes football team for winning the 2001 NCAA Division I–A collegiate football national championship. **Pages S108–09**

**Adoption Tax Credit:** Senate continued consideration of H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, taking action on the following amendments proposed thereto: **Pages S53–92**

Pending:

Daschle/Baucus Amendment No. 2698, in the nature of a substitute. **Pages S53–92**

Smith (OR) Amendment No. 2705 (to the language proposed to be stricken), to amend the Internal Revenue Code of 1986 to provide for a special depreciation allowance for certain property acquired after September 10, 2001, and before September 11, 2004. **Pages S88–92**

During consideration of this measure, Senate also took the following action:

By 57 yeas to 33 nays (Vote No. 2), three-fifths of those Senators duly chosen and sworn not having voted in the affirmative, Senate rejected the motion to waive section 205 of H. Con. Res. 290, Congressional Budget Resolution of 2001 (106th Congress), with respect to the emergency designation of Baucus Amendment No. 2701 (to Amendment No. 2698), to provide emergency agriculture assistance. Subsequently, a point of order that the emergency designation of the amendment was in violation of section 205 of H. Con. Res. 290, Congressional Budget Resolution of 2001 was sustained, and the emergency designation was stricken. **Pages S76–88**

Senate sustained a point of order against Baucus Amendment No. 2701 (listed above), as being in violation of section 302(f) of the Congressional Budget Act of 1974, for exceeding the spending allocation of the Senate Finance Committee, and the amendment thus fell. **Page S88**

A unanimous-consent-time agreement was reached providing for further consideration of Smith Amendment No. 2705 (to Amendment No. 2698), listed above, and certain amendments to be proposed thereto, on Friday, January 25, 2002, with a vote to occur on or in relation to the Smith (OR) amendment at 10:30 a.m. **Page S92**

**Nomination—Agreement:** A unanimous-consent-time agreement was reached providing for consideration of the nominations of Marcia S. Krieger, to be United States District Judge for the District of Colorado, and James C. Mahan, to be United States District Judge for the District of Nevada on Friday, January 25, 2002, with votes to occur on each nomination. **Page S92**

**Messages From the House:** **Page S98**

**Measures Referred:** **Page S98**

**Executive Communications:** **Pages S98–S100**

**Additional Cosponsors:** **Pages S100–01**

**Statements on Introduced Bills/Resolutions:** **Pages S101–04**

**Additional Statements:** **Pages S97–98**

**Amendments Submitted:** **Pages S104–07**

**Authority for Committees to Meet:** **Pages S107–08**

**Privilege of the Floor:** **Page S108**

**Record Votes:** One record vote was taken today. (Total—2) **Pages S87–88**

**Adjournment:** Senate met at 9:30 a.m., and adjourned at 6:21 p.m., until 10 a.m., on Friday, January 25, 2002. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S109.)

# *Committee Meetings*

*(Committees not listed did not meet)*

## CLONING RESEARCH

*Committee on Appropriations:* Subcommittee on Labor, Health and Human Services, and Education held hearings to examine funding issues surrounding cloning research, focusing on the clarification of how stem cell research, or therapeutic cloning, differs from human reproductive cloning, and the ethical and public-policy issues related to both, after receiving testimony from Irving L. Weissman, Stanford University Medical School, Stanford, California, on behalf of the National Academies Panel on Scientific and Medical Aspects of Human Cloning; Rudolf Jaenisch, Massachusetts Institute of Technology and Whitehead Institute, Cambridge; and Brent Blackwelder, Friends of the Earth, and Maria Michejda, Georgetown University Immunology Center and New York University School of Medicine, both of Washington, D.C.

Hearings recessed subject to call.

## U.S. ECONOMY

*Committee on the Budget:* Committee concluded hearings to examine the state of the economy, focusing on cyclical adjustments made in 2001, characterized by reductions in business investment, liquidations in business inventories, and economic difficulties with U.S. trading partners, after receiving testimony from Alan Greespan, Chairman, Board of Governors of the Federal Reserve System.

## NOMINATION

*Committee on Commerce, Science, and Transportation:* Committee concluded hearings on the nomination of James R. Mahoney, of Virginia, to be Assistant Secretary of Commerce for Oceans and Atmosphere, after the nominee, who was introduced by Senator Gregg, testified and answered questions in his own behalf.

