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House of Representatives

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mr. BALLENGER).

DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
February 5, 2002.

I hereby appoint the Honorable CASS BALLENGER to act as Speaker pro tempore on this day.

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

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Oregon (Mr. DEFAZIO) for 5 minutes.

THE BUSH BUDGET

Mr. DeFAZIO. Mr. Speaker, we have gotten the President's glossified 2003 budget, complete with color photos, for the first time. What a difference a year makes, not only in the format but in the content. A year ago, the President and the Office of Management and Budget said, there are surpluses as far as the eye can see, at least for the next 10 years, huge and growing surpluses.

A few of us were dubious about predicting the economy 10 years out and about this rosy scenario, but in any case they persisted. They went on to also say, ''We're going to create a lockbox for all of the Social Security surplus, $2.5 trillion. We're going to create a lockbox for all of the Medicare trust fund surplus.'' And they were concerned that we would retire the $6 trillion national debt too quickly. They were worried about that.

Well, here we are a year later and rather than paying down the debt too quickly, as was projected last year, the Bush budget will create an additional $2 trillion of deficit by 2012, if you do not take the Social Security and Medicare trust funds and spend them, which, of course, he proposes to do. The President's budget would divert all of the Medicare surplus and 60 percent, or $1.5 trillion, that is $1,500 billion for those who cannot go to the Ts, of the Social Security surplus to pay for other government programs.

What are the causes of this? We would be led to believe there is only one cause, the attacks on America. Let us look at the real underlying causes. Actually, the disappearance of the surplus is due to, and these are figures from the Congressional Budget Office which is headed by a Republican, 41 percent are due to the tax cut, 23 percent are due to the recession, 10 percent increased military spending, 8 percent increased spending for homeland security, and 16 percent technical adjustments.

What is the reaction down at the White House? The reaction at the White House is, ''Let's make those tax cuts,'' which are contributing 41 percent of the increase in deficit, ''let's make them permanent. Let's in fact expand them.'' That is what the President's budget proposes. So that those who earn over $383,000 a year and those with estates over $5 million will be assured that the laughable assumption in last year's budget that their tax cuts will be sunseted after 10 years and everything, all the tax cuts, will be going away; let's make those permanent with the strange exception of one that would particularly benefit the middle class, which has to do with a complicated computation of an alternative tax for individuals, that one does not get made permanent.

But the exemption of estates over $5 million does, and the huge reduction in rates for people who earn over $383,000. At what cost? At tremendous cost. The cost is a whole host of reductions in worthy domestic programs which the President has proposed in this year's budget hidden sort of in the appendices and the asterisks and some obfuscation here and there; but there are cuts in education, there are cuts in needed social programs. There is inadequate funding for a prescription drug benefit for people on Medicare, with no cost controls on the pharmaceutical industry. Basically, the program would tend to very, very few seniors' needs. But all this is being done so that the tax cuts can be made permanent.

Usually, when a country is under attack, Presidents call for sacrifice; and many Americans and many in Congress agree with that, homeland security, necessary expenditures to arm our young men and women serving so valiantly in the military. There is tremendous agreement on those. But let us also make our economic future secure. Unfortunately, the only security in the President's budget goes to, again, those at the very top, those who earn over $383,000 a year, and those who have estates worth more than $5 million.

If you just froze the benefits for those people, the elite of the elite, the richest of the rich, those who do not care about Social Security, do not care about a prescription drug benefit, do not care about education funding because their kids go to private schools, if you just froze those people in place so they contributed a little bit more in this time of sacrifice and attack on the United States of America, then you

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could reduce substantially the draw on the Social Security trust funds and the increase in the deficit.

But the President and his advisers say, no, absolutely not, those people, those $5 million-plus estates, those people who earn over $383,000, they need every penny of that tax cut because they will spend the money in ways that might put some people to work at a minimum wage which could then pay taxes which would help defray the deficit and the economy will be growing into the future.

I would hope that the Congress rejects these assumptions, these priorities, and substantially rewrites this budget.

INTRODUCTION OF ULTRASOUND LEGISLATION

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, I come to the floor this morning to alert Members to a piece of legislation that I will introduce today, and I hope they will consider it. It is a bill that will be of benefit to health clinics all over this country. Many health clinics that wish to provide medical services to unprepared pregnant women are prohibited from doing so because of the lack of funds to purchase medical equipment. The mother is, therefore, forced to wander from one clinic to another in search of the services she so desperately needs. Enabling these health clinics to purchase ultrasound equipment would be a persuasive push in the direction of transitioning from a health clinic to a medical facility.

Mr. Speaker, the advantages of ultrasound machines are many. It is fast and relatively cheap, costing as little as $50 per exam. Ultrasound exams are performed at about 10 to 14 weeks of the pregnancy and are considered the best way to gauge growth and anatomy before birth. Ultrasound can diagnose heart problems in this country in the unborn child, find neural tube defects, including spina bifida, and determine the position of the placenta. There is now even ultrasound equipment that can provide a three-dimensional image that can rotate 360 degrees to see all the sides of the baby.

For this reason, Mr. Speaker, I plan to introduce a bill today that will authorize Health and Human Services to establish grants for which nonprofit health clinics could apply and, if awarded, purchase needed ultrasound equipment. This legislation will ensure that doctors can provide critical information to mothers in their decision-making process regarding their pregnancies. Nothing in this bill makes ideology regarding abortion a condition of the grant. Whether a center offers abortion or abortion alternatives, the clinic is still eligible.

In the fiery controversy over abortion in America, emotionally charged rhetoric clouds the issue and does damage to the efforts made on behalf of mother and child. No matter what one's conviction is concerning abortion, we can all agree that the mother deserves as much information as is available in making this solemn decision. Information is the best weapon in defusing the volatile discussion and returning us to our first concern, which is the health of the mother and the child. The ultrasound is a valuable tool in expanding the debate beyond traditional platitudes on both sides of the argument.

Modern medicine has provided us with a window into the womb. These advances in technology empower women with as much information as possible regarding her pregnancy. The goal of this legislation is to provide women who find themselves with an unplanned pregnancy with the full scope of information such that they may make a fully informed decision.

This bill is about the dissemination of information. This bill is about extending more free services to women and about making available this vital technology to the poor and, of course, to the rich.

Mr. Speaker, there are times when people of good faith who differ on an issue can come together and find a place to agree. I believe this legislation brings us beyond the shrill arguments regarding abortion and makes a meaningful step forward, a meaningful effort to care for the mother and child and bring more information to the woman.

I urge the Members to support my bill.

TIME FOR CONGRESS TO REIN IN SPENDING

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Michigan (Mr. SMITH) is recognized during morning hour debates for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, the President released his budget yesterday. Congress and probably many in America and throughout the world are starting to analyze just what this budget does.

I compliment the President for sending out a warning to Congress that he is not going to stand for excessive discretionary domestic spending for additional social programs. I think most of us agree that his increase in spending for defense and national security is not only reasonable but is required, realizing what happened on September 11 and the fact of what we have discovered in Afghanistan, that there are many terrorists throughout the world dedicated to cause the same kind of damage that those 19 individuals did on September 11. We are faced with the fact that thousands of individuals went through that same kind of perverted religious indoctrination and eventually the training on how to be terrorists with a dedication to injure the people of the free world, especially in the United States, and destroy some of our symbols of the freedom and liberty that we have in this country. It is a $2.13 trillion budget, a budget that has continued to grow faster than inflation for the last 40 years.

Mr. Speaker, my particular concern is the fact that government is growing so rapidly. And I would hope that we could comply with the President's suggestion that we hold down the discretionary domestic spending so that the deficit is minimized, or hopefully there will be no deficit this year in terms of all funds coming into the Federal Government versus the funds going out of the Federal Government.

It was only a short time ago that both Republicans and Democrats in this Chamber pledged not to spend the Social Security surplus money. Maybe, maybe the kind of war that we are in justifies spending that money. But if I had had my druthers, I would have preferred that the President gave us a budget that was balanced, at least in the unified sense of total revenues coming in versus total expenditures going out. The reason for that is I think by the President suggesting that maybe it is okay this year to have an $80 billion deficit, it is going to open the door for spenders, it is going to open the door for individual Members of the House and the Senate to suggest that as long as the President says it is okay to have a little deficit spending, let us have more deficit spending for some of these, quote-unquote, important programs that we think should go back to my particular district.

Pork-barrel spending has increased tremendously. I think that is because when Members learn that most of the other Members are getting things for their district, it is only fair for them in the treatment of their particular constituents to try to get pork-barrel spending for their particular district.

□ 1245

I think pork-barrel spending has got to stop. It is my hope and my encouragement to the leadership of this House on both sides of the aisle that this Chamber pass a budget resolution that is in balance; that we say here is the possibility of the $80 billion that might go into a stimulus tax cut package to stimulate the economy, but, if that does not happen, we are going to balance the budget. The challenge now is holding the line on spending.

Let me give one example of what has happened in the last 5 years. In 1998 Congress said we promise to balance the budget by 2002. That balanced budget was predicated on an estimate by both OMB and CBO that there would be approximately $1.4 trillion of revenue by 2002.

Guess what the revenue actually is going to be in 2002, this fiscal year ending next October? The actual revenue is going to be $1.9 trillion. So my point is, Mr. Speaker, that revenues are much larger than we anticipated, but what happened is spending increased

significantly more, so that we have ended up with a great deal of deficit spending. The difference between $1.4 trillion and $1.9 trillion in revenues, between the $1.4 trillion we estimated 5 years ago and the $1.9 trillion that is actually going to happen, even takes into consideration the tax cut we did last spring.

I would suggest that it behooves the United States to have the kind of economic expansion we want by not going deeper into debt, causing extra demand by the government in the money that is available for borrowing, which is ultimately going to increase interest rates and ultimately going to have a depressive effect on the economy.

I would close by again urging my Republican and Democratic friends to work towards a total unified balanced budget.

RECESS

The SPEAKER pro tempore (Mr. BALLENGER). Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 12 o'clock and 48 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. OTTER) at 2 p.m.

PRAYER

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

Lord God, ever present to Your people and closest to those in most need of Your mercy, we commend to You this day the Members of the United States House of Representatives with all their prayerful concerns.

Last week both Republican and Democratic Members set time aside to be on retreat, Lord.

As they drew away from the daily routine to gain deeper perspective, hopefully Your presence was made known to them.

As they examined issues facing this Nation and they crafted plans for the future, unexpectedly, Your provident love lifted their hearts to greater service to Your people.

As they became more aware of different opinions and the many possibilities open to achieve a common purpose, surprisingly Your spirit invited them to be respectful of others in every debate, patient in listening, as well as committed to finding solid resolve.

May personal convictions always be refined when civility reigns.

May partisan formulations always give way to what You require of this Nation.

For You are the eternal guide and strength for each Member personally and for the House as a whole both now and forever. 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 Mexico (Mr. UDALL) come forward and lead the House in the Pledge of Allegiance.

Mr. UDALL of New Mexico 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.

PRIVATE CALENDAR

The SPEAKER pro tempore. This is Private Calendar day. The Clerk will call the bill on the Private Calendar.

NANCY B. WILSON

The Clerk called the bill (H.R. 392) for the relief of Nancy B. Wilson.

Mr. COBLE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

The SPEAKER pro tempore. This concludes the call of the Private Calendar.

MORE CRITICISMS OVER YUCCA MOUNTAIN: WHEN WILL THE DOE RESPOND?

(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, last week the Nuclear Waste Technical Review Board joined an ever-expanding list of independent experts who are criticizing the science being touted by the Department of Energy regarding the Yucca Mountain Project.

In its report the board called the DOE's science ''weak to moderate.''

Board member and hydrologist Paul Craig added that ''many of the DOE's assumptions regarding Yucca Mountain are extreme and unrealistic.''

John Bartlett, former Director of DOE's Office of Civilian Radioactive Waste Management, stated that ''the documentation does not provide a sound foundation for the basis of a site recommendation.''

Moreover, the GAO has raised its own concerns with the Yucca Mountain Project, stating that ''making a site recommendation at this time would not be prudent or practical.''

Mr. Speaker, when will the DOE begin to answer the serious questions being raised about its failed science? Hopefully they will do that before going any further into the site recommendation process and before the lives of millions of Americans are jeopardized.

ANNIVERSARY OF SIGNING OF TREATY OF GUADALUPE HIDALGO

(Mr. UDALL of New Mexico asked and was given permission to address the House for 1 minute.)

Mr. UDALL of New Mexico. Mr. Speaker, February 2, 1848, marks the anniversary of the signing of the Treaty of Guadalupe Hidalgo.

This is a treaty between Mexico and the United States which guaranteed Mexican citizens who remained in the United States certain property rights. One of the promises was to secure and protect the property rights of Mexican and Spanish citizens that have been granted land grants from Spanish and Mexican Governments.

The U.S. violated these promises. The General Accounting Office is looking into this historic wrong, and I have introduced a bill to remedy the situation and to correct these injustices. I urge my colleagues to help me in this effort. Please review my legislation and take a good hard look at it.

NO SPECIAL TREATMENT FOR JOHN WALKER LINDH

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

Mr. COBLE. Mr. Speaker, much has been said about John Walker Lindh, the 20-year-old Californian who joined forces with the Taliban. Some observers have suggested that we cut him some slack since he is only 20 years of age.

There were 20-year-olds who showed up for work on 9/11 at the World Trade Center. Who cut them slack? There are 20-year-olds fighting in Afghanistan today, 20-year-old firefighters, 20-year-old policemen, 20-year-old EMS personnel who responded on 9/11. Who cut them slack? No. This young man should be prosecuted, and if convicted, appropriate punishment should be forthcoming.

Our Attorney General said it more eloquently than I, but I paraphrase: Simply because an accused is of tender years, Mr. Speaker, he is worthy of no special defense when he has committed criminal acts. No special treatment should be available to this young man or to others like him.

CAROL WRIGHT

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

Mr. MATHESON. Mr. Speaker, with the Salt Lake City Winter Olympic Games just a few days away, today the Olympic torch will pass through Parowan, Utah.

Parowan is the hometown of Alma Richards, Utah's first Olympic gold medalist. When it passes through that southern Utah town, it will be held by one of Parowan's greatest daughters, my great aunt, 93-year-old Carol Wright.

Aunt Carol has lived in Parowan her whole life and is the second cousin of Alma Richards, the 1912 gold medalist in the high jump. She made a career in the banking industry and today holds a place of honor as the one selected to run the torch to Alma Richards' home. The torch will stop at his home for 2 minutes as the community holds a ceremony honoring Alma, Aunt Carol and the Olympic spirit.

Parowan is a small town. In small towns everybody knows everybody. Aunt Carol was chosen to run the torch not only because of her relation to Utah's first Olympic gold medalist, but also because she is well respected and, indeed, beloved in her community.

So I am proud of my aunt and proud of Parowan, the place where my Utah roots began, a city with a long tradition of Olympic spirit, and I am very grateful for this honor. I ask that the Members of the House of Representatives join me today in honoring Carol Wright and the city of Parowan as the Olympic torch passes through that city.

ECONOMIC STIMULUS

(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, it has been 10 months since this recession began, and it has been nearly that long since President Bush created a plan to boost the American economy. The House of Representatives passed that plan. It was a good one. It would have put people back to work, but there are two halves to Congress, and the other half did not like the plan, so we compromised.

We passed a new plan. This one was reported to have the votes to pass both Chambers, but the vote has not been allowed on the other side.

