

U.S. DISTRICT COURT,
DISTRICT OF COLORADO,
Denver, CO, September 20, 2001.

Hon. PATRICK LEAHY,
Russell Senate Office Building,
Washington, DC.

Hon. ORRIN HATCH,
Dirksen Senate Office Building,
Washington, DC.

DEAR SENATORS LEAHY AND HATCH: In this time of national crisis I appreciate that you have much added to your ordinary labors in government. I take to heart our president's admonition to go to work and do our jobs. It is axiomatic that our federal judiciary must perform not only its usual role under our Constitution, but a heightened role in response to terrorism. Specifically, at this time this nation requires that judicial vacancies be fairly and expeditiously filled.

More specifically, I urge you to act expeditiously on the confirmation of nominees Marsha Kreiger and Robert Blackburn to vacancies existing in the United States District Court for the District of Colorado. I know Judge Kreiger and Judge Blackburn and believe them to be well qualified. As you know, the Honorable Richard P. Matsch did much to restore this nation's confidence in its courts during the trials of McVeigh and Nichols. He is now recovering from recent liver transplant surgery. It will be a long period of recovery. So, the District of Colorado struggles to do the work of seven active judges with four. By the way, the Judicial Conference of the United States has approved two additional seats for the District of Colorado. Thus, the District of Colorado struggles to do the work of a demonstrated need for nine active judges with four active judges.

I urge you not only to act to fill the existing two vacancies, but to address the demonstrated need for two additional seats in this district.

NOMINATION OF JAMES C. MAHAN

Mr. ENSIGN. Mr. President, it is an honor to come before the U.S. Senate today to lend my support to a man of the highest legal distinction, Judge Jim Madhan.

A long-time resident of Las Vegas, NV, Judge Mahan began his studies not in our great State, but at the University of Charleston in Charleston, WV. Following graduation he attended graduate school before joining the U.S. Navy where he served until honorably discharged in 1969. Jim then studied and graduated from Vanderbilt University Law School.

Following graduation, Judge Mahan began his work in Nevada, first as a law clerk and then as an associate attorney. In 1982 he formed the law firm of Mahan & Ellis, where he practiced law primarily in the areas of business and commercial litigation for 17 years. In February 1999, Judge Mahan's legal experience and expertise were recognized by Gov. Kenny Guinn, who named him as his first appointment to the Clark County District Court.

Since taking the bench, Judge Mahan has heard civil and criminal matters involving a 3,000 case docket assigned to him. Judge Mahan's service on the bench has been of the highest order. He has overseen many of Nevada's most complex and controversial cases since taking the bench and has done so with great care, fairness, and prudence. In a survey conducted last year by Nevada's

largest newspaper, Judge Mahan's retention rates scored the highest of any judge serving on State or local court in Nevada, and that includes the Nevada Supreme Court.

Judge Mahan's extensive legal background and his commitment to public service make him an excellent choice as U.S. District Court Judge for the District of Nevada. I know his wife Eileen and his son James, Jr., are proud of him for being here today, and the State of Nevada is proud of Jim and all that he represents for our great State. I am proud to support Judge Jim Mahan before the Senate today.

HOPE FOR CHILDREN ACT— Continued

AMENDMENT NO. 2717

Mr. NICKLES. I ask unanimous consent to set aside the pending amendment and send an amendment to the desk on behalf of Senator BOND, Senators COLLINS, ENZI, ALLEN, and Senator NICKLES.

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

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES], for Mr. BOND, for himself, Ms. COLLINS, Mr. ENZI, Mr. ALLEN, and Mr. NICKLES, proposes an amendment to the language proposed to be stricken by amendment No. 2698.

Mr. NICKLES. Mr. President, I ask unanimous consent reading of the amendment be dispensed.

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 temporary increase in expensing under section 179 of such code)

At the end, add the following:

SEC. ___ TEMPORARY INCREASE IN EXPENSING UNDER SECTION 179.