## CORPORATE AVERAGE FUEL ECONOMY STANDARDS

*Committee on Commerce, Science, and Transportation:* Committee held hearings to examine the national security, safety, technological, and employment implications of increasing the Corporate Average Fuel Economy standards, receiving testimony from Stuart E. Eizenstat, Covington & Burling, former Deputy Secretary of the Treasury, Joan B. Claybrook, Public Citizen, J. Andrew Hoerner, Center for a Sustainable Economy, John German, American Honda Motor Corporation, Inc., and Gregory Dana, Alliance of Automobile Manufacturers, all of Washington, D.C.; Adrian K. Lund, Insurance Institute for Highway Safety, Arlington, Virginia; Marc Ross, University of Michigan, Ann Arbor; and Allen Schaeffer, Diesel Technology Forum, Herndon, Virginia.

Hearings recessed subject to call.

## FUTURE OF TRANSPORTATION

*Committee on Environment and Public Works:* Committee concluded hearings to examine the future of transportation in the United States, focusing on lessons learned from the Transportation Equity Act for the 21st Century (TEA–21) and perspectives on reauthorization from the federal, state, and local level, after receiving testimony from Norman Y. Mineta, Secretary of Transportation; Ray Scheppach, Washington, D.C., on behalf of the National Governors Association; Mayor Peter Clavelle, Burlington, Vermont, on behalf of the National League of Cities; Mayor Brent Coles, Boise, Idaho, on behalf of the U.S. Conference of Mayors, and Commissioner Chris Hart, Hillsborough County, Florida, on behalf of the National Association of Counties.

## NOMINATIONS

*Committee on Environment and Public Works:* Committee concluded hearings on the nominations of Linda Morrison Combs, of North Carolina, to be Chief Financial Officer, J. Paul Gilman, of Virginia, to be Assistant Administrator, Office of Research and Development, and Morris X. Winn, of Texas, to be Assistant Administrator, Administration and Resources Management, all of the Environmental Protection Agency, after the nominees testified and answered questions in their own behalf.

## ENRON COLLAPSE

*Committee on Governmental Affairs:* Committee concluded hearings to examine certain issues surrounding the collapse of Enron Corporation, focusing on its impact on financial and energy markets, corporate accounting standards and disclosure of corporate information, and pension investment aspects, after receiving testimony from Arthur Levitt, Jr., former Chairman, and Lynn E. Turner, former Chief Accountant, both of the U.S. Securities and Exchange Commission; Bruce B. Henning, Energy and Environmental Analysis, Inc., Arlington, Virginia; John H. Langbein, Yale Law School, New Haven, Connecticut; and Frank Partnoy, University of San Diego School of Law, San Diego, California.

**EARLY EDUCATION**

*Committee on Health, Education, Labor, and Pensions:* Committee concluded hearings to examine the quality of early childhood learning programs, focusing on the importance of early childhood cognitive development, after receiving testimony from First Lady Laura Bush.

**NOMINATIONS**

*Committee on the Judiciary:* Committee concluded hearings on the nominations of Michael J. Melloy, of Iowa, to be United States Circuit Judge for the Eighth Circuit, Robert E. Blackburn, to be United States District Judge for the District of Colorado, James E. Gritzner, to be United States District Judge for the Southern District of Iowa, Cindy K. Jorgenson, to be United States District Judge for the District of Arizona, Richard J. Leon, of Maryland, to be United States District Judge for the District of Columbia, and Jay C. Zainey, to be United States District Judge for the Eastern District of Louisiana, after the nominees testified and answered questions in their own behalf. Mr. Melloy and Mr. Gritzner were introduced by Senators Grassley and Harkin and Representative Leach, Mr. Blackburn was introduced by Senators Campbell and Allard, Ms. Jorgenson was introduced by Senator Kyl, Mr. Leon was introduced by Delegate Eleanor Holmes Norton, and Mr. Zainey was introduced by Senators Breaux and Landrieu, and Representative Townsend.

# House of Representatives

## *Chamber Action*

**Measures Introduced:** 13 public bills, H.R. 3622–3634; 8 resolutions, H. Con. Res. 302–308, and H. Res. 335 were introduced. **Page H78**

**Reports Filed:** No reports were filed today.

**Speaker Pro Tempore:** Read a letter from the Speaker wherein he appointed Representative Shimkus to act as Speaker pro tempore for today. **Page H39**

**Fixed Interest Rates for Student Loans:** The House passed S. 1762, to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers and to extend current law with respect to special allowances for lenders by a yea-and-nay vote of 372 yeas to 3 nays, Roll No. 4—clearing the measure for the President. **Pages H43–48**