Mr. Speaker, hundreds of thousands of Americans are out of work. Several major employers have gone bankrupt. Pension funds have shriveled up. The American people need an economic stimulus package, and they need it now.

I do not know what more we can do on this side of the Rotunda to make that happen, and I think we are all getting tired of waiting for the other side, and the American people are, too.

DELTA DAYS

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

Mr. DAVIS of Illinois. Mr. Speaker, today is part of what is called Delta Days, and although my wife is an active, delightful AKA, if my colleagues have seen a group of ladies wearing red, they are Deltas, and I simply want to welcome them to the Nation's Capital and commend them for their interest in public policy decisionmaking. They are indeed a wonderful group of ladies, and we welcome them for Delta Days.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 4, 2002.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on February 4, 2002 at 12:52 p.m. and said to contain a message from the President whereby he submits his Budget of the United States Government for Fiscal Year 2003.

With best wishes, I am
Sincerely,

JEFF TRANDAHL,
Clerk of the House.

FISCAL YEAR 2003 BUDGET OF THE U.S. GOVERNMENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–159)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

Americans will never forget the murderous events of September 11, 2001. They are for us what Pearl harbor was to an earlier generation of Americans: a terrible wrong and a call to action.

With courage, unity, and purpose, we met the challenges of 2001. The budget for 2003 recognizes the new realities confronting our nation, and funds the war against terrorism and the defense of our homeland.

The budget for 2003 is much more than a tabulation of numbers. It is a plan to fight a war we did not seek—but a war we are determined to win.

In this war, our first priority must be the security of our homeland. My budget provides the resources to combat terrorism at home, to protect our people, and preserve our constitutional freedoms. Our new Office of Homeland Security will coordinate the efforts of the federal government, the 50 states, the territories, the District of Columbia, and hundreds of local governments: all to produce a comprehensive and far-reaching plan for securing America against terrorist attack.

Next, America's military—which has fought so boldly and decisively in Afghanistan—must be strengthened still further, so it can act still more effectively to find, pursue, and destroy our enemies. The 2003 Budget requests the biggest increase in defense spending in 20 years, to pay the cost of war and the price of transforming our Cold War military into a new 21st Century fighting force.

We have priorities at home as well—restoring health to our economy above all. Our economy had begun to weaken over a year before September 11th, but the terrorist attack dealt it another severe blow. This budget advances a bipartisan economic recovery plan that provides much more than greater unemployment benefits: it is a plan to speed the return of strong economic growth, to generate jobs, and to give unemployed Americans the dignity and security of a paycheck instead of an unemployment check.

The plan also calls for maintaining low tax rates, freer trade, restraint in government spending, regulatory and tort reform, promoting a sound energy policy, and funding key priorities in education, health, and compassionate social programs.

It is a bold plan—and it is matched by a bold agenda for government reform. From the beginning of my Administration, I have called for better management of the federal government. Now, with all the new demands on our resources, better management is needed more sorely than ever. Just as the No Child Left Behind Act of 2001 asks each local school to measure the education of our children, we must measure performance and demand results in federal government programs.

Where government programs are succeeding, their efforts should be reinforced—and the 2003 Budget provides resources to do that. And when objective measures reveal that government programs are not succeeding, those programs should be reinvented, redirected, or retired.

By curtailing unsuccessful programs and moderating the growth of spending in the rest of government, we can well afford to fight terrorism, take action to restore economic growth, and offer substantial increases in spending for improved performance at low-income schools, key environmental programs, health care, science and technology research, and many other areas.

we live in extraordinary times—but America is an extraordinary country. Americans have risen to every challenge they have faced in the past. Americans are rising again to the challenges of today. And once again, we will prevail.

GEORGE W. BUSH.
February 4, 2002.

□ 1415

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives.

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 5, 2002.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on February 5, 2002 at 10:12 a.m. and said to contain a message from the President whereby he submits the Economic Report of the President.

With best wishes, I am
Sincerely,

JEFF TRANDAHL,
Clerk of the House.

ECONOMIC REPORT OF THE PRESIDENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–158)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Joint Economic Committee and ordered to be printed.

To the Congress of the United States:

Since the summer of 2000, economic growth has been unacceptably slow. This past year the inherited trend of deteriorating growth was fed by events, the most momentous of which was the terrorist attacks of September 11, 2001. The painful upshot has been the first recession in a decade. This is cause for compassion—and for action.

Our first priority was to help those Americans who were hurt most by the recession and the attacks on September 11. In the immediate aftermath of the attacks, my Administration sought to stabilize our air transportation system to keep Americans flying. Working with the Congress, we provided assistance and aid to the affected areas in New York and Virginia. We sought to provide a stronger safety net for displaced workers, and we will continue these efforts. Our economic recovery plan must be based on creating jobs in the private sector. My Administration has urged the Congress to accelerate tax relief for working Americans to speed economic growth and create jobs.

We are engaged in a war against terrorism that places new demands on our economy, and we must seek out every opportunity to build an economic foundation that will support this challenge. I am confident that Americans have proved they will rise to meet this challenge.

We must have an agenda not only for physical security, but also for economic security. Our strategy builds upon the character of Americans: removing economic barriers to their success, combining our workers and their skills with new technologies, and creating an environment where entrepreneurs and businesses large and small can grow and create jobs. Our vision must extend beyond America, engaging other countries in the virtuous cycle of free trade, raising the potential for global growth, and securing the gains from worldwide markets in goods and capital. We must ensure that this effort builds economic bonds that encompass every American.

American faces a unique moment in history: Our Nation is at war, our homeland was attacked, and our economy is in recession. In meeting these great challenges, we must draw strength from the enduring power of free markets and a free people. We must also look forward and work toward a stronger economy that will buttress the United States against an uncertain world and lift the fortunes of others worldwide.

GEORGE W. BUSH.
THE WHITE HOUSE, *February 2002.*

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. OTTER). Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any record votes on motions to suspend the rules ordered prior to 6:30 p.m. will be taken today. Record votes on remaining motions to suspend the rules will be taken tomorrow.

PRESIDENTIAL LIBRARY CONTRIBUTION DISCLOSURE ACT

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 577) to require any organization that is established for the purpose of raising funds for the creation of a Presidential archival depository to disclose the sources and amounts of any funds raised, as amended.

The Clerk read as follows:

H.R. 577

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

SECTION 1. REQUIREMENT TO DISCLOSE SOURCES AND AMOUNTS OF FUNDS RAISED FOR PRESIDENTIAL ARCHIVAL DEPOSITORY.

(a) IN GENERAL.—Section 2112 of title 44, United States Code, is amended by adding at the end the following new subsection:

''(h)(1) Any organization that is established for the purpose of raising funds for creating, maintaining, expanding, or conducting activities at a Presidential archival depository or any facilities relating to a Presidential archival depository, shall submit to the Administration, the Committee on Governmental Reform of the House of Representatives, and the Committee on Governmental Affairs of the Senate on an annual basis, by not later than the applicable date specified in paragraph (2), information with respect to every contributor who, during the year—

''(A) with respect to a Presidential archival depository of a President who currently holds the Office of President or for which the Archivist has not accepted, taken title to, or entered into an agreement to use any land or facility, gave the organization a contribution or contributions (whether monetary or in-kind) totaling $200 or more for the year; or

''(B) with respect to a Presidential archival depository of a President who no longer holds the Office of President and for which the Archivist has accepted, taken title to, or entered into an agreement to use any land or facility, gave the organization a contribution or contributions (whether monetary or in-kind) totaling $5000 or more for the year.

''(2) For purposes of paragraph (1), the applicable date—

''(A) with respect to information required under paragraph (1)(A), shall be January 31 of each year; and

''(B) with respect to information required under paragraph (1)(B), shall be May 31 of each year.

''(3) As used in this subsection, the term 'information' means the following:

''(A) The amount or value of each contribution made by a contributor referred to in paragraph (1) in the year covered by the submission.

''(B) The source of each such contribution, and the address of the entity or individual that is the source of the contribution.

''(C) If the source of such a contribution is an individual, the occupation of the individual.

''(D) The date of each such contribution.

''(4) The Archivist shall make available to the public through the Internet (or a successor technology readily available to the public) any information that is submitted in accordance with paragraph (1).

''(5)(A) It shall be unlawful for any person who makes a contribution described in paragraph (1) to knowingly and willfully submit false material information or omit material information with respect to the contribution to an organization described in such paragraph.

''(B) The penalties described in section 1001 of title 18, United States Code, shall apply with respect to a violation of subparagraph (A) in the same manner as a violation described in such section.

''(6)(A) It shall be unlawful for any organization described in paragraph (1) to knowingly and willfully submit false material information or omit material information under such paragraph.

''(B) The penalties described in section 1001 of title 18, United States Code, shall apply with respect to a violation of subparagraph (A) in the same manner as a violation described in such section.

''(7)(A) It shall be unlawful for a person to knowingly and willfully—

''(i) make a contribution described in paragraph (1) in the name of another person;

''(ii) permit his or her name to be used to effect a contribution described in paragraph (1); or

''(iii) accept a contribution described in paragraph (1) that is made by one person in the name of another person.

''(B) The penalties set forth in section 309(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)) shall apply to a violation of subparagraph (A) in the same manner as if such violation were a violation of section 316(b)(3) of such Act.

''(8) The Archivist shall promulgate regulations for the purpose of carrying out this subsection.''.

(b) APPLICABILITY.—Section 2112(h) of title 44, United States Code (as added by subsection (a))—

(1) shall apply to an organization established for the purpose of raising funds for creating, maintaining, expanding, or conducting activities at a Presidential archival depository or any facilities relating to a Presidential archival depository before, on, or after the date of the enactment of this Act; and

(2) shall only apply with respect to contributions (whether monetary or in-kind) made after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HORN) and the gentleman from California (Mr. WAXMAN) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. HORN).

GENERAL LEAVE

Mr. HORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 577, the bill under consideration.

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

There was no objection.

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

Presidential libraries are a valuable resource for historians, faculty professors, and the public. Over the years, Presidential libraries have evolved into elaborate institutions. They house the official papers of a former President. They have museums. They have conference facilities and classrooms.

The cost of building and maintaining these facilities can be substantial. The George Bush Library, located at Texas A&M University, cost $22 million from citizens and foundations. Former President Clinton's library foundation is attempting to raise $200 million to cover the cost of his library complex.

To establish a Presidential library, representatives of a sitting President can set up a private foundation to receive contributions, obtain a site, and build a facility. After it is built, the structure is deeded over to the Federal Government, along with an operating fund, in some cases, and is run by the National Archives.

Through their private foundations, Presidents and their associates are free to raise unlimited amounts of money for their libraries. There are no limits on contributions. There is no public disclosure. This secretive fund-raising process can become an invitation for abuse or accusations of influence peddling.

H.R. 577, introduced by our distinguished colleague, the gentleman from Tennessee (Mr. DUNCAN), would change that. It would make the fund-raising process for Presidential libraries transparent and open to public scrutiny. It would amend the Presidential Libraries Act to require the disclosure of the sources and amounts of funds raised for the Presidential libraries.

The vast majority of individuals who contribute to Presidential libraries are well-meaning, public-spirited people. They believe that these libraries are a positive contribution to society. They are right. However, there are also those who make contributions for less public spirited reasons: to gain access and influence. That is why we need public disclosure. We have laws requiring public disclosure of political contributions. For the same reason, contributions to Presidential libraries should be disclosed.

H.R. 577 would not prohibit or limit contributions to Presidential library foundations. This bill simply requires disclosure. It would require Presidential library foundations to disclose to Congress and the National Archives the amount, source, and date of the contributions they receive. The National Archives would be required to make the information publicly available over the Internet.

While a President is in office, or until his library is turned over to the National Archives, the foundation would be required to disclose contributions totaling $200 or more. After a President leaves office and the archivist has accepted title to the facility, the foundation would be required to disclose contributions totaling $5,000 or more.

This bill would make it illegal for either a contributor or a foundation to submit false information about a contribution. It would also be unlawful for a person to make a contribution in the name of another. The bill would apply to all Presidential library foundations. But disclosure would only have to be made for contributions received after enactment of the legislation.

A hearing was held on the bill of the gentleman from Tennessee (Mr. DUNCAN) last April, before the Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations, which I chair. The subcommittee heard from a number of witnesses, including election law experts who supported full disclosure of contributions to Presidential libraries. They likened fund-raising for Presidential libraries to fund-raising for political campaigns.

Last May, the bill was approved unanimously by the Committee on Government Reform. I hope it will receive the strong bipartisan support it deserves on the floor today.

Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. BURTON), the chairman of the Committee on Government Reform.

Mr. BURTON of Indiana. I thank the gentleman for yielding me this time, and I hope we are not infringing on the minority's time by going ahead.

Mr. Speaker, I rise in strong support of this bill, and I want to thank the gentleman from Tennessee (Mr. DUNCAN) for his hard work on this legislation. He has worked on it for a long time, hit a few bumps in the road, but it is a good bill and it should pass. I want to personally thank him for being a new and more valuable member of our committee. He has worked very hard with us.

I also want to thank the gentleman from California (Mr. HORN), who is one of the unsung heroes of the Committee on Government Reform. He works probably as hard or harder than anybody on the committee. He shepherded this bill through the subcommittee and full committee, and I appreciate all the hard work he has been doing for us. We will miss him when he leaves next year. He has been a great chairman.

Mr. Speaker, our Presidential libraries are a valuable part of our society. They are monuments to our Presidents. They are places where young people can go to learn about history. They are places where scholars do serious research. We should be proud of each and every one of them.

However, Presidential libraries cost a lot of money, and that money has to be raised from private sources. We all know that when money and politics cross paths there is always the potential for mischief, and that is why I think public disclosure is so important and why I support this bill. When there is secrecy in government, people have doubts; and when there is openness in government, people have confidence in their government.

The vast majority of people who give money to Presidential libraries do it for the right reasons: they admire the President; they want to make a contribution to his legacy; they want to see history preserved. And they should be proud of their contributions. But there is always going to be those who make contributions for other reasons: to gain access to the President and staff; to gain influence. And that is why we need public disclosure.

Right now, you can contribute $1 million to a Presidential library while the President is in office and nobody would know about it. That is not good for our democracy, and it is not good for the reputations of Presidential libraries. That is why we need this legislation.

We have tried not to make this bill overly burdensome. While a President is in office, contributions over $200 have to be disclosed. That matches campaign finance law. Once a President is out of office and once the library has been turned over to the archives, only contributions over $5,000 have to be reported. Those contributions already have to be reported every year to the IRS, so the foundations already have to keep that information; and we are not asking them to create any more work for themselves.

I am sure that everyone remembers the controversy over President Clinton's pardon last year. He pardoned a man named Marc Rich, who was an international fugitive. Marc Rich's wife gave $450,000 to President Clinton's library foundation. Nobody knew it at the time. So this is a perfect example of why we need public disclosure.

But let us be fair. This is not a Democrat problem, and it is not a Republican problem. This system we have is

an invitation to abuse no matter what party you are from or who occupies the White House. Having unlimited contributions in complete secrecy is a recipe for scandal, and we are doing the right thing by addressing it today.

Let me close by repeating what I said in the beginning. We should be proud of our Presidential libraries. They should be places of honor. We wanted people to contribute to them and be proud of their contributions. We do not want our Presidential libraries to be tainted by accusations of influence peddling or frauds. Public disclosure is the right thing to do; and, therefore, I urge all of my colleagues to support this bill.