(a) IN GENERAL.—The table contained in section 179(b)(1) of the Internal Revenue Code of 1986 (relating to dollar limitation) is amended to read as follows:

"If the taxable year begins in:	The applicable amount is:
2001	\$24,000
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) of the Internal Revenue Code of 1986 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.

Mr. NICKLES. Is there an amendment pending by Senator Allen?

The PRESIDING OFFICER. There is no amendment at the desk; there is a submitted amendment from Senator ALLEN.

Mr. NICKLES. Parliamentary inquiry: What is the number of that amendment?

The PRESIDING OFFICER. It is 2702.

Mr. NICKLES. Mr. President, I ask unanimous consent to set aside the

pending amendment and ask consent to call up amendment No. 2702 on behalf of Senator ALLEN.

The PRESIDING OFFICER. In my capacity as a Senator from Michigan, I object to that. I understand there is an objection.

Mr. NICKLES. I ask unanimous consent this be the next Republican amendment filed in the normal course of business.

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

Mr. NICKLES. I thank my friends and colleagues.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. I rise to speak on the Bond-Collins amendment and give a little explanation of what has been submitted. I am sure most of the Members of this body will want to back an amendment that supports small business in the way that this particular amendment does. Senator BOND, of course, has worked extensively on it and is the ranking member on the Small Business Committee. Senator COLLINS has been involved in small business most of her life. I appreciate all the thought and effort that went into this amendment. It will provide an immediate economic stimulus and will provide a stimulus for small businesses in this country. The details of this are very limited to small business. However, it is an area that will help out immediately a wide range of businesses, and I will explain how that will happen.

I appreciate this opportunity to talk about what our Nation and my State of Wyoming need in the way of an economic stimulus package. I will talk on a broader issue first and then get into the details of this particular amendment. While I have a degree in accounting, you don't need to be an accountant to know that something needs to be done to kick-start our economy. We ended Congress last year with a well-crafted economic stimulus bill that had bipartisan support, which the House passed, and the President said he would sign. In short, it was a bill worked out over several months of tough negotiations involving the administration and congressional Democrats and Republicans. It included unemployment compensation and health insurance for unemployed workers. It included tax relief for hard-working individuals and families, and it included much needed help for America's small businesses.

I was disappointed about the majority leader's refusal to schedule the bipartisan bill for a vote before the recess. Today, rather than having an opportunity to vote on that bill, we are suddenly faced with a vote on a totally new bill.

The bill we are currently debating did not go through the normal congressional process. Instead, it was filed quickly. It was filed with little input from our Senate colleagues on either side of the aisle, and it was brought to the floor for purposes of a vote.

While we finally have an opportunity to vote on an economic stimulus bill, it is much like a patient needing emergency treatment. Our only choice is to patch it up. That is what we have been doing through an amendment process. When we work bills that do not come out of the congressional committee review, it takes longer. The reason it takes longer is because there has to be more consideration of amendments here that would normally be considered in a much easier process in committee. This is one of them.

Today, we are arduously going through that process. I rise in favor of the Bond-Collins amendment which increases section 179 small business expensing. I support that because it is one of the many bandages that is needed to patch up the current proposal. If we are going to stimulate our economy, and I think we all want to do that, one of the main ways to do it is to help small businesses who are suffering from recession. If we can help them, we can create more jobs.

Small business has been one of the successes of this country over the last decade. We have had a great economy. Throughout that time, though, there have been what I call the megamergers. The megamergers are when a big company merges with another big company to become a huge company. We find with the megamergers that shortly after that is done, there has been a downsizing, often referred to as a "right sizing." If you are an employee who is affected by that, it means you get laid off.

Fortunately, during this time of the megamergers, we have had small business. Notice the unemployment for almost a decade did not rise. It went down in spite of megamergers. What does that mean? It means small business was hiring up the people that were laid off from the megamergers. They picked up the slack in the economy. Through their innovation, drive, flexibility, their ability to react to the situations, they created the success we have had.

Now, they are the part of the economy that can jump-start the economy, and this amendment is designed to jump-start that small business area. The Bond-Collins amendment contains a tax relief provision that is similar to the bipartisan House bill, which calls for an increase in Section 179 business expensing for small businesses. In short, it gives small businesses relief by increasing the amount of property a business can treat as an ordinary and necessary deductible business expense.