H. Res. 334, the rule that provided for consideration of the bill was agreed to by voice vote. **Pages H41–43**

**Legislative Program:** The Majority Leader announced the Legislative Program for the week of January 29. **Page H48**

**Meeting Hour—Tuesday, January 29:** Agreed that when the House adjourns on Friday, January 25 it adjourn to meet at 12:30 p.m. on Tuesday, January 29 for morning hour debate. **Page H49**

**Calendar Wednesday:** Agreed to dispense with the Calendar Wednesday business of Wednesday, January 30. **Page H49**

**Discharge Petition on Campaign Finance Reform—Motion Placed on Calendar:** Pursuant to clause 2 of rule XV with a majority of the total membership of the House having signed Discharge Petition No. 3, Turner motion to discharge the Committee on Rules from consideration of H. Res. 203, providing for consideration of H.R. 2356, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform, the motion was referred to the Calendar of Motions to Discharge Committees. **Pages H76–77**

**Senate Message:** Message received from the Senate appears on page H39.

**Quorum Calls—Votes:** One yea-and-nay vote developed during the proceedings of the House today and appears on pages H47–48. There were no quorum calls.

**Adjournment:** The House met at 10 a.m. and adjourned at 3:38 p.m.

## *Committee Meetings*

**DESTRUCTION—ENRON-RELATED DOCUMENTS**

*Committee on Energy and Commerce:* Subcommittee on Oversight and Investigations held a hearing on the destruction of Enron-related documents by Anderson personnel. Testimony was heard from the following officials of Andersen LLP: Dorsey L. Baskin, Jr., Managing Director, Professional Standards Group; C.E. Andrews, Global Managing Partner, Assurance and Business Advisory; Nancy Temple, Attorney; and Michael C. Odom, Audit Partner.

In refusing to give testimony, David Duncan, former Andersen LLP partner-in-charge of Enron, invoked Fifth Amendment privileges.

## GULF WAR VETERANS' ILLNESSES

*Committee on Government Reform:* Subcommittee on National Security, Veterans' Affairs, and International Relations held a hearing on ''Gulf War Veterans' Illnesses: Health of Coalition Forces.'' Testimony was heard from Nancy Kingsbury, Director, Applied Research and Methods, GAO; William Winkenwerder, M.D., Assistant Secretary, Health Affairs, Department of Defense; the following officials of the Department of Veterans Affairs: Anthony J. Principi, Secretary; and John Feussner, Chief Research and Development Officer; the following members of the British Parliament: Bruce George, House of Commons and Chairman, Defence Select Committee; and Lord Morris of Manchester, House of Lords; and public witnesses.

## ACTIVE DUTY FORCE—MEDICAL READINESS

*Committee on Veterans' Affairs:* Subcommittee on Health held a hearing on Operational and Medical Readiness in the Active Duty Force. Testimony was heard from Frances Murphy, M.D., Deputy Under Secretary, Health, Department of Veterans Affairs; Ellen P. Embrey, Deputy Assistant Secretary, Force Health Protection and Health Affairs, Department of Defense; the following former Senators: Warren B. Rudman, New Hampshire; and Donald Riegle, Michigan; representatives of veterans organizations; and public witnesses.

## NEW PUBLIC LAWS

*(For last listing of Public Laws, see* DAILY DIGEST *of December 23, 2001, p. D4)*

H.R. 2884, to amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States. Signed on January 23, 2002. (Public Law 107–134)

H.R. 3447, to amend title 38, United States Code, to enhance the authority of the Secretary of Veterans Affairs to recruit and retain qualified nurses for the Veterans Health Administration, to provide an additional basis for establishing the inability of veterans to defray expenses of necessary medical care, to enhance certain health care programs of the Department of Veterans Affairs. Signed on January 23, 2002. (Public Law 107–135)

## COMMITTEE MEETINGS FOR FRIDAY, JANUARY 25, 2002

*(Committee meetings are open unless otherwise indicated)*

### Senate

No meetings/hearings scheduled.

### House

No Committee meetings are scheduled.

*Next Meeting of the* SENATE

10 a.m., Friday, January 25

Senate Chamber

**Program for Friday:** Senate will continue consideration of H.R. 622, Adoption Tax Credit Act, with a vote on Smith (OR) Amendment No. 2705 to occur at 10:30 a.m.; to be followed by consideration of the nominations of Marcia S. Krieger, to be United States District Judge for the District of Colorado, and James C. Mahan, to be United States District Judge for the District of Nevada, with votes to occur thereon.

*Next Meeting of the* HOUSE OF REPRESENTATIVES

10 a.m., Friday, January 25

House Chamber

**Program for Friday:** Pro forma session.

## Extensions of Remarks, as inserted in this issue

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