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

I rise in support of H.R. 577. This bill began with the principle that all contributions to foundations that support Presidential libraries should be made public. That is a principle that I strongly support.

□ 1430

Mr. Speaker, this bill is a bipartisan product. The gentleman from Indiana (Mr. BURTON) and the gentleman from California (Mr. HORN) have worked with us to produce a bill both sides can support. The gentlewoman from Illinois (Ms. SCHAKOWSKY), the ranking member of the subcommittee, made an especially valuable contribution. The gentlewoman's amendment lowered the threshold for reporting to $200 during the years of active fund-raising.

Unfortunately, this bill does not include a provision that would apply these principles of disclosure to foundations in the names of Members of Congress. Such an amendment was considered and adopted in committee. However, it was dropped from the version that we are considering today. The gentleman from Indiana (Mr. BURTON) has agreed to work with us to develop that concept as stand alone legislation, and I look forward to bringing it to the floor later this year.

We live in an era where large corporations and wealthy individuals use money to gain access to policymakers. That access can easily turn into influence, and the process of developing public policy can become distorted. Today's bill is a step forward in curbing these trends. H.R. 577 provides the public the information it needs to judge the behavior of those it elects. I urge my colleagues to support this bill.

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

Mr. HORN. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee (Mr. DUNCAN), the author of this very fine piece of legislation.

Mr. DUNCAN. Mr. Speaker, I thank the gentleman from California (Mr. HORN) for yielding me this time, and for the gentleman's very strong support of this legislation. As the gentleman from Indiana (Mr. BURTON) mentioned, the gentleman from California (Mr. HORN) has shepherded this through the legislative process in the Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations and in the Committee on Government Reform. The gentleman has been an outstanding Member of this body for many years. I thank the gentleman from Indiana (Mr. BURTON) for his support and the gentleman from California (Mr. WAXMAN), the ranking member, for his support of this legislation.

I rise to urge support for the Presidential library contribution disclosure bill that I first introduced in the last Congress. I believe this is commonsense legislation. It simply requires disclosure, public disclosure, of donations and donors to Presidential libraries.

I first introduced this bill in 1999, many months before anyone heard of Marc Rich or the Presidential pardons that the gentleman mentioned a few minutes ago. I introduced this bill because I felt the public should be made aware of possible conflicts of interest the sitting Presidents could have while raising funds for their libraries. In most cases we do not know who these donors are or what interests they may have on any pending policy decisions.

This bill will shed light on an otherwise secretive process. With disclosure, the public is able to draw its own conclusions about whether conflicts of interest are present. Without it, the appearance of impropriety could often exist.

This bill is not aimed at any one President in particular. This is a problem that can be faced by Democrat and Republican Presidents alike. This bill does not prohibit or limit contributions to these organizations. It simply requires disclosure of the name of the donor and the amount donated.

Mr. Speaker, no one should be against this bill unless for some reason they want to keep this process secret.

I also want to say that I understand the concerns of those who say it is impossible to influence a deceased President, and I agree. We may be able to address this concern and the concern that the gentleman from California (Mr. WAXMAN) mentioned later on.

As others have mentioned, these Presidential libraries serve a good and noble purpose in our Nation. However, they should not serve as a way for Presidential foundations to peddle influence to the highest bidder.

Mr. Speaker, the organization Vote.com ran a poll and received almost 26,000 votes over the Internet, and 94 percent of those 26,000 who voted on this issue voted for it in a poll that ended September 13, 2001. Ninety-four percent supported this bill. Larry Noble, executive director of the Center for Responsive Politics, at our hearing that we held on this bill in the subcommittee said, ''The potential for real and apparent corruption that this fund-raising brings is obvious. The public, however, is still in the dark with regard to several back-door ways of buying influence in Washington. One of them is the funding of Presidential libraries.''

Scott Harshbarger, president of Common Cause, said, ''Presidents should not be in the business of raising funds for their libraries while in office. Gifts to the library can be a powerful means to secure access and influence at the White House, especially with a President eager to burnish his legacy.''

Kenneth Gross, who is an attorney who is a specialist in this type of fund-raising, said, ''The bill will prevent donors from sidestepping disclosure by agreeing, pledging or promising, while the President remains in office, to make contributions to a Presidential library after the term has expired.''

Mr. Speaker, I think this is good legislation. I think it is legislation that almost all of our colleagues can and should support. As I said, it just sheds lights on an otherwise secretive process, and I urge support for H.R. 577.

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

Mr. HORN. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. SHAYS), a key member of the Committee on Government Reform.

Mr. SHAYS. Mr. Speaker, I rise in strong support of H.R. 577. I wish I was a cosponsor of the bill. I commend the gentleman from Tennessee (Mr. DUNCAN) and my colleagues on the other side of the aisle for working to pass this legislation.

Presidential libraries date back to the Rutherford B. Hayes Memorial Library's completion in Fremont, Ohio, in 1914, and since that time have become an important part of our national heritage and history. Their value to students, historians and visitors from all over America and the world is tremendous.

Since the completion of the Hayes library, the size, popularity and cost of Presidential libraries has increased exponentially. Libraries have evolved into elaborate centers that, in addition to housing the official papers and records of former Presidents, often include museums, conference facilities and classrooms. As a result, the need for donations for their creation and maintenance has increased, but disclosure of these donations has not.

In my judgment, the more information the public has, particularly of sitting Presidents, the better. Under this bill, a sitting President would be required to disclose library contributions of $200 or more annually to Congress and to the National Archives. In addition, under the bill, once a President has left office, library contributions of $5,000 or more must be reported. Just as we need to know who is giving campaign contributions to politicians, so, too, the public needs to know who is contributing to sitting Presidents.

Our hearings on Marc Rich last year, which were bipartisan, obviously pointed out the need to carry forward with this bill. It gave us the added impetus to move forward, and I thank Members on both sides of the aisle for supporting it.

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

Mr. HORN. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. OSE), a very able chairman of the Subcommittee on Efficiency, Financial Management, and Intergovernmental Relations.

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

Mr. Speaker, I rise in support of H.R. 577, a bill to require the annual disclosure of the sources and amount of funds raised to create, maintain or expand a Presidential library. In addition, the bill requires the National Archives and Records Administration, known as NARA, to post this information on the Internet. The transparency provisions in this good government bill should help ensure that donors are not afforded an unfair advantage in the policymaking process or other governmental benefits.

On March 15, 2001, I introduced a companion bill, H.R. 1081, Accountability for Presidential Gifts Act. Its prime objective is to establish responsibility in one agency, NARA, for the receipt, valuation and disposition of Presidential gifts. It, too, seeks to ensure that there is no unfair advantage to donors in the policymaking process or in the receipt of other governmental benefits.

Common Cause president Scott Harshbarger and Dr. Paul Light, director, Center for Public Service of the Brookings Institution, testified in favor of the disclosure provisions of H.R. 577 at the April 5 hearing of the Committee of Government Reform, Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations.

Mr. Speaker, I agree with these good government advocates, and I applaud the initiative of the gentleman from Tennessee (Mr. DUNCAN) in pursuing this important change in law.

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

Mr. Speaker, I underscore my support for this legislation because I believe there ought to be full reporting by those who give donations, whether it is to campaigns or even to libraries. We need disclosure because some may have political hope that in exchange for their contribution or gift, they may receive some influence.

That is why I strongly support, and hope my colleagues who are going to support this bill will join me in supporting, similar legislation regarding Members of Congress, when they set up foundations or libraries or other attributes to themselves and receive contributions from outside sources. They also should be required to report donations. At one point we had such reporting in this legislation, but we did not want to in any way endanger this piece of legislation because it is a good bill. It is the right thing to do to pass this bill. But I hope to get full disclosure of those donations to Members of Congress, just as we want full disclosure of those donations to Presidential libraries. All foundation donations, all donations similar to campaign contributions, should be disclosed because the giver may hope to gain some influence. All donations ought to be on the table, ought to be publicly disclosed.

Mr. Speaker, I join my colleagues today in supporting the bill that is before us. I hope later in the year we will be able to carry the other bill to the House floor so we will follow in the path that is being set in this legislation, that the public has the right to know who is funding what when it comes to anything to do with politics. I think that is the way to assure the American people that they have all information and the American people will make of it what they will.

Mr. HORN. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee (Mr. DUNCAN) to thank the staff who worked on this legislation.

Mr. DUNCAN. Mr. Speaker, I rise today to thank Bert Robinson of my staff, who has done an outstanding job on this bill. He has been working on it for many, many months. I also want to thank those on the committee staff who have helped us with this legislation, Jim Wilson, Kevin Binger, David Kass, Randy Kaplan, and Russell George; and Michelle Ash and David McMillen from the minority staff. All have been very, very helpful on this legislation, and I thank them at this time.

Ms. SCHAKOWSKY. Mr. Speaker, I rise in support of H.R. 577, a bill to Require Disclosure of the funding sources for Presidential Libraries. I want to congratulate and thank the author of this measure, the Chairman of the Government Reform Committee, the Chairman of the Government Efficiency Subcommittee, and our ranking member, the gentleman from California for his efforts to improve this legislation. The improvements that were made to this bill prior to floor consideration are due in large part to his efforts and he should be commended.

While I rise in support of this measure today, I do not believe this bill goes far enough. I am disappointed that one of the amendments I offered in the Government Reform Committee and which was included in the Committee-passed bill, is not a part of the measure we are debating today. The provision would have made congressional foundations disclose funding sources as well. I offered that provision because I believe that members of Congress should be at least as accountable to the public as we expect the President to be. Congressional foundations and the members that run them should make public the sources of major funding they receive to prevent any accusations of undue influence on the legislative process.

H.R. 577 requires the disclosure of the sources and amounts of donations made to foundations raising money to build and maintain presidential libraries. I am pleased that the measure we are debating includes an amendment of mine that passed in Committee to reduce the disclosure requirement for donations to $200 or more. That is the same level of the requirement that currently exists for congressional campaigns and it is a valuable component of the legislation we are debating today. The bill provides that once the National Archives and Records Administration assumes the responsibility for the presidential library in question, the threshold for such disclosure would be raised to $5,000.

Again, Mr. Speaker, I support the goals of H.R. 577 but believe the Congress needs to go further. I hope that this year, my colleagues on both sides of the aisle will support standalone legislation I plan to introduce that will impose funding disclosure requirements on congressional foundations.

I urge all members to vote in support of H.R. 577 and look forward to working with my colleagues on related issues in the time to come.

□ 1445

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

Mr. HORN. Mr. Speaker, I urge the adoption of this measure.

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

The SPEAKER pro tempore (Mr. OTTER). The question is on the motion offered by the gentleman from California (Mr. HORN) that the House suspend the rules and pass the bill, H.R. 577, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. HORN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

MOURNING THE PASSING OF WAUKEGAN MAYOR DAN DREW

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

Mr. KIRK. Mr. Speaker, I rise today to mark the life of Dan Drew, our mayor of Waukegan, Illinois. Dan died of a heart attack, and he was only 53 years old.

Last year, Dan ran for mayor. It was a hotly fought contest. He won by the slimmest of margins, six votes. He took over a city beset with problems, environmental cleanups, the loss of key industries, a crisis of confidence in the city administration. But Dan proved he was the right leader for these challenges. He brought confidence, commitment, and boundless energy as mayor. Despite his narrow victory, he became a mayor of all of Waukegan and showed us that the city faced better days ahead.

I worked with Dan only a short time. After one city meeting I said that all I needed from his office was a mayor ready to quickly sign any Federal grant application that could benefit

Waukegan. He replied, ''My pen is ready.'' I can count at least seven major projects we were working on for the city of Waukegan.

Mayor Drew's sudden death shocked us all. It was only after he passed away that I learned about his long struggle with diabetes. Tall, skinny, and with a quick smile, Dan looked the picture of health as he led Waukegan down Sheridan Road in the Fourth of July parade. His fellow Bears season ticket holders sent a wreath to his wake that said, ''Good-bye, Slim.''

Dan's family will bury him today in a sad funeral. The crowd at last night's wake stretched around the church many times. We will sorely miss Dan's smile and humor. He became Waukegan's brightest political star. All of us, his fellow Democrats, we Republicans, white, African Americans, Hispanics, young and old, will miss him. Dan Drew was the right man for the right job who left us at the wrong time.

On behalf of Congress, I want to express my sorrow to his wife and family and the people of Waukegan. Our mission now is to pick up from his vision for the city as we see it through as Dan would have wished.

HORATIO KING POST OFFICE BUILDING

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 970) to designate the facility of the United States Postal Service located at 39 Tremont Street, Paris Hill, Maine, as the ''Horatio King Post Office Building''.

The Clerk read as follows:

S. 970

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

SECTION 1. HORATIO KING POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 39 Tremont Street, Paris Hill, Maine, shall be known as the ''Horatio King Post Office Building''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the Horatio King Post Office Building.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HORN) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. HORN).

GENERAL LEAVE

Mr. HORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

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

There was no objection.

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

S. 970, introduced by the distinguished Senator from Maine, SUSAN COLLINS, designates the facility of the United States Postal Service located at 39 Tremont Street in Paris Hill, Maine, as the ''Horatio King Post Office Building.''

Mr. Speaker, Horatio King was a former Postmaster General of the United States and a native of Paris, Maine. Mr. King's long career with the postal service began in 1839. In 1850, he became affiliated with the foreign mail service and was instrumental in its development. In 1854, Mr. King was appointed First Assistant Postmaster General. And in 1861, he was appointed the 22nd Postmaster General of the United States by President Buchanan. In 1863, President Lincoln appointed Mr. King, a Democrat who was loyal to the Union, to the commission responsible for implementing the Emancipation Proclamation in Washington, D.C.

In addition to his public service, Mr. King lectured and hosted literary events at his Washington home and published numerous magazine articles. Today, his birthplace is preserved as the King's Hill Inn in Paris, Maine.

Mr. Speaker, I urge adoption of S. 970.

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

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a member of the Committee on Government Reform, I am pleased to join with the gentleman from California (Mr. HORN) in consideration of S. 970, legislation naming a postal facility in Paris Hill, Maine, after Horatio King. S. 970 was introduced by Senator SUSAN COLLINS on May 25, 2001.

The Honorable Horatio King, a former newspaper publisher and postal employee, began his career with the postal service in 1839. In 1854, he was appointed assistant Postmaster General, a post he held until becoming Postmaster General in 1861. Two years later, President Lincoln named Mr. King to a commission charged with carrying out the Emancipation Proclamation in the District of Columbia.

A man of letters, Horatio King was noted for hosting intimate literary evenings in Washington, D.C.

Mr. Speaker, today the birthplace of Horatio King is well preserved as the King's Hill Inn. It is indeed most appropriate that Congress recognize Horatio King's contributions to our country and the postal service by naming a postal facility in the town of his birth. I urge the swift passage of this bill and note that the gentleman from Maine (Mr. BALDACCI) wishes to support our efforts by submitting a statement in the CONGRESSIONAL RECORD which I will read:

Mr. Speaker, I strongly support passage of S. 970, legislation to designate the Paris Hill, Maine, post office as the Horatio King Post Office Building. This bill is a fitting tribute to a former Postmaster General and advocate of national unity during one of our Nation's most trying times.

Horatio King was born on his family farm in Paris Hill, Maine, in 1811. His family had fought for freedom against the British. Horatio had a deep sense of commitment to his community, first serving as the editor and owner of a local paper in Paris, Maine.

In 1839, Horatio King began his career in the United States Postal Service. In 1861, President Buchanan named him Postmaster General of the United States.