Right now a business can deduct, or write off, up to \$24,000 of the cost of business equipment or assets as an expense of doing business. This type of expensing allows businesses to take an immediate deduction, rather than treating their purchases as a capital expenditure.

Let's see if I can put that a little bit more clearly. If you purchase something and it is in this capital expendi-

ture category, that means that you are only able to count that as an expense in each of several years. You have to divide it over the period of years that the capital expenditure would be useful. If you buy a computer, and deduct it as a capital expenditure, you must write that off over 7 years. Now, computers get outdated much quicker than that, so you might be able to make an argument that it ought to be written off in a shorter period of time. But under this provision you could write it off as an expense in the initial year. You do not have to do all the division and all the complicated calculations that our depreciation system leads to.

I have to tell you, the toughest thing in calculating taxes is if you have to figure depreciation. I know there are a lot of individuals as well as companies out there who understand that. We have changed the depreciation schedule so many times, we have changed the methods for doing depreciation so many times, that some people have to calculate depreciation on each item they have in several different ways. It is a big part of the Tax Code itself. It is very confusing. Probably one of the reasons a lot of people have to hire accountants to do their taxes is just to figure the depreciation section.

For a small business, what Section 179 allows them to do is to count their purchased business asset as a normal business expense rather than trying to figure out which depreciation table applies and then making them apply that formula and keep track of what part has been written off and what part has not been written off for a period of years. I think you are getting the idea of how complicated this depreciation thing is. I want to tell you when you actually get to calculating it, it is a lot more complicated than what I have been talking about here.

But if you can call it a business expense, that means you get to write it off in that initial year. You have the revenue that comes in and you get to subtract the expenses. That winds up with a net figure that you pay taxes on. So, if you get to write off more as an expense, rather than dragging it out over a period of years and trying to remember to calculate and recalculate all of this, then in this first year, you will have more revenue because you will have less taxes. That is why this becomes a very important jump-start to our economy.

Right now, if you have \$24,000 worth of those purchases, you can write them off. But if you go over that, you have to keep track of it and do all the calculations. So this amendment, the Bond-Collins amendment, would give immediate relief and is preferable to treating such purchases as capital expenditures where the business purchases must be deducted over a long period of time to reflect an asset's useful life.

Even calculating useful life can be difficult. There are a whole set of principles set out in the Tax Code that help

you to determine "useful life," but the easy part is writing it off in the year you purchase it. Direct expensing allows small business to avoid the complexities of depreciation rules and the depreciation, so to speak, is immediate rather than over the life of the asset.

The Bond-Collins amendment would increase the amount of small business expensing from \$24,000 to \$40,000 for 2 years. What does this mean? It means small business would have an additional \$16,000 in business asset costs that they can deduct, above and beyond the \$24,000 that they can currently deduct, and they can deduct that expense immediately.

That doesn't all become a tax break. The only part that becomes a tax break is the remainder, the revenue less this expense. The remainder will be smaller and the remainder gets taxed. So there still is a tax implication to the whole thing.

We are not talking about the \$24,000 or the \$40,000 increase as being a tax write-off. It is a tax deduction, so it is a reduction in revenue. It is a very difficult concept, but it will only reduce the \$16,000 of additional expenditure; that would actually be a tax saving of whatever they are taxed on the \$16,000.

But it is an immediate encouragement for the companies to purchase things that they need, and they only get to write them off if they buy them. They don't get to write them off if it is history. They don't get to write them off if it is a thought in the future. They only get to write it off if they go out and buy the equipment now. It is not everything they buy because vehicles are excluded and computer software is excluded. Computers are allowed. I will go into some other examples of some things that could be written off.

I also want to point out, though, that when small businesses go out and make this expenditure, this is an expenditure in the private sector. One of the things that the economic report shows is that an expenditure in the private sector revolves money purchases around about seven times. One business buys something, the business that sold it to them receives the money, the business that sold it to them turns it around and spends it at another company, who takes it and spends it at another company who spends it. I think you get the idea. The money revolves seven times.