Mr. King maintained a deep interest in politics throughout his life. He was a contemporary and close friend of Hannibal Hamlin, who served as President Lincoln's Vice President in his first administration.

Horatio himself became an ardent advocate of national unity. Although a Democrat, he supported Abraham Lincoln because of the candidate's conviction that the Republic must be saved. Mr. King continued at his post under President Lincoln for a short period of time. Although he could not serve in a military capacity during the Civil War, his son did join the Army and received a Medal of Honor for his service.

Mr. Speaker, I urge my colleagues to support S. 970 as an appropriate tribute to Horatio King for his many dedicated years of service to the United States Postal Service and for the patriotism he exhibited throughout his adult life.

I note again, Mr. Speaker, that this is the statement of the gentleman from Maine (Mr. BALDACCI).

Mr. BALDACCI. Mr. Speaker, I strongly support passage of S. 970, legislation to designate the Paris Hill, Maine, Post Office as the Horatio King Post Office Building. This bill is a fitting tribute to a former Postmaster General and advocate of national unity during one of our nation's most trying times.

Horatio King was born on his family farm in Paris Hill, Maine in 1811. His family had fought for freedom against the British. Horatio had a deep sense of commitment to his community, first serving as the editor and owner of a local paper in Paris, Maine.

In 1839, Horatio King began his career in the United States Postal Service. In 1861, President Buchanan named him Postmaster General of the United States.

Mr. King maintained a deep interest in politics throughout his life. He was a contemporary and close friend of Hannibal Hamlin, who served as President Lincoln's Vice President in his first administration.

Horatio himself became an ardent advocate of national unity. Although a Democrat, he supported Abraham Lincoln because of the candidate's conviction that the Republic must be saved. Mr. King continued at his post under President Lincoln for a short period of time. Although he could not serve in a military capacity during the Civil War, his son did join the army, and received a Medal of Honor for his service.

Mr. Speaker, I urge my colleagues to support S. 970 as an appropriate tribute to Horatio King for his many dedicated years of service to the Untied States Postal Service and for the patriotism he exhibited throughout his adult life.

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

Mr. HORN. Mr. Speaker, I urge the adoption of S. 970.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. HORN) that the House suspend the rules and pass the Senate bill, S. 970.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. HORN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

JOSEPH E. DINI, JR. POST OFFICE

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 737) to designate the facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, as the ''Joseph E. Dini, Jr. Post Office''.

The Clerk read as follows:

S. 737

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

SECTION 1. JOSEPH E. DINI, JR. POST OFFICE.

(a) DESIGNATION.—The facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, shall be known and designated as the ''Joseph E. Dini, Jr. Post Office''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the Joseph E. Dini, Jr. Post Office.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HORN) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. HORN).

GENERAL LEAVE

Mr. HORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

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

There was no objection.

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

Mr. Speaker, S. 737 was introduced by the distinguished Senator from Nevada, HARRY REID. This bill designates the facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, as the ''Joseph E. Dini Post Office Building.'' A bill for the same purpose was introduced by my distinguished colleague, the gentleman from Nevada (Mr. GIBBONS).

Mr. Speaker, Joseph E. Dini was born and raised in the small town of Yerington, Nevada. Mr. Dini was first elected to the Nevada State Assembly in 1966 and is currently the longest-serving member of the State Assembly in Nevada history. Mr. Dini has served Nevada as speaker pro tempore, majority leader, and speaker of the State Assembly. During his tenure, Mr. Dini became the legislature's leading authority on Western water issues.

In addition, Mr. Dini is an active participant in many community service organizations throughout Nevada.

Mr. Speaker, I urge adoption of S. 737.

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

□ 1500

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a member of the Committee on Government Reform, I am again pleased to join with my colleague, the gentleman from California (Mr. HORN), in consideration of S. 737, a bill which designates the post office in Yerington, Nevada, after Joseph E. Dini, Jr. S. 737 was introduced on April 6, 2001, by Senator HARRY REID of Nevada.

Born on March 28, 1929, in Yerington, Nevada, Joseph Dini was educated in the Yerington public schools and at the University of Nevada. He went on to represent his hometown of Yerington well in the Nevada Assembly, where he amassed several impressive records. Not only did he serve the longest of any member in the Nevada Assembly, from 1967 to 2001, but also he served as speaker of the Assembly more sessions than anyone else in Nevada history. For an unparalleled eight times he was elected speaker by his Assembly peers. In 2001, Joe Dini became the speaker emeritus.

Joe Dini devoted much time to numerous community service organizations, including the Yerington Rotary Club, the Yerington Volunteer Fire Department, the Nevada American Revolution Bicentennial Commission, the Yerington Lions Club, the Yerington Rotary Club, among other organizations.

The awards that Mr. Dini has earned are quite impressive and numerous. Let me just mention a few. He was designated as the Outstanding Senior Advocate by the Governor's Conference on Aging, the Citizen of the Year by the Nevada Judges Association, and Man of the Year by the Yerington Kiwanis Club. He received the Outstanding Citizen Award by the Nevada Education Association, the Excellence in Public Service Award by the Nevada Trial Lawyer Association, and the Friend of Education Award from the Nevada State Education Association. Of course, we could go on and on listing Mr. Dini's awards.

Mr. Speaker, Mr. Joseph E. Dini, Jr., is the epitome of what a public servant should be; a man who has honored his State of Nevada, his hometown of Yerington, and, yes indeed, his country, the United States of America, through his years of dedicated service.

By naming the post office at 811 South Main Street in Yerington, Nevada, for Joseph E. Dini, Jr., we will not only be honoring a man, but also we will be honoring a building, a building that serves the citizens each and every day. I would urge swift passage of this bill.

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

Mr. HORN. Madam Speaker, I yield 3 minutes to the gentleman from Nevada (Mr. GIBBONS).

Mr. GIBBONS. Madam Speaker, I also would like to thank my colleagues who have allowed me time to speak on this very important bill. It brings me a great deal of pleasure to offer my full support of this legislation here that is before us today, S. 737.

As you know, this legislation, as has been described, will designate a facility of the United States Postal Service located in Yerington, Nevada, as the Joseph E. Dini, Jr., Post Office.

Madam Speaker, it was my great honor and great privilege to work with Speaker Dini when we served together in the Nevada State Legislature. As a freshman legislator, I can speak from experience and fact that very early in my political career, Speaker Dini taught me some very valuable lessons about the passage of legislation, about bipartisanship and all the things that are important to doing a job as a public servant in a legislative body.

I can remember how well Speaker Dini worked with those from both sides of the aisle, focusing more on the legislative accomplishments than on one's personality or partisanship.

Still to this day, after serving in our State legislature since 1967, Speaker Dini maintains his ability to put people before politics. Mr. Dini certainly is a natural leader. He has achieved one success after another, as you heard my colleague the gentleman from Illinois (Mr. DAVIS) say, and he has avoided the political grandstanding that tends to stymie the legislative process.

Madam Speaker, Speaker Dini has not only served his constituents in the Nevada Assembly, district 38, with distinction and class, but he has served and continues to serve the entire State of Nevada in the same fashion.

Madam Speaker, I would ask all my colleagues to join me today in honoring one of our country's, and, yes, Nevada's, finest public servants by supporting Senate bill 737.

Mr. DAVIS of Illinois. Madam Speaker, I yield such time as she may consume to the gentlewoman from the First District of Nevada (Ms. BERKLEY).

Ms. BERKLEY. Madam Speaker, I thank the gentleman for yielding me time.

Madam Speaker, I am going to join my colleague from Nevada (Mr. GIBBONS) in praising Assemblyman Joe Dini. This is an extraordinary man. We know him very, very well. I am very proud to stand here and speak on his behalf.

Assemblyman Dini, as we have heard, was born in Yerington, Nevada, in 1929. He went through school in Yerington. He went to the University of Nevada in Reno. He is truly a homegrown and cherished possession of the State of Nevada. He has served his constituents in Yerington very well. He has served the people of the great State of Nevada very well.

I, too, have a number of remembrances of Joe Dini, having also served in the Nevada State Legislature with him, but I would like to harken back to the time that I was a freshman.

Mr. Dini had already been speaker of the Nevada State Assembly, and he was going to become speaker again. But during my first term as a young assemblywoman in Nevada in the early 1980s, he did not speak to me very much during the session. Every time I saw him, I was a bit in awe, and I used to step back, and I thought perhaps the less interaction we had, the better. He observed me and he watched me, and we kept our distance. He was certainly somebody that I would want to impress and want to do well for.

I did not hear from him the entire session. Towards the very end of the session, the end of May, he came over to where I was sitting. He sat down, he looked at me and spoke to me for the first time, and he said, ''You did a good job. I am proud of you.''

Those words meant everything in the world to me. It was more affirmation that I could actually do the job that I had been elected to, and there was somebody from the State of Nevada that was such an icon and such a respected member not only of his community of Yerington, but of the entire State of Nevada that I felt that what I was doing had been appreciated, and it gave me inspiration to continue and do other things.

I am sure that I am not an isolated incident, and I suspect there are literally thousands of young Nevadans that Joe Dini has significantly impacted on their lives and made a significant difference.

So I am delighted to be here today. This is a much-deserved honor. The people of Yerington, the people of the great State of Nevada, are very grateful for this honor for our homegrown native son, Assemblyman Joe Dini.

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

Mr. HORN. Madam Speaker, I urge adoption of this measure, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. MORELLA). The question is on the motion offered by the gentleman from California (Mr. HORN) that the House suspend the rules and pass the Senate bill, S. 737.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, February 4, 2002.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on February 4, 2002 at 12:52 p.m. and said to contain a message from the President whereby he transmits a 6-month periodic report on the national emergency with regard to Iraq.

With best wishes, I am

Sincerely,

JEFF TRANDAHL,
Clerk of the House.

PERIODIC REPORT ON NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–179)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I am providing a 6–month periodic report prepared by my Administration on the national emergency with respect to Iraq that was declared in Executive Order 12722 of August 2, 1990.

GEORGE W. BUSH.
THE WHITE HOUSE, *February 4, 2002.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, February 4, 2002.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on February 4, 2002 at 12:52 p.m. and said to contain a message from the President whereby he transmits an extension of an Agreement between the United States and the People's Republic of China extending the Agreement of June 24, 1985, Concerning Fisheries Off the Coasts of the United States.

With best wishes, I am

Sincerely,

JEFF TRANDAHL,
Clerk of the House.

EXTENDING AGREEMENT BETWEEN THE UNITED STATES AND CHINA CONCERNING FISHERIES OFF THE COASTS OF THE UNITED STATES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–180)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Resources and ordered to be printed:

To the Congress of the United States:

In accordance with the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 *et seq.*), I transmit herewith an Agreement between the United States of America and the Government of the People's Republic of China extending the Agreement of June 24, 1985, Concerning Fisheries Off the Coasts of the United States, with annex, as extended (the ''1985 Agreement''). The present Agreement, which was effected by an exchange of notes in Beijing on April 6 and July 17, 2001, extends the 1985 Agreement to July 1, 2004.

In light of the importance of our fisheries relationship with the People's Republic of China, I urge that the Congress give favorable consideration to this Agreement.

GEORGE W. BUSH.
THE WHITE HOUSE, *February 4, 2002.*

COMMUNICATION FROM SENIOR ACCOUNTANT, OFFICE OF FINANCE, OFFICE OF CHIEF ADMINISTRATIVE OFFICER

The SPEAKER pro tempore laid before the House the following communication from Philip J. Berisko, Senior Accountant, Office of Finance, Office of Chief Administrative Officer of the House of Representatives:

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER, U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, February 4, 2002.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule VIII of the Rules of the House that I have received a subpoena for certification of documents issued by the United States District Court for the Northern District of Ohio.

After consultation with the Office of General Counsel, I will make the determinations required by Rule VIII.

Sincerely,

PHILIP J. BERISKO,
Senior Accountant, Office of Finance.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 6:30 p.m.

Accordingly (at 3 o'clock and 12 minutes p.m.), the House stood in recess until approximately 6:30 p.m.

□ 1830

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. ISAKSON) at 6 o'clock and 30 minutes p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 8, rule XX, the Chair will now put the question on motions to suspend the rules on which further proceedings were postponed earlier today.

Votes will be taken in the following order:

H.R. 577, by the yeas and nays; and

S. 970, by the yeas and nays.

The Chair will reduce to 5 minutes the time for the second vote in this series.

PRESIDENTIAL LIBRARY CONTRIBUTION DISCLOSURE ACT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 577, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. HORN) that the House suspend the rules and pass the bill, H.R. 577, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 392, nays 3, not voting 40, as follows:

[Roll No. 6]

YEAS—392

Abercrombie
Ackerman
Aderholt
Akin
Andrews
Armey
Bachus
Baird
Baker
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frost
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Menendez
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Putnam
Quinn
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Rush
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn

NAYS—3

Flake
Mink
Paul

NOT VOTING—40

Allen
Baca
Baldacci
Blagojevich
Bonior
Bono
Brown (FL)
Conyers
Cooksey
Frelinghuysen
Gallegly
Granger
Hall (TX)
Hastert
Hinojosa
Jefferson
LaFalce
Lampson
Lipinski
Lucas (OK)
Luther
Lynch
McCollum
Meeks (NY)
Millender-McDonald
Miller, George
Pryce (OH)
Radanovich
Riley
Rodriguez
Roukema
Ryan (WI)
Shaw
Slaughter
Souder
Stump
Traficant
Waters
Young (AK)
Young (FL)

□ 1651

Mr. ACKERMAN changed his vote from ''nay'' to ''yea.''

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title was amended so as to read: ''A bill to amend title 44, United States Code, to require any organization that is established for the purpose of raising funds for creating, maintaining, expanding, or conducting activities at a Presidential archival depository or any facilities relating to a Presidential archival depository to disclose the sources and amounts of any funds raised, and for other purposes.''.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. ISAKSON). Pursuant to clause 8 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting on the additional motion to suspend the rules on which the Chair has postponed further proceedings.

HORATIO KING POST OFFICE BUILDING

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the Senate bill, S. 970.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. HORN) that the House suspend the rules and pass the Senate bill, S. 970, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 394, nays 0, not voting 41, as follows:

[Roll No. 7]

YEAS—394

Abercrombie
Ackerman
Aderholt
Akin
Andrews
Armey
Bachus
Baird
Baker
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Camp
Cannon
Cantor

Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frost
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Menendez
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Putnam
Quinn
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Rush
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn

NOT VOTING—41

Allen
Baca
Baldacci
Blagojevich
Bonior
Bono
Brown (FL)
Calvert
Capito
Cooksey
Frelinghuysen
Gallegly
Granger
Hall (TX)
Hastert
Hinojosa
Jefferson
LaFalce
Lipinski
Lucas (OK)
Luther
Lynch
McCollum
Meeks (NY)
Millender-McDonald
Miller, George
Pryce (OH)
Radanovich
Riley
Rodriguez
Roukema
Ryan (WI)
Shaw
Slaughter
Souder
Stump
Taylor (NC)
Traficant
Waters
Young (AK)
Young (FL)

□ 1901

So (two-thirds having voted in favor thereof), the rules were suspended and 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:

Mrs. CAPITO. Mr. Speaker, on rollcall No. 7 I was unavoidably detained. Had I been present, I would have voted "yea."

PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Speaker, I was unable to be present for rollcall vote Nos. 6 and 7. Had I been present, I would have voted "yes" or "aye" on rollcall vote Nos. 6 and 7.

Mr. RILEY. Mr. Speaker, I was unavoidably detained for rollcall No. 6, H.R. 577, to require any organization that is established for the purpose of raising funds for the creation of a Presidential archival depository to disclose the sources and amounts of any funds raised. Had I been present I would have voted "yea."

I was also unavoidably detained for rollcall No. 7, S. 970, to designate the facility of the United States Postal Service located at 39 Tremont Street, Paris Hill, Maine, as the Horatio King Post Office Building. Had I been present I would have voted "yea."

PERSONAL EXPLANATION

Mr. HINOJOSA. Mr. Speaker, I regret that I was attending a funeral and was unable to return in time for votes. Had I been present, I would have voted "yea" on rollcalls 6 and 7.

□ 1900

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 107–356) on the resolution (H.Res. 342) providing for consideration of motions to suspend the rules, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3394, CYBER SECURITY RESEARCH AND DEVELOPMENT ACT

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 107–357) on the resolution (H.Res. 343) providing for consideration of the bill (H.R. 3394) to authorize funding for computer and network security research and development and research fellowship programs, and for other purposes, which was referred to the House Calendar and ordered to be printed.

TECHNICAL CORRECTION OF ERROR IN THE CODIFICATION OF TITLE 36

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1888) to amend title 18 of the United States Code to correct a technical error in the codification of title 36 of the United States Code.

The Clerk read as follows:

S. 1888

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

SECTION 1. TECHNICAL CORRECTION OF ERROR IN THE CODIFICATION OF TITLE 36.

Section 2320(e)(1)(B) of title 18, United States Code, is amended by striking "section 220706 of title 36" and inserting "section 220506 of title 36".

The SPEAKER pro tempore (Mr. ISAKSON). Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from California (Mr. BERMAN) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. 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 material on S. 1888.

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

There was no objection.

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

Mr. Speaker, I rise in support of S. 1888, legislation to correct a technical error in the Federal Criminal Code concerning the protection of certain Olympic trademarks.

As you know, a great tradition resumes this week. The Winter Olympic Games begin in Salt Lake City, Utah. The tradition of the Olympics is more important than ever. Amateur athletes from around the world come together

to compete in goodwill and strive towards excellence in their sport. They are an inspiration to us all.

Since the tragedies of September 11, it is more important than ever that the nations of the world are united in peaceful exhibition. Surely my colleagues join me in the pride that our country hosts the games this winter.

The Departments of Justice and the Treasury and the U.S. Olympic Committee have recently notified Congress that an incorrect citation was made when a recodification of certain laws was passed in 1998. This typographical error, the insertion of the number 7 instead of 5, inadvertently undermines the protection of Olympic trademarks such as the Olympic rings. This legislation corrects the error.

The need to protect trademarks and other intellectual property is stronger today than ever. There are disturbing reports detailing how the proceeds of counterfeit and pirated goods are used to fund a variety of dangerous criminal enterprises including terrorism. It is important that we safeguard the integrity of the goodwill of the Olympics as well as our public safety by giving Federal law enforcement the tools to go after wrongdoers and to protect these important trademarks.

I would also like to say a few words about something that is very disturbing to me. When I was driving in from the airport today, the radio carried a report that the International Olympic Committee had denied the request of the United States Olympic team to carry as the American flag that flag which had been recovered from the wreckage of the World Trade Center. Today we are talking about legislation relating to the meaning of symbols, the Olympic rings in particular, and how important symbols are to the fight against evil and for good, and how important symbols are in terms of preventing criminals and terrorists from appropriating those symbols for their own use.

I was honestly shocked to hear that the bureaucrats of the International Olympic Committee are denying the American team the right to carry the flag that they wanted to as a symbol of the solidarity of the world against the events of September 11. And while we are passing legislation today protecting one of the symbols of both the International and U.S. Olympic Committees, I would hope that the IOC would reciprocate and would reconsider the very foolish decision that they made, if this radio report was accurate, denying American Olympic athletes the right to carry the flag that they want to carry.

One must remember that there were citizens of 86 countries that died in the World Trade Center on September 11. So that flag is not just an American symbol, it is a symbol that is being carried in memory of those citizens of most of the countries participating in the Olympics, and it ought to be present when the games open up in Salt Lake City later this week.

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

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

Mr. Speaker, I rise to join the distinguished gentleman from Wisconsin (Mr. SENSENBRENNER), the Chairman of the Committee on the Judiciary and support passage of S. 1888.

S. 1888 appears to be a wholly technical, noncontroversial bill. Thus, while the Committee on the Judiciary did not consider and report out the bill, I believe it is appropriate to move this bill on suspension today. In essence, S. 1888 corrects a drafting error made when Congress passed H.R. 1085 in 1998. H.R. 1085 codified into title 36 of the U.S. Code certain preexisting provisions of U.S. law, including those which gave the United States Olympic Committee exclusive use of Olympic symbols such as the five interlocking rings.

It is somewhat important to move this legislation now before the Olympics in Salt Lake City begin. U.S. Customs officials have expressed concern that they will not be able to prosecute infringement of the Olympic symbols in Salt Lake City unless this legislation is passed.

In conclusion, Mr. Speaker, it is apparent that while technical in nature, S. 1888 is an important piece of legislation. It is also apparent that its passage is somewhat time-sensitive with the Olympics shortly due to begin.

I have much more to say on this legislation, Mr. Speaker, but given the critical importance of the special order which will commence as soon as we are done with this bill, I will yield back the balance of my time.

Mr. Speaker, I yield back the balance of my time, and I urge an aye vote.

Mr. SENSENBRENNER. Mr. Speaker, I yield such time as he may consume to the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Speaker, I would like to begin by associating myself with the comments of the gentleman from Wisconsin (Mr. SENSENBRENNER), the Chairman of the Committee on the Judiciary, as regards the choice of flag that the American team proposes to carry and would also encourage the IOC to reconsider their decision.

I rise in support of this small but vital technical correction to the trademark law. This legislation would fix a drafting error which would otherwise allow unauthorized use of the protected Olympic symbols.

As Utah and America prepare to welcome the rest of the world this weekend to the Salt Lake City Winter Olympics, we must close a loophole that would let counterfeiters of Olympic merchandise of the games go unpunished.

Congress clearly intended to protect against the unauthorized use of Olympic-related symbols, logos, slogans and other marks without permission from the Olympic governing bodies. Such protected and familiar symbols include the Olympic rings and even the title ''Olympics.'' Revenues generated by the Olympic trademarks go to support the games and American athletes.

Title 36, section 220501 of the U.S. Code provides these protections and makes available the remedies under the Lantham Act for trademark counterfeiting to criminally prosecute counterfeiters of Olympic marks.

Unfortunately, the necessary cross-reference to the section entitled title 18, section 2320 of the U.S. Code, which sets forth the actual criminal penalties, mistakenly references another section of title 36. Rather than protecting Olympics trademarks, the erroneously cross-referenced section deals with the powers of a federally chartered, nonprofit veterans society of World War II submariners. This error must be corrected today.

Section 2320 of title 18 is the primary basis for criminal prosecutions of those who traffic in counterfeit Olympic goods. The start of the Salt Lake City Winter Olympics later this week is already producing a sharp spike in the amount of trafficking in phony Olympic goods and services.

The Customs officers and other law enforcement officials who have been trained to intercept fake merchandise are currently relying upon a section of the U.S. Code that does not actually provide any criminal penalties for Olympic-related counterfeiting. They are, in effect, enforcing a law that does not exist because of a typographical error.

The bill today simply corrects the cross-reference in title 18 to refer to the intended section of title 36 dealing with Olympic marks. S. 1888 passed the Senate by unanimous consent on December 20. House action today can ensure that this bill reaches the President for enactment prior to the start of the Salt Lake Winter Olympic Games.

Mr. Speaker, I am grateful to the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Texas (Mr. ARMEY) for recognizing the urgency of the problem and acting quickly to bring this bill to the floor.

I want to take this opportunity to thank all my colleagues for their steadfast support of the Salt Lake Olympic Games. The response from this body on nearly every Winter Olympic request, especially on increased Federal security measures, has been one of unqualified support. It is a direct result of that support that the Salt Lake Winter Olympics will be the most secure and successful in history.

I hope all of the Members will get a chance to watch some of the Winter Olympic Games over the next few weeks. It will be a heck of a show and one that demonstrates the resilience of the American spirit.

Mr. SENSENBRENNER. Mr. Speaker, I urge an aye vote.

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

The SPEAKER pro tempore. The question is on the motion offered by

the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the Senate bill, S. 1888.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

SPECIAL ORDERS

□ 1915

The SPEAKER pro tempore (Mr. ISAKSON). 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.

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 addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

HONORING COLONEL FRANCIS GABRESKI

(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, I rise today to celebrate the life of Colonel Francis ''Gabby'' Gabreski, our Nation's highest-ranking fighter ace, who passed away Thursday, January 31.

Gabby Gabreski amassed 28 downed German aircraft in World War II and 6.5 enemy MiG fighters in the Korean War, becoming America's greatest living ace.

Gabreski graduated in 1941 from Knoxville Army Air Field as a second lieutenant and was assigned to the 45th Fighter Squadron in Hawaii where he witnessed the attack on Pearl Harbor.

In June of 1944, Gabreski led his squadron in a long fighter sweep over the beaches of Normandy. Three weeks later he surpassed Eddie Rickenbacker's World War I record and on July 5 scored his 28th victory after 193 missions, making him America's leading ace, earning him a leave back to the United States.

After pleading with his superiors to forgo his leave and fly just one more final mission, Gabreski was shot down over Europe. He spent the final 8 months as a POW.

Gabreski once again took the skies during the Korean War as commander of the 51st Fighter Wing where he helped develop tactics for jet fighters.

He retired from the Air Force as a colonel in 1967 and spent the next 20 years working in the aviation industry. Gabreski was inducted into the National Aviation Hall of Fame and later served as the president of the Long Island Railroad system.

I am proud that the home of the Air National Guards' 106th Rescue Wing in my congressional district bears his name.

Mr. Speaker, today I rise and ask my colleagues to join me in honoring a true American hero, Colonel Francis ''Gabby'' Gabreski.

HONORING ROSS BEACH

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

Mr. MORAN of Kansas. Mr. Speaker, I am here tonight following the 141st anniversary of Kansas' entry into the Union to honor a great Kansan, Mr. Ross Beach. A business leader, philanthropist and lifelong Kansan, Mr. Beach was recognized on January 25 of this year as the Kansan of the Year. There is no one more deserving than Mr. Beach of this recognition.

In his lifetime, Mr. Beach has changed the Kansas landscape, helping to make the State an even better place to live. A pioneer and leader in the oil and gas industry, banking, radio and television, his work has brought economic progress and jobs to our State of Kansas. In recognition of this success, Mr. Beach has been inducted into the Kansas Business Hall of Fame. Today he continues to influence Kansas as president of the Kansas Natural Gas Corporation and as chairman of the Douglas County Bank.

In my hometown of Hays, where Mr. Beach resides, his generosity has made possible the creation of two of the community's most cherished assets, a world class performing arts center and museum of natural history. The philanthropic works of Mr. Beach and his talented and gracious wife, Marianna, extend far beyond our community of Hays, enhancing the lives of Kansans across our State through the Marianna Kistler Beach Museum of Art at Kansas State University and the Beach Center on Disability at the University of Kansas. These are the gifts that Mr. Beach and Mrs. Beach have made known to our State. Many of his most important acts of generosity have been performed in anonymity.

It is with this spirit of commitment to unity and State that Ross Beach has lived his life. Not long after graduating from Kansas State University, he served in World War II as a naval aviator. Since that time Mr. Beach has repeatedly demonstrated his willingness to serve not only through his gifts but also with his time and talents, providing leadership to numerous organizations, including the Kansas 4–H and the Eisenhower Foundation. Mr. Beach has also chaired the Kansas Fish and Game Commission and served as president of the Kansas State Chamber of Commerce.

Knowing Ross Beach as a businessman, it is clear to me why he has had such a successful career. Knowing him as a friend, it is no surprise that he has used his success to benefit his fellow Kansans. I commend Ross Beach for his many accomplishments, his philanthropy and his recent and most highly deserved recognition as Kansan of the Year.

CONGRATULATING NANCY PELOSI

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

Mr. STARK. Mr. Speaker, as dean of the California delegation, I often wonder what it gets one besides old age and the infirmities that come with that, but I must say that it is a great pleasure today as dean because I have the honor to recognize officially the true accomplishment of the gentlewoman from California (Ms. PELOSI) as she takes over the position of minority whip and becomes the highest-ranking woman ever in the U.S. House of Representatives. I offer my congratulations to her and her family on this tremendous achievement.

Our State is proud of NANCY, as are all the women and men throughout the country. NANCY's a trail blazer for women and for our State, but she is not the first. She joins a long line of women leaders from the State of California.

Throughout American history, California has sent more women to Congress than any other State. The first woman, Mae Ella Nolan, was elected to replace her late husband and sworn in January of 1923, shortly before I got here.

In 1925 California elected Florence Prag Kahn, the State's second woman to serve in the House. She served for 12 years in the House and was the first Jewish woman to serve in Congress.

In January of 1945, Helen Gahagan Douglas became the third California woman and, of course, as my colleagues know, set the foil for our former President, Mr. Nixon.

In 1972, the year that I was first elected, California elected its fourth woman member, Yvonne Brathwaite Burke. Congressman Brathwaite had her own couple of firsts. She was the first African American woman to represent California and also was the first woman to give birth to a child while serving in Congress.

So California has a rich tradition of sending women to Washington, D.C. In my 30 years I have been proud to serve with several women leaders from our great State. The gentlewoman from California (Ms. PELOSI), however, has risen to the top, the best of the best.

The occasion we mark today raises the bar for women and men everywhere. She has succeeded through the

power of her ideas and the strength of her convictions. She will be a formidable and fabulous whip. She will even be able to keep me in line; and I congratulate her and I applaud her, and I am proud to call her my colleague and friend.

PLIGHT OF THE PEOPLE OF KLAMATH BASIN

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

Mr. WALDEN of Oregon. Mr. Speaker, it is not the first time I have come to the well to address the House and my colleagues about the terrible plight of the people of the Klamath Basin in Oregon and northern California.

Mr. Speaker, as my colleagues know, on April 6 of last year, the water was cut off to the farmers at Klamath Basin. Some 1,400 farms were affected. The decision was unprecedented. Never in the near-hundred-year history of this water project run by the Bureau of Reclamation had the water been totally cut off; but a new scientific analysis and decisions by the various agencies, the Fish and Wildlife Service, the National Marines Fisheries Service, said, sorry, there is not enough water for the farmers. We have to maintain the highest lake levels we have ever maintained to protect sucker fish, and then we have to release water later on in greater amounts than we have before to provide water for the Koho salmon, which are in danger.

Mr. Speaker, a number of us, especially the farmers and ranchers in the basin, argued against that, saying that there was no scientific evidence to prove that this was necessary; but those arguments fell on deaf ears. Later in the spring, the chairman of the House Committee on Resources agreed to let us have a field hearing in the Klamath Basin. Thousands of people turned out. Thousands of people turned out for that hearing, Mr. Speaker; and at that time we raised these issues and said the science just did not add up to the decisions that were being made.