We can get expenditures, too, by having the government just run out and buy things. But here is a very important point: Private sector expenditures revolve seven times; government expenditures, twice. So that increase of \$16,000 is considerably more effective in the private sector than it is if we are spending it on government projects. Keep that in mind. That is what this particular bill does.

Farmers can deduct up to \$40,000 of the cost of a much-needed piece of farm equipment, such as a hay baler. Ranchers have an additional tax deduction for the expense of their electric pump used to water their cattle. The local

auto repair shop can deduct the cost of a much-needed welding machine or painting equipment. The local florist or dry cleaner can buy the computerized cash register it needs. The local barber shop maybe can deduct the cost of a new chair. It is a stimulus to get them to go make the purchases they need now, to make their business operate and be more competitive now.

Some folks will try to argue that this applies to big corporations, and we are trying to make the rich even richer. Not so. Remember this amendment only applies to small business.

In the past, section 179 applies only to those small businesses with annual asset purchases up to \$200,000. The Bond-Collins amendment will simply increase that amount for 2 years to asset purchases of \$325,000. As a result, section 179 will still apply to small businesses, but will allow those small businesses to buy even more equipment up front and have the small business expensing of that equipment apply immediately.

If they buy more than \$325,000 worth of equipment in a year, they do not qualify for this. If they buy \$325,000, they are still limited to expensing only \$40,000 of that amount. It is a small business proposition.

There are a lot of companies that are at the \$24,000 mark that will jump to the \$40,000 mark because of this incentive. That extra \$16,000 for thousands of companies across this country will cause other businesses to have a good year. They also will be stimulated to buy some extra equipment; and, it grows and grows.

I support the Bond-Collins amendment because it gives small businesses more incentive to make investments in business assets or property immediately, causing an immediate, positive effect on our economy. With a business deduction of up to \$40,000 and resulting increased purchases of business products from other businesses, many more businesses will have the money necessary to hire additional workers. In Wyoming, a \$40,000 tax deduction can go a long way in providing wages for an additional or part-time worker.

I should know. I owned a shoe store in Gillette, WY. Simply put, the less money I had to pay in taxes, the more money I had to invest in inventory, to maintain my building, and more importantly, to hire more people to take care of the customers. With additional small business expensing of \$40,000, I could have bought that extra cash register I needed and with the tax money I saved, I could have hired an extra sales clerk to run it.

I just spent a couple of weeks in Wyoming and walked down main street in places like Casper, Gillette, and Cheyenne, and smaller towns such as Sundance, Saratoga, and some that you have probably never heard of. Every business in Wyoming could use some relief. Many of these are small Mom and Pop businesses that don't want a "hand-out," but could use a

"hand-up." The Bond-Collins amendment does just that.

As a member of the Senate Small Business Committee and a small business owner for much of my life, I know we need the Bond-Collins amendment. Right now, the current economic stimulus bill we are discussing does not provide a small business expensing increase. Small businesses on Main Street America deserve more. Small businesses in this country have been the mainstay of our economy. In good and bad times, they have continued to stimulate our Nation's economy. We need to preserve this small business stimulus by providing this tax relief mechanism for small businesses.

I think it is something that is appreciated across the aisle and across this building. I know on the other end of the building they have already passed this kind of stimulus. A small, short amendment like this doesn't appear to be much, but I think it will make a huge difference because things start in small business and they grow. We don't give them enough credit. But that is how it works.

For these reasons, I support the Bond-Collins amendment covering small business expensing. I hope we can come together and resolve to pass an amendment that helps America's mainstay, the small businesses.

I think this amendment will make a huge difference. It will make it immediately. It will grow in size more than is anticipated by anything else in the stimulus package. I hope my colleagues will take a careful and close look at this amendment, see the value of it, and join me in supporting it.

Thank you, Mr. President. I yield the floor. 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.