We called for the Department of the Interior to get peer review of that science. We also held a rally where close to 18,000 people, in a county of 60,000, turned out. They called it the ''bucket brigade,'' where we talked about the farm families. The veterans who were lured to this area by the same Federal Government with a promise of water for life, they were asked to come settle this project, this reclaimed land, guaranteed water to grow their crops to expand the Nation; but no water did they get this year, virtually none.

So the fields dried up. We can see the sand here and a wheel line in the sand. There was so much sand and dust that there were traffic accidents that came about, but the biggest accident that came about were the bankruptcies and the losses that devastated this area. Oregon State University said $134 million of potential economic loss. Bankruptcies like the Carleton family, third generation in the basin, they had farmed there three generations.

This administration, this Congress responded with a little bit of economic assistance, saying, here we will help a little bit, $20 million into the basin and $134 to $200 million economic hit. This poor gentleman, when he got that, the money went to the bankruptcy court. He got stuck with a $60,000 tax bill out of $122,000 in emergency aid.

I tell my colleagues that just to show the devastation not only to the environment of the farm country but the families who lived there; but the most important fact came out this weekend, Mr. Speaker, when the National Academy of Sciences finally finished their review of the data and the decisions.

Do my colleagues know what that showed, Mr. Speaker? It showed there was no scientific justification for the high lake levels or for dumping the water in the Klamath River. This is the article out of the Herald and News, irrigation cut off was not justified.

The damage done to these people is extraordinary. Some of it can never be undone. The decisions were flawed. They were based on science that did not add up to the decisions that were made.

Further, had we not had this outside peer review by the National Academy of Sciences, we would have continued down a road of dumping potentially lethally hot water into the Klamath River, killing the very Koho salmon this whole plan was supposed to fix and help. The National Academy of Sciences said one of the reasons that these Koho are surviving in this rather warm river complex to begin with is probably due to natural seepage and some cold water springs where they can go off into micro-habitat and survive.

The plan that the National Marine Fisheries Service wanted us to follow which denied water to the farmers said dump warm reservoir water into this same river system. In effect, pollute this river with warm water at the worst time of the year, providing lethal water to the salmon.

Mr. Speaker, if there was ever a poster child for the need for reforming of the Endangered Species Act to have precisely this kind of peer review of the science, it is the Klamath Basin.

□ 1930

Beyond that, Mr. Speaker, if this government owes any debt to anyone, it is to the farmers and ranchers in this basin whose livelihoods were robbed from them, whose fields turned up dry, some of whom left; and I have not even talked about the farm-worker families that had to leave.

During the bucket brigade rally, where 18,000 showed up, a Hispanic farm worker came up to me in the high school ball field where we had all gathered, tears in his eyes, and told me he had come to this country some 20, 25 years before and gotten a job on a farm in this basin the next day. He had raised his family, educated his kids, and worked every day since, until that week, when he had lost his job.

A terrible wrong has been committed here. We have an obligation and a responsibility to make it right.

CONGRATULATIONS TO THE HONORABLE NANCY PELOSI, MEMBER OF CONGRESS, NEW MINORITY WHIP

The SPEAKER pro tempore (Mr. BROWN of South Carolina). Under a previous order of the House, the gentlewoman from California (Ms. LEE) is recognized for 5 minutes.

Ms. LEE. Mr. Speaker, as we celebrate and honor our new minority whip, the gentlewoman from California (Ms. PELOSI), I also must really thank her for being such a role model. As a wife, a mother, a grandmother, a friend to many, a great humanitarian and a phenomenal leader, Ms. PELOSI has really demonstrated that women can do it all at the same time.

NANCY PELOSI's congressional district is right across the Bay Bridge from my district. Her constituents have recognized her intellect, her passion, and her coalition-building ability by electing her to the House of Representatives eight times. Now, as minority whip, these same attributes and values will be brought to our leadership team to meet the challenges of this new millennium.

No one is more qualified to lead than Ms. PELOSI. She understands that education is the soundest investment we can make as a Nation to secure our future. She understands that access to quality health care, affordable housing, job and pension security, and a commitment to fighting the global HIV/AIDS pandemic are essential to our economic and national security. And she knows that job security and economic security are not Democratic or Republican issues, but American issues that deserve bipartisan support.

As a true leader on international issues, Ms. PELOSI cares about our foreign policy and fights to ensure that our foreign aid is directed toward the betterment of humankind. She has been a powerful and relentless ally in the fight to eradicate HIV/AIDS in San Francisco as well as in Africa and throughout the world. Her deep commitment to civil rights and civil liberties here at home and her unwavering support for human rights abroad have given us all a standard for justice and equality.

On October 10, 2001, exactly 90 years to the day after women won the right to vote in California, the gentlewoman from California (Ms. PELOSI) was elected by her colleagues to become our Democratic House whip, the highest ranking woman in the 212-year history of this institution.

This victory is really a great triumph for our Nation. Ms. PELOSI has broken through a glass ceiling that has long kept women from reaching the upper echelons of power in this House. As she said shortly after being elected, ''We made history; now we have to make progress.''

NANCY, congratulations on earning this place in history. Congratulations and Godspeed as you accept this place of distinction in the people's House. I know that there are many girls and young women throughout the world who are saying, ''When I grow up, I want to be just like Congresswoman PELOSI.''

Mr. Speaker, I yield to the gentlewoman from Ohio (Mrs. JONES).

Mrs. JONES of Ohio. Mr. Speaker, I would like to associate myself with the comments of my colleague, the gentlewoman from California (Ms. LEE), and I stand here to congratulate the new minority whip of the House of Representatives, the gentlewoman from California (Ms. PELOSI).

This is my second term in the U.S. Congress, and I have to express the fact that the joy I have had serving in the Congress I partly owe to NANCY PELOSI and the guidance she has given me as a colleague throughout these 3, almost 4, years in the House of Representatives.

The wonderful thing is that the world is very small, because I came to know NANCY PELOSI through some friends of mine from Cleveland, the Sklars; and so I stand here celebrating with them as well this great opportunity.

I also have to say that there was no greater joy than being a monitor in the room when those votes were counted and I was able to say, yes, I have been a part of history being made as those votes were counted on behalf of NANCY PELOSI. I am looking forward to her leadership and the opportunity to be there to help her lead this Congress and lead this Democratic Party into this new century and to have an opportunity to say to the world that ''a woman's place is in the House, the House of Representatives of the U.S. Congress.''

Congratulations NANCY PELOSI, and I am here to let you know I am here for you.

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

(Mr. KIRK 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. BERMAN) is recognized for 5 minutes.

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

MINNESOTA MOURNS THE DEATH OF STATE REPRESENTATIVE DARLENE LUTHER

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

Mr. RAMSTAD. Mr. Speaker, the people of Minnesota are in mourning because we have had a death in the family. Minnesota State Representative Darlene Luther, wife of our good friend and colleague Bill Luther, passed away last week after a courageous battle with cancer.

Today in St. Paul, Minnesota, Darlene's family and hundreds of her friends and constituents attended her funeral mass at the Cathedral of St. Paul. From Governor and Mrs. Ventura, to members of Minnesota's congressional delegation, the Minnesota legislature, and supreme court; from Darlene's constituents in Brooklyn Park, Minnesota, to Darlene and Bill's legions of friends across Minnesota, we said farewell to a loving and committed wife, a caring and loyal friend, and a compassionate and dedicated public servant.

Just as we mourned a great loss, we also celebrated a life of love and a life of service, a life of passionate advocacy and genuine empathy for people, especially people in need. Mr. Speaker, Darlene Luther was truly a loving daughter and sister to the Dunphy family; a loving wife and mother to Bill, Alicia and Alex; and friend to us all. She will be sorely missed by all of us who knew and loved her, by all of us whose lives she touched.

Most of all, Darlene loved her husband, Bill, and their children, Alicia and Alex, as deeply and as dearly as any wife and mother ever could. She was so proud of them, as she told me countless times. I will never forget how proud she was of Bill when he was sworn in as a new Member of Congress. Darlene ran over to me and proclaimed, ''Not bad for a kid from Fergus Falls, huh, Jim?'' I know Darlene also made Bill very proud, and their love for each other will continue to inspire us all.

I will never forget Darlene's pride when Alicia was accepted by Boston College. ''I am so proud of Alicia,'' she told me, ''and she did it despite a letter of recommendation from a Republican Member of Congress.'' Darlene was so proud of the wonderful young woman Alicia has become and so grateful for the loving daughter she has always been.

Mr. Speaker, I will never forget how proud Darlene was at Alex's very first Special Olympics, as we were there to cheer him on. And I will never forget Darlene's pride and her tears of joy when Alex moved into his new apartment. Alex Luther showed all of us what the dignity of independent living is all about.

Mr. Speaker, the loss of Representative Darlene Luther is a great loss for Minnesota. We have lost our leader for people who need life-saving organ donations. We have lost a tireless advocate for early childhood education and kids with special needs. We have lost a true champion for health care and people with disabilities. We have lost a legislator with a big heart who made a big difference in the lives of so many Minnesotans.

Darlene Luther represented the best in public service because she always put people first. As her friends and constituents know, Darlene never took herself too seriously, but she took her job very seriously. And Darlene loved her job, just as she loved her colleagues and the staff of the Minnesota legislature, just as she loved Bill's colleagues and staff, just as she loved her constituents in Brooklyn Park.

As we celebrate Darlene's life of love and service, let us honor her legacy by keeping her passions alive. And may the tender strength of her love and her kind and gentle spirit live forever in the hearts of each of us.

TRIBUTE TO THE NEW MINORITY WHIP, NANCY PELOSI

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

Ms. ESHOO. Mr. Speaker, it is really a privilege and a joy to be on the floor this evening and rise to honor our colleague, the gentlewoman from California (NANCY PELOSI).

I want to make my remarks tonight really in the form of a story. I do not have any notes in front of me, but I would like to hearken back to over 25 years ago. So that is more than a quarter of a century, which certainly says something about my age, but that is how long I have known NANCY PELOSI.

Neither one of us were in elected public service at the time, but she was very well known throughout the State of California for the work that she was doing in her beloved adopted city of San Francisco, having been brought to San Francisco by a great San Franciscan, Paul Pelosi. And out of that marriage, that wonderful, wonderful marriage, have come five magnificent children.

First, let me say something about Paul. We all love him and respect him. He is one of the most gentle individuals, who always has a smile on his face and has done so much for so many of us. It is his singular joy to welcome us to his home to do for each one of us over the years. So this is a great party celebrated around the two of them and not just NANCY.

Five children: Nancy Corinne, Christine, Jacqueline, Paul, Jr., and Alexandra. Two magnificent sons-in-law, Jeff Prowda and Michael Kenneally; and five extraordinary grandchildren, Alexander, Liam, Madeleine, Sean, and Ryan. So you can see that there is both the Gaelic and the garlic that has been blended in this magnificent family.

NANCY PELOSI is recognized a leader not only in her own community but

throughout the State of California. She has been a leader in the Democratic Party, and that came to her from her magnificent mother and father, whom I think tonight and tomorrow and all days are watching NANCY and guiding her from heaven.

Her father served in this House of Representatives. He served as a member of the Committee on Appropriations, as his daughter does today. And her mother was a champion for housing, for the underemployed, for the unemployed, for those that did not have a voice in our society. Her father went on to become Mayor of Baltimore. Her brother, Tommy, has served as Mayor of Baltimore.

So as we Californians like to say, NANCY PELOSI was born and bred for public service and understanding what the best of it represents. Her devotion, her family's devotion to a party to give birth to ideas and to bring people forward for the best of our Nation is the tradition not only of the D'alesandro family, but the Pelosi family as well.

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Mr. Speaker, tonight we rise to pay tribute to her. Not only on the occasion of becoming elected whip, but how proud we are as Californians that we have helped to bring forward this woman for this post. She has always, always been respected by everyone here on both sides of the aisle. The gentlewoman always has a friend in her voice. The gentlewoman from California (Ms. PELOSI) does not make enemies. Why? Because she knows what is at stake, and what is at stake is the business, the blessed and very precious business of our Nation and a better world.

We are so proud that this woman has created another first. We saw her do it in California, and we see her do it here all over again. Whether Members supported her in the race for whip, all of that has really gone away. Tomorrow we present our gift as a caucus to the Nation, and how proud we are that she is yet another first. I think that we have helped to create and present as a party not only a gift to the House of Representatives, to the Congress, but to our Nation, because that is why we are here. I think Americans will come to know her and respect her as we do for what she believes in, for the faith that shapes all that she believes in, because she is a deeply spiritual and faith-filled woman.

Mr. Speaker, the commute across the country every week is not the easiest, but I could not wait to get up this morning to make that flight across the country and join my colleagues and so many other Californians who have flown across the country, who have come here to witness the swearing in and the celebration of the gentlewoman from California (Ms. PELOSI) becoming the whip of the Democrats and a gift to the Nation.

TRIBUTE TO NEW MINORITY WHIP, THE HONORABLE NANCY PELOSI

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

Mr. FARR of California. Mr. Speaker, I rise tonight to also pay tribute to the gentlewoman from California (Ms. PELOSI). Forty years ago in this city a beautiful young woman graduated from Trinity College. Today she becomes the highest ranking woman in the United States House of Representatives. The gentlewoman from California (Ms. PELOSI), now a San Francisco Congresswoman, is the pride of our great State. Born in Baltimore to a family of public servants, her father has been mentioned, Thomas D'Alesandro, served as mayor of Baltimore for 12 years after representing the city in this House of Representatives for five terms where he, like the gentlewoman, served on the Committee on Appropriations. Her brother, Thomas D'Alesandro, III, served as mayor of Baltimore.

She met her husband Paul here in Washington, D.C., in Georgetown where he was a student at Georgetown University. They moved to California, and I think at that time Paul Pelosi changed the definition of the State slogan which is printed on our State library in Sacramento. That slogan reads, ''Bring us men to match our mountains.'' Paul Pelosi brought us women to match our mountains.

The gentlewoman gave birth to five children, Nancy Corinne, Christine, Jacqueline, Paul, and Alexandra. While raising her five children, she got involved in San Francisco Democratic politics, became northern chair of the State party, and chair of the 1984 Democratic National Convention Host Committee when that convention was held in San Francisco.

The gentlewoman from California (Ms. PELOSI) became known as a national committeewoman from California and served in that position for 20 years. She is a champion of the people's issues. She is a respected mother, a San Francisco socialite, a Congresswoman, and now Democratic whip of the House of Representatives.

As a native of California, fifth generation, this is one of the proudest moments I have had in public life, to see one of our own public servants rise to this position, and I now serve along with the gentlewoman as chair of the Democratic delegation from California. That is no small issue. We have 32 members of the 52-member delegation that are Democrats. Of those 32 members, 16 are women, 16 are men. It has the highest number of African Americans, Hispanics, Asians, and, as I like to say, return Peace Corps volunteers in that delegation. Every one of the Members in that delegation and the history it is making as a delegation of parity and a delegation of broad representation pays tribute to the gentlewoman from California (Ms. PELOSI) for getting them elected to Congress.

Mr. Speaker, we gather on this floor of this great institution to pay tribute to a woman who has already made history, but in the years ahead will make even more.

TRIBUTE TO NEW MINORITY WHIP, THE HONORABLE NANCY PELOSI

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

Mr. HONDA. Mr. Speaker, it is a great privilege and a joy for me to be able to praise and recognize our new whip, the gentlewoman from California (Ms. PELOSI). The gentlewoman from California (Ms. PELOSI) has been a role model for anyone interested in entering politics and is a shining example of effective leadership. I can think of no better Member to galvanize our efforts here in Congress during these trying yet promising times.

The gentlewoman is true to her convictions, whether that be fighting for human rights in China, defending a woman's right to choose, or looking after the well-being of working families, and she will not back down on these critical issues.

As whip of our party, it will be the gentlewoman's job to corral votes, listen to Members' concern, and help point this Congress in the direction that will take our Nation to a better future for our children.

Mr. Speaker, when I was a candidate with aspirations to become a Member of Congress, I was fortunate to have the gentlewoman from California (Ms. PELOSI) there for me. My colleagues from California know how helpful she can be, and now the entire party will benefit from her advice and counsel.

History will show that to date there have been over 12,000 Members in the United States Congress, of which a little over 200 have been women. And here we are today honoring the gentlewoman from California (Ms. PELOSI), the first woman to the second highest post in our party. It is about time.

While breaking new ground and shattering stereotypes of who the leaders of this Nation are, the gentlewoman will bring about a much-needed change and invigorate the political process in a civil way without creating the acrimony and ill will that has all too often defined the partisan politics we have seen in this House.

Mr. Speaker, I congratulate the gentlewoman from California (Ms. PELOSI) and look forward to her leadership as the House Democratic whip.

Mr. Speaker, I yield to the gentleman from California (Mr. BECERRA).

Mr. BECERRA. Mr. Speaker, I have three words for the gentlewoman: Grit, guts and grace. I think the gentlewoman from California (Ms. PELOSI) does a tremendous job of demonstrating what an elected official should represent. I have had nothing but pleasure in seeing her operate and seeing the gentlewoman just move forward an issue, whether it is an issue on

trade, or an issue of a woman's right to choose, or just her campaign to become historically the next Democratic whip here in the House of Representatives. I think we have someone who handles herself in a way that makes all of us proud.

For a Californian, for someone who is a minority, for someone who believes in progressive politics, we have a great deal of pride seeing that the next whip for the Democratic Caucus here in the House of Representatives will be the gentlewoman from California (Ms. PELOSI). I wish I could claim she was from Los Angeles where I hail from and represent instead of San Francisco.

Mr. Speaker, I join my colleagues in saying not just to the gentlewoman from California (Ms. PELOSI) and Paul Pelosi, who deserves a great deal of the credit as well for supporting the gentlewoman, but to all the world, let it be known that we are very proud of the Member that we elected as the next whip in the House, and very proud to be able to display her, because what we will do now under the gentlewoman's leadership will demonstrate that we knew how to choose right. I say congratulations once again.

Mr. HONDA. Mr. Speaker, I yield to the gentlewoman from California (Ms. SOLIS).

Ms. SOLIS. Mr. Speaker, I want to take this moment, this fine opportunity to celebrate with the country the new Democratic whip, the gentlewoman from California (Ms. PELOSI). I have come to know the gentlewoman over the last year serving with her in this distinguished House. She is truly a pioneer. She is a new face for California and for the United States. She gives hope and aspirations to many young people, and people who look like many of us here who now occupy seats here in this House.

She has distinguished herself for many, many years. I recall meeting the gentlewoman once at one of our State conventions in California when I was just getting involved in the Democratic Party. The gentlewoman is a true leader for women's rights and issues. I know that the gentlewoman will be shattering the glass ceiling that is here and will help to forge new, triumphant roads for women and other people who need to have their voices heard. She is a champion.

PASS ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001

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

Mr. WELLER. Mr. Speaker, we have an important vote in this body tomorrow, an important vote that has a major economic impact. Our Nation is in a recession. When President Bush became President, he inherited a weakening economy. In fact, his White House housewarming was essentially a weakening economy, and it turned into a recession.

Under the President's leadership, we passed a tax cut. We decided to take 20 percent of the budget surplus that resulted from our efforts to balance the budget and take that 20 cents on the dollar, the surplus, and give it back to the American people in tax relief. That tax cut was signed into law in June. By August, economists were noting that the economy was beginning to get better, and then the tragedy of the terrorist attack on September 11 occurred, the terrorist attack that cost thousands of lives, and since September 11 has cost over a million Americans their jobs.

This House has responded, and of course we twice have passed an economic stimulus plan. I would note that on December 21 this House passed and sent to the Senate an economic stimulus plan to revive our economy. Unfortunately, the Senate failed to act. The bad news today is, and it was announced by the Senate majority leader, that the Senate was going to shelve any effort to revitalize this economy. That is bad news.

Tomorrow we have another important vote that is going to have an impact on the economy, and that is regarding a proposed tax increase which Senator KENNEDY, Senator JEFFORDS and others have begun advocating. Some have been advocating that we suspend, repeal, or delay.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Will the gentleman from Illinois suspend.

Members are reminded to refrain from referring to Members of the other body by name, except as provided in clause 1 of Rule XX.

Mr. WELLER. Mr. Speaker, some have advocated repealing, delaying, or killing the implementation of these tax cuts. That is bad news for the economy. If Members look at what is in the tax cuts that are before us today, what begins getting phased in in the tax cut, because we were unable to do it all in the same year, are some pretty important provisions.

One is our efforts to eliminate the marriage tax penalty. I think Members agree that under our Tax Code, it is unfair that married working couples pay more in taxes than two single people living together. We essentially wipe out the marriage tax penalty in the President's cut.

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We help small business by eliminating the death tax, which takes away up to 55 percent of the family business when the founder passes on. The Bush tax cut also included additional retirement savings benefits which are phased in over the next few years. And, of course, we double the child tax credit, currently $500, raising that to $1,000. And for those in the top two tax brackets, the 39 percent and the 28 percent, we lower those tax brackets from 39 to 35 and from 28 to 25. Those are all in jeopardy if we go along with those who want to raise taxes by suspending those tax cuts. I have yet to find a real-world economist who tells us that it is a good idea to raise taxes during a recession.

Some of those who have advocated suspending, killing, repealing, stopping the Bush tax cuts say it is really not a tax increase because those tax cuts have not gone into effect yet; but they were the same ones who a few years ago said that if you slow down the rate of growth on Medicare, that it is a Medicare cut, so we are using the same definition. The bottom line is suspending, stalling, repealing, delaying the Bush tax cut is a tax increase.

I would note a couple of key things. The Secretary of the Treasury was before the House Committee on Ways and Means today. When asked what is the economic impact of a tax increase, of delaying, stalling, repealing or killing the Bush tax cut, he said it would be devastating to the economy. Over a million Americans have lost their jobs and more would lose their jobs with a tax increase.

I would note on the rate reductions that 17 million small business owners and entrepreneurs pay taxes under the individual income tax rates, the two top brackets that are going to be phased in. Think about it. Who is it that is going to bring about the revival of this economy? It is not the major corporations, the big guys. It is the little guys and gals, the entrepreneurs, the small businesspeople. Eighty percent of those who pay taxes under the top two brackets, the two brackets being phased in, are small businesspeople and entrepreneurs. We know they generate the most jobs. We think as Members of this House about our neighbors, if every small business on Main Street or Liberty Street in my hometown of Morris, Illinois, hired one more worker, what that would mean. And, of course, raising taxes on those small businesspeople will make it much harder to provide those jobs.

From a consumer's standpoint, if you raise taxes, you take money out of their pocket. When consumers have less money to meet the needs of their families, they are not able to spend it in our local stores, in our local businesses, buying products and services. When a consumer buys a pickup truck, there is an autoworker who makes it. When a consumer buys a PC, a personal computer or a laptop, there is a worker somewhere that produces that; and a tax increase will make it much more difficult.

Mr. Speaker, we have the opportunity tomorrow to go on the record: Are you for continuing the tax cut, or are you for raising taxes? Tomorrow this House will have the opportunity to vote for keeping the tax cut or for raising taxes. It is a simple choice. Everyone will have the opportunity to go on the record. I urge and ask bipartisan support for preserving the tax cut and ensuring that we get this economy

moving forward again and give hundreds of thousands of Americans the opportunity to go back to work.

CONGRATULATING THE HONORABLE NANCY PELOSI ON HER ELECTION TO MINORITY WHIP

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

Mr. SCHIFF. Mr. Speaker, I yield to the gentlewoman from California.

Ms. WOOLSEY. I thank the gentleman for yielding. I want to tell our colleague and the gentlewoman from California (Ms. PELOSI) that every single day she teaches me something. In my 1992 campaign, the gentlewoman from California showed me that senior Members, important Members, actually help candidates. In fact, I learned how to run my first race by watching her first race in San Francisco. After I was elected, NANCY showed me and the rest of my class that more senior Members step aside and push junior Members forward to give them the exposure that they need and to give them the guidance that is so important in getting your feet on the ground around here.

NANCY has shown us what a real Democrat is, what it is all about, while at the same time how to get bipartisan support. That is no easy task. She has shown us how to run a whip campaign, how to win, and how to bring the caucus back together at the end of that race. Finally, now that NANCY is the whip-elect and when she takes over tomorrow, she is going to show us how to fill the position of the highest-elected office for any woman in the history of the United States, while remaining the same gracious, genteel, fair and generous person that she is. I think that is the most important lesson of all that I have learned from the gentlewoman from California. You can actually be all of that and be successful.

Mr. SCHIFF. Mr. Speaker, I yield to the gentleman from New York.

Mr. OWENS. NANCY PELOSI is a national political leader and has deep practical political roots, while at the same time she maintains bright, widespread idealistic wings. I can think of no better trait for leadership than to have roots and wings. She is optimistic and idealistic, but she also is a great political strategist.

Last year she led the congressional delegation from California to victories which were greater than all the other combined Democratic Caucus members together. As a compassionate idealist, NANCY refuses to adopt a position that certain vitally needed reforms are impossible. We are proud to follow a great leader that has roots and wings, NANCY PELOSI.

Mr. SCHIFF. Mr. Speaker, NANCY has asked us all to be brief and therefore I will be. After all, she is the whip.

NANCY, you are the greatest. Thank you for the passion you bring to your office. Thank you for all you have done to improve the quality of life for America's families and our most precious resource, our children. Thank you for all you have contributed to the Congress, for your advice and counsel to Members, old and new.

And, America, get ready. If you do not know NANCY PELOSI yet, you are going to love what you see.

Congratulations, NANCY. You make us all proud.

Mr. Speaker, I yield to the gentleman from Texas.

Mr. SANDLIN. I thank the gentleman for yielding. Focused, organized, hard working and goal oriented: those are words that spring to my mind when describing our new whip, NANCY PELOSI. As will no doubt be mentioned many times tonight, NANCY PELOSI's election is historic and an indication of positive change to come. NANCY's leadership will complement our current leadership. She will bring a new energy, a new vision to our caucus and to our country. Her leadership may be to the same destination, but I suspect that she will have a few new road maps for us to follow.

I am proud of our caucus, particularly the men of our caucus, that we were able to be a part of breaking the glass ceiling for women in leadership. And make no mistake about it, that glass ceiling is shattered forever.

This is important to men and women all across the country, and it is important to me personally. I am the father of four children, two boys and two girls. I want to make sure that my daughters have the same hope, the same opportunity, the same vision as my sons. NANCY PELOSI will guarantee that. We all congratulate NANCY PELOSI; and I say thank you for including us all at the table, from left to right, region to region, persuasion to persuasion, but most of all thank you for your years of hard work, your dedication and your preparation in earning this leadership position.

The country will be better for the leadership of NANCY PELOSI.

STAY THE COURSE ON TAX RELIEF

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

Mr. BACHUS. Mr. Speaker, when Congress makes a commitment to give Americans tax relief, it should honor that commitment. To put it plainly, Americans should get the tax cuts that they have been promised. Americans should have the tax relief that they desperately need.

Passage of President Bush's tax cut late last year was a historic bipartisan achievement. Only three times since World War II have we had an across-the-board tax cut: President Kennedy's tax cut in the 1960s, President Reagan's tax cut in the 1980s, and now President George W. Bush's tax cut. But now some want to break the agreement.

Some argue that we should repeal or delay the tax cuts. The gentleman from Illinois who addressed the House a few minutes ago and I believe that this is a debate worthy of having. If Members of Congress truly believe we should raise taxes, our resolution gives them an opportunity to record their votes in favor of a tax increase. Our resolution states, the tax cuts should not be repealed or delayed. If they want to raise taxes, they need to vote against the resolution offered by the gentleman from Illinois and me. Every American deserves to know where their Representative and Senators stand on this important issue.

Some in Congress, Mr. Speaker, lately have tried to maneuver and scheme for political advantage by blaming the President's tax relief package for the deficit and recession. They are not telling the truth. These tax supporters try to sell the myth that we must increase taxes just 6 months after we promised Americans they would start receiving their rebate income tax checks in the mail. The ink on the new tax relief package has barely dried. Now they want to repeal it or, as they say, delay or postpone it. They said the same thing about the economic stimulus package: let's take a long look. Let's delay it a week. Let's postpone it a month. Today they killed it, which really killed the chances that many of my constituents and their companies have to rebound from this recession.

As the chart I prepared shows, economic conditions account for 72 percent of projected 2002 deficits. Spending accounts for 16 percent. Tax relief only contributed 12 percent. Yet there is a growing cry to delay or postpone, we know in Washington that means kill, the tax cuts.

We have got to revitalize our economy. Tax cuts spur economic growth and create jobs. The bottom line for President Bush and this Congress ought to be jobs, preserving jobs and creating good jobs. Senate inaction on the economic stimulus plan cost us 800,000 jobs. The House passed a stimulus many months ago; but it is not only stuck in the Senate, it is dead in the Senate today. Now these same obstructionists want to repeal the tax cuts we have passed last year.

Our resolution reaffirms that promise to the American people. It reaffirms the tax relief. It reaffirms the tax cuts. We cut taxes because it is the right thing to do, it is the fair thing to do, it is the compassionate thing to do for families struggling from paycheck to paycheck.

In conclusion, Mr. Speaker, as the gentleman from Illinois has so adequately said, our choice is simple. Do we leave the money in the pockets of the American workers and families, or do we bring it up here and spend it as we see fit?

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair reminds all Members to refrain from characterizing the action or inaction of the Senate.

TRIBUTE TO NANCY PELOSI

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. ROYBAL-ALLARD) is recognized for 5 minutes.

Ms. ROYBAL-ALLARD. Mr. Speaker, I join my colleagues today in celebration of the official swearing-in of the Democratic whip, my colleague and friend, NANCY PELOSI.

Today, we celebrate a historic event. NANCY PELOSI is the highest-ranking woman ever to serve in the U.S. House of Representatives. Her success is also a tribute to the women who came before her. From the election of Representative Jeanette Rankin to the House in 1916, to today, when a record number of 75 women serve in the 107th Congress, women Members of Congress have made significant contributions to the legislative accomplishments of the House and Senate. They have served with distinction as chairs of committees and subcommittees, members of our most powerful committees, and in leadership positions within the Democratic caucus and the Republican conference.

But, today is notable because NANCY has been elevated by her peers to one of the top two positions that the history books recognize as the key party leadership posts. So it is fitting that we gather today to recognize the leadership exemplified by our new Democratic whip, NANCY PELOSI, and to celebrate the accomplishments that have earned this great distinction.

NANCY was a leader in California and in the California Democratic party for many years before her election to Congress in 1987. In may ways, her political experience provided a model for me in becoming the first Mexican-American woman to be elected to Congress, and I have appreciated the many ways she has supported me both before and after I joined her here in the House in 1993.