AMENDMENT NO. 2718 TO AMENDMENT NO. 2698

(Purpose: To amend the Internal Revenue Code of 1986 to provide for a special depreciation allowance for certain property acquired after December 31, 2001, and before January 1, 2004)

Mr. REID. Mr. President, I send an amendment to the desk on behalf of Senator MAX BAUCUS.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from Nevada [Mr. REID], for Mr. BAUCUS, Mr. TORRICELLI, and Mr. BAYH, proposes an amendment numbered 2718 to amendment No. 2698.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

(The amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. REID. Mr. President, I ask unanimous consent that the amendment be set aside.

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

AMENDMENT NO. 2719 TO AMENDMENT NO. 2698

Mr. REID. Mr. President, we have an agreement with the minority that we will alternate amendments. This would be the next Democratic amendment if the Republicans decide to offer an amendment.

I send an amendment to the desk on behalf of Senator TOM HARKIN.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. HARKIN, proposes an amendment numbered 2719 to amendment No. 2698.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide for a temporary increase in the Federal medical assistance percentage for the medicaid program for fiscal year 2002)

Strike section 301 and insert the following:
SEC. 301. TEMPORARY INCREASES OF MEDICAID FMAP FOR FISCAL YEAR 2002.

(a) PERMITTING MAINTENANCE OF FISCAL YEAR 2001 FMAP.—Notwithstanding any other provision of law, but subject to subsection (d), if the FMAP determined without regard to this section for a State for fiscal year 2002 is less than the FMAP as so determined for fiscal year 2001, the FMAP for the State for fiscal year 2001 shall be substituted for the State's FMAP for fiscal year 2002, before the application of this section.

(b) GENERAL 3 PERCENTAGE POINTS INCREASE.—Notwithstanding any other provision of law, but subject to subsections (e) and (f), for each State for each calendar quarter in fiscal year 2002, the FMAP (taking into account the application of subsection (a)) shall be increased by 3 percentage points.

(c) FURTHER INCREASE FOR STATES WITH HIGH UNEMPLOYMENT RATES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, but subject to subsections (e) and (f), the FMAP for a high unemployment State for a calendar quarter in fiscal year 2002 (and any subsequent calendar quarter in such fiscal year regardless of whether the State continues to be a high unemployment State for a calendar quarter in such fiscal year) shall be increased (after the application of subsections (a) and (b)) by 1.50 percentage points.

(2) HIGH UNEMPLOYMENT STATE.—

(A) IN GENERAL.—For purposes of this subsection, a State is a high unemployment State for a calendar quarter if, for any 3 consecutive month period beginning on or after June 2001 and ending with the second month before the beginning of the calendar quarter, the State has an average seasonally adjusted unemployment rate that exceeds the average weighted unemployment rate during such period. Such unemployment rates for such months shall be determined based on publications of the Bureau of Labor Statistics of the Department of Labor.

(B) AVERAGE WEIGHTED UNEMPLOYMENT RATE DEFINED.—For purposes of subparagraph (A), the "average weighted unemployment rate" for a period is—

(i) the sum of the seasonally adjusted number of unemployed civilians in each State

and the District of Columbia for the period; divided by

(i) the sum of the civilian labor force in each State and the District of Columbia for the period.

(d) 1-YEAR INCREASE IN CAP ON MEDICAID PAYMENTS TO TERRITORIES.—Notwithstanding any other provision of law, with respect to fiscal year 2002, the amounts otherwise determined for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa under section 1108 of the Social Security Act (42 U.S.C. 1308) shall each be increased by an amount equal to 6 percentage points of such amounts.

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

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

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

(f) STATE ELIGIBILITY.—A State is eligible for an increase in its FMAP under subsection (b) or (c) only if the eligibility under its State plan under title XIX of the Social Security Act (including any waiver under such title or under section 1115 of such Act (42 U.S.C. 1315)) is no more restrictive than the eligibility under such plan (or waiver) as in effect on October 1, 2001.

(g) DEFINITIONS.—In this section:

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

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

(h) IMPLEMENTATION FOR REMAINDER OF FISCAL YEAR 2002.—The Secretary of Health and Human Services shall increase payments to States under title XIX for the second, third, and fourth calendar quarters of fiscal year 2002 to take into account the increases in the FMAP provided for in this section for fiscal year 2002 (including the first quarter of such fiscal year).

JUDICIAL NOMINATIONS

Mr. DASCHLE. Mr. President, I wish to speak briefly on the progress we have made this week on a couple of matters. We will soon propound a list of nominations. There will be 43 nominations total. Two of those have already been considered; that is, the confirmation of two Federal judges. But there are 36 other nominations, including 10 Ambassadorial nominations which will be presented to the Senate in a short period of time.

I thank colleagues on my side of the aisle in particular for their cooperative effort.

A lot of these nominations have worked their way through the committee. Chairmen and members of the committees have cooperated with the administration. We are now in the position to move quite a large number of these executive nominations at the very beginning of this session of Congress. There are others we hope to move, including additional judges. But obviously we continue to hope the administration will work with us in mak-

ing sure that those nominations have been properly vetted and that we have the confidence that all of the actions required prior to confirmation have been completed.

We will continue to work with them as we have over the course of the last year. We have already reported and confirmed over 35 judges. I believe the number is now 38. We will have a lot more to confirm in the coming weeks and months.

I thank in that regard Senator LEAHY for his efforts and for his work. I know there was a colloquy and exchange in the Chamber over the course of the last hour with regard to judgeships and other issues. I thank him for his leadership and for the extraordinary effort he has been making.

As I said at the beginning of this session, and at the beginning of last session, it is my policy, and it is the policy of our caucus, that once these matters have been brought to the floor on the Executive Calendar, they will get a vote. It may not be a direct vote, but it will be a vote. And we will continue to work with our colleagues on both sides of the aisle to ensure that these votes are scheduled in a timely way.

We have also begun consideration of the economic stimulus bill. I wish we could have accomplished more in the short time that we had. We will be back on the bill on Tuesday. We will work all through the day on Tuesday. There will be votes on Tuesday, beginning perhaps as early as Tuesday morning. We will also be in session on Monday, even though there will be no votes on Monday.

Because of the Republican retreat, there will be no votes on Wednesday, Thursday, and Friday of next week. The Democratic single, 1-day conference will take place on Wednesday.

We will come back the following Monday, and Senators should expect votes on Monday of the following week. It is my hope that we can complete our work on the economic stimulus bill early in that week, the week after next.

We have a lot of work to do. The economic stimulus package should be completed within the first couple of days, so we can move to the farm bill, election reform, and, of course, the energy bill.

So in a very short period of time there is a great deal of work to be done. If necessary, I intend to file closure on the economic stimulus bill in an effort to bring closure to our work on the bill. We have been debating it for weeks, one could say months in the last session of the Congress last year. There is no need to extend the debate in this case as well. We will have additional amendments. We will have additional votes. But at the end, we must conclude our work and move on one way or the other.

As I have said in this Chamber on many occasions, what I view this legislation to be is nothing more, really, than a ticket to conference so we can

continue to work and find some resolution. It would be ideal, of course, if the House would just take it up and pass it. That would be my first choice. But at the very least, it is a ticket to conference. It would be a good thing if we got to conference and began working out our differences in a way that would allow us to complete our work on the economic stimulus bill and, I might add, provide the unemployment benefits for 13 more weeks for millions of workers who are looking to us for some sign of hope that they are going to have the wherewithal to at least maintain their quality of life and their ability to buy groceries and pay their rent and pay their heating bills.

So while this has not been as productive a week as I had hoped, we have ended it in a way that I think gives us some reason for additional confidence next week as we take up the bill, and certainly confidence with regard to the Executive Calendar and the nominations that will be confirmed this afternoon.

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. ALLEN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

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

HOPE FOR CHILDREN ACT— Continued

AMENDMENT NO. 2702

Mr. ALLEN. Mr. President, I call up amendment No. 2702.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Virginia [Mr. ALLEN] proposes an amendment numbered 2702 to the language proposed to be stricken by amendment No. 2698.

Mr. ALLEN. 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 exclude from gross income certain terrorist attack zone compensation of civilian uniformed personnel)

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