She has also provided additional leadership to me as I have followed her to the House Appropriations Committee. I believe it is NANCY's service on that committee that demonstrated her leadership abilities to the members of our caucus. First, NANCY serves on the Labor, Health and Human Services, and Education Subcommittee, which may recognize as the most problematic appropriations bill passed by Congress each year. The bill's long list of worthy programs necessitate hard work and numerous, bipartisan compromises in order to produce the final version that is enacted into law. NANCY's contribution to that process each year has been essential in protecting health and education programs that benefit millions of Americans.

In addition, as ranking Democrat on the Foreign Operations Subcommittee, NANCY has been the Democratic floor manager for that bill since 1995. From that position, she has been instrumental in advocating our caucus's position with regard to programs that address global poverty, international family planning, and global environmental issues while working with her Republic chairman to fashion a compromise bill that can withstand scrutiny by the House. She has worked uncomplainingly in the spirit of compromise each year to produce legislation the House can support.

NANCY's race for whip pitted her against one of the Democratic Caucus' most active and distinguished members, our colleague STENY HOYER, who has been one of my mentors on the Appropriations Committee. STENY's outstanding credentials as our former caucus chair, as a chairman and now ranking member of the Treasury-Postal Appropriations Subcommittee, and as chief recruiter for our party of congressional challengers, made the race for whip a difficult decision for everyone in our caucus. But we all recognized that with choices such as NANCY and STENY for this coveted leadership position, the Democratic Caucus, as well as the entire House, would be well-served by the victor. NANCY's tough but successful race against STENY represented another example of leadership—not just of her ability to mobilize the diverse elements of our caucus, but also her ability to organize in the systematic manner essential to the success of any party's whip.

As Californians and as members of the Appropriations Committee, NANCY and I share many experiences. But we also share a distinction enjoyed by only a handful of women Members of Congress over the history of Congress because each of our fathers served in the House before us. NANCY's father, Representative Thomas D'Alesandro, served in the House from Maryland from 1939 to 1947. My father, Representative Edward Roybal, served an area of Los Angeles near my current district from 1963 to 1993. I know that the model of public service provided by our fathers was essential to each of us as we decided upon the course of our careers.

I congratulate NANCY PELOSI as she officially assumes her leadership duties today. She takes her place today among a long line of outstanding Democratic whips that go before her in the House's history, including Representative DAVID BONIOR, whom she succeeds. I pledge to work with her and our other Democratic leaders, indeed all the leaders of the House, in going forward with our work in a manner that best reflects the American people and that always strives to make the House of Representatives truly ''the people's House.''

CONGRATULATING THE HONORABLE NANCY PELOSI ON HER ELECTION TO MINORITY WHIP

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

Mr. BLUMENAUER. Mr. Speaker, I join my colleagues, and the fact that so many remain here this evening to laud our newly elected whip, NANCY PELOSI, is testimony to the fact that she will be a strong and forceful voice for our party. She is good news for my special passion in Congress, for she understands better than anybody I have met here that the Federal Government can be a better partner to make our communities more livable, to make our families safe, healthy and more economically secure.

But the best news, Mr. Speaker, is for the American people and for this Chamber. It seems that at times we have forgotten how to work together to solve problems here in this House. But the gentlewoman from California's special skills not only as the only Westerner in leadership, not only as the first and only woman in either party to reach this exalted level but as somebody who embodies what it means to be a legislator, her insight, intelligence, grace and tenacity will help us do our job better for the American public.

□ 2015

We all welcome this gift from California and the Pelosi family, and I hope we are equal to the challenge.

I would like to yield to the gentlewoman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. Mr. Speaker, I feel privileged and honored to join my colleagues on the House floor to mark an historic day for this body, for Democrats, for women and for America. Tomorrow, the distinguished gentlewoman from California (Ms. PELOSI) will be sworn in as the Democratic whip. This occasion is cause for celebration and is a sign of great progress.

The gentlewoman from California's election to whip is an historic landmark in the evolution of our great democracy. She will now emerge more fully as a leading voice on the national stage for the Democratic Party and for the Congress, and she will motivate women of all ages, because of her eloquence, her competence, her confidence and her passion, to strive for new heights and to participate more fully and completely in politics and policy.

We are witnessing a shift in the national political landscape. It is a movement. Women do not want to just be at the table, we want to be at the head of the table. Because of the gentlewoman from California (Ms. PELOSI), we are energized and empowered. Our new Democratic whip was not elected because she was a woman. That she is one is a real benefit, and she will send a strong message as an inspiration for aspiring women throughout the country.

Her election is a demonstration of the reality that the Democratic Party is a party of diversity, inclusion and opportunity. She has made great efforts to reach out to members from all parts of the Democratic Party and is committed to the needs and values of this caucus and our diverse constituencies.

But to me she is not just the whip; she is an inspiration, a mentor, a dear friend and a true leader in every sense of the word. I look forward to following her to advance an agenda we can all be proud of. I join my colleagues in congratulating her and wishing her well.

Mr. BLUMENAUER. Mr. Speaker, I yield to the gentlewoman from California (Ms. WATSON).

Ms. WATSON of California. Mr. Speaker, when I think of the gentlewoman from California (Ms. PELOSI), these words come to mind: N, never

fearing to move; A, aggressively; N and C, sensitive to needed causes; Y, yielding a great foresight; P, progressive; E, energizing; L, loving; O, overwhelmingly; S, spelling; and I, intellect. That is our ''NANCY PELOSI.''

I am so happy to be from the State of California that produced this woman that will guide this country in the future. I salute the gentlewoman from California (Ms. PELOSI), our newest whip.

Mr. BACA. Mr. Speaker, while she's already been on the job for about three weeks now, tomorrow my colleagues, my fellow Californian, my friend, NANCY PELOSI will be sworn in to her new post as the democratic whip, and it's going to be a big day for America.

NANCY is the highest-ranking woman in the United States Congress . . . ever! As a Hispanic member of Congress, I can not be prouder of this moment. When the barriers of achievement and opportunity fall for one, they fall for all of us.

NANCY has her work cut out for her. She has dedicated herself to tackling the tough issues facing our economy. There are going to be some rough battles, but NANCY's unique blend of grace and determination will serve her well in the Whip post.

It's hard not to admire NANCY PELOSI. She is a gracious, engaging woman who has raised five children, Chaired the California Democratic Party, served eight terms in Congress, doggedly advocated increased funding for healthcare and breast cancer research, and fought for human rights at home and abroad.

It was her courageous fight against PNTR and for human fights in China, that first introduced me to NANCY when I came to Congress two years ago. I fought along side NANCY as she championed U.S. global leadership for human rights and sustainable development.

NANCY is a loyal friend. I'll never forget how NANCY stepped forward on my behalf during my bid for a position on the rules committee. NANCY PELOSI is always willing to go to bat for her friends. This is the NANCY I know! NANCY has been going to bat for the people of California for 16 years and now she is going to bat for the Democratic Party and the entire nation.

I look forward to NANCY's truly groundbreaking leadership as she leads our party and our nation into the twenty-first century.

Mr. CLEMENT. Mr. Speaker, I rise to pay tribute to a Member of the House, whom I consider not only a gifted leader but a dear friend. History is being made as NANCY PELOSI is officially sworn in as the new Democratic Whip.

But history will ultimately cite not only the election of the highest-ranking women in the U.S. House of Representatives, it will sit in judgment of the effectiveness of her tenure as Whip. The work has only just begun. And I have every confidence that history will judge this election not only as a landmark event in American history, but a turning point for the Democratic Party and democratic principles. The reason for my optimism is pretty simple. NANCY is a born leader. A lot can be said of her skills, her knack for organizing, her perseverance, and her personal commitment to excellence. But of all the positive things that can be said on her skills and talent, one word always comes to mind when you think of NANCY PELOSI: leadership. NANCY is a leader when she speaks out for the underprivileged and the disenfranchised. NANCY is a leader in the way she brings people and causes together in a collective and collaborative process. NANCY's leadership drives her to focus on goals and results.

Integrity, honesty, and hard work are the pillars of her success. And I know that she will work tirelessly to forward democratic causes. And working with the Democratic Leader—DICK GEPHARDT—have every confidence that the Democratic Caucus and Party are on the cusp of a new and exciting era.

So to NANCY PELOSI I say you have my every confidence and my total support. Now—let's get to work. Congratulations!

Ms. LOFGREN. Mr. Speaker, we are all here today to honor our colleague and friend NANCY PELOSI. As a fellow Californian and a friend, it is hard for me to hide my delight at NANCY's election as Democratic Whip. For nearly fifteen years, NANCY has done a wonderful job representing the city of San Francisco in Congress. From education, health care, housing, and the economy, she has worked to improve the quality of life for Californians—and all Americans.

On October 10, 2001, the Democratic Caucus made history. We made history by electing NANCY to the highest position ever held by a woman in Congress. Electing a woman to a leadership position was long overdue. And while the Democratic Party continues to be the party of progress, our work is not yet complete.

NANCY, with your election as House Democratic Whip, we made history, we've made progress, and now we will work together to improve American government and to better the lives of the American people. Thank you NANCY for your leadership and your friendship. Congratulations!

RESPONDING TO HUGE TAX BREAKS GIVEN TO AMERICA'S RICH

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

Mr. SANDERS. Mr. Speaker, I also want to congratulate the gentlewoman from California (Ms. PELOSI) and wish her the very best, but the issue that I want to focus on is a very important piece of legislation which is going to surface tomorrow, and that is the issue of how Congress responds to the huge tax breaks that the President and the Republican leadership have given to the wealthiest 1 percent of the population.

Mr. Speaker, this country has a $6 trillion national debt, and, for the first time now in several years, we are running a deficit.

Mr. Speaker, despite all of the great speeches here about lockboxes and our great love for Social Security, everybody understands that Congress is now dipping into and raiding the Social Security fund.

Further, Mr. Speaker, most people in this country understand that we have many enormous social needs. In my State of Vermont, every week when I go out and speak to senior citizens, they demand of me that Congress do something about the outrageously high cost of prescription drugs and the fact that we do not have a strong prescription drug benefit under Medicare.

Mr. Speaker, what the issue tomorrow is going to be about is do we give huge tax breaks to the wealthiest people in this country? Forty percent of the President's tax breaks go to the wealthiest 1 percent, people who have a minimum income of $370,000 a year and average over $1 million a year in income. So the choice that Congress faces is, do you give huge tax breaks in the future to those people, or do you provide a strong prescription drug benefit under Medicare?

Mr. Speaker, not only is the President and the Republican leadership not going to provide a strong prescription drug benefit under Medicare, in fact in many ways they are going to cut back on Medicare. At a time when we need to strengthen Social Security, at a time that we need to raise the COLA, the President and the Republican leadership are dipping into the Social Security Trust Fund.

Mr. Speaker, let us get our priorities right. I speak to veterans virtually every week in the State of Vermont. We have many town meetings. What they tell me is when they apply for a benefit it takes 6, 7, 8, 10 months for them to get that benefit processed, and the reason is that in many instances the Veterans Administration is understaffed and is unable to process those claims.

Is it more important to give tax breaks to millionaires and billionaires, or is it more important to make sure that our veterans get the benefits to which they are entitled?

Mr. Speaker, just this last week, a couple of days ago, there was a front page story in the New York Times which talked about how middle class parents are finding it harder and harder to pay for the college costs of their kids. The average American young person graduating from a 4-year college ends up $20,000 in debt excluding the debt incurred, and the growing debt incurred, by their parents.

Is it more important to protect the middle class and make sure that the young people of this country can go to the college that they want and do that by significantly expanding Pell grants and other financial aid programs, or is it more important to give tax breaks to millionaires and billionaires, to people who provide huge campaign contributions to Members of this Congress and the White House?

Mr. Speaker, all over this country we are facing a disaster in terms of child care. Working families are unable to find affordable quality child care. We have people who are paying too much and getting too little, and the children are suffering. Yet the Federal commitment to child care is minimal.

Is it more important that we take care of the youngest children in this society and protect working families who want quality child care for their kids, or is it more important that we give huge tax breaks to the wealthy and the powerful?

Mr. Speaker, in my State and all over this country there is a terrible housing crisis.

The bottom line is let us repeal the tax breaks for the richest 1 percent, let us lower the deficit, and let us take care of the middle class of this country.

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

(Ms. SANCHEZ addressed the House. Her 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. SHERMAN) is recognized for 5 minutes.

(Mr. SHERMAN 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. 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.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Mrs. DAVIS) is recognized for 5 minutes.

(Mrs. DAVIS of California addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina (Mrs. CLAYTON) is recognized for 5 minutes.

(Mrs. CLAYTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Mrs. MEEK) is recognized for 5 minutes.

(Mrs. MEEK of Florida addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. MILLENDER-MCDONALD) is recognized for 5 minutes.

(Ms. MILLENDER-MCDONALD addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

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

(Ms. WOOLSEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Mrs. CAPPS) is recognized for 5 minutes.

(Mrs. CAPPS addressed the House. Her 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. FILNER) is recognized for 5 minutes.

(Mr. FILNER 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 New York (Mr. WEINER) is recognized for 5 minutes.

(Mr. WEINER 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 Texas (Mr. SANDLIN) is recognized for 5 minutes.

(Mr. SANDLIN 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 Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

(Mr. CUMMINGS 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 New York (Mr. OWENS) is recognized for 5 minutes.

(Mr. OWENS 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 gentlewoman from Illinois (Ms. SCHAKOWSKY) is recognized for 5 minutes.

(Ms. SCHAKOWSKY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

FISCAL RESPONSIBILITY

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

Mr. TURNER. Mr. Speaker, this evening during this hour the Blue Dog Democrat coalition in the House is going to talk about the issue of fiscal responsibility, an issue that we think is very important to address tonight in light of the President's recent budget submission to this Congress.

The President and the Congress are united in the war on terrorism. Members on both sides of the aisle stand together in our commitment to defeat the terrorists and to do whatever is necessary and pay whatever price may be required to preserve our national security and to ensure that we protect the homeland.

There is no division that the current tax cuts that we have enjoyed in the form of the rebates have been important to the American people, and there is no suggestion, contrary to some on the Republican side tonight, that there should be any tax increase in the time of a recession, because we firmly believe that the recession needs to be addressed by this Congress in a responsible way, and tax cuts, tax cuts which have already been given and which already are being implemented in this current recession, are important to the recovery.

So when we debate the resolution on the floor of the House tomorrow, let there be no misunderstanding: Democrats understand that in a recession it would be wrong to increase taxes.

We passed a record tax decrease in June. The tax rebates were good for the American people. But back in June the Congressional Budget Office projected a 10-year surplus of over $5 billion. Just 7 months later, these projections of a surplus are gone. We find that as a result of the tax cut, as a result of the recession, as a result of the war, we no longer are able to project future surpluses, and, in fact, we can only project future deficits.

We are once again confronted with a pattern of spending that was engaged in for over 30 years by this Congress that was ended in 1996–1997 when this Congress voted for the Balanced Budget Act, an act that put us on the road to fiscal responsibility, that resulted in 3 years of surpluses at the Federal level.

But once again we now see the President of the United States submitting a budget to this Congress that will return us to deficit spending. We believe as Blue Dog Democrats that we can win the war against terrorism, we can protect our homeland, without raiding the Social Security Trust Fund and increasing the national debt that we pass on to our children.

We notice in the President's budget submission of today that the national debt, which was projected back in April of last year to actually disappear over the 10-year period, in fact turn to a surplus, has now evaporated, and, based on the projections now contained in the President's budget, we will once again see $2.7 trillion in debt by the year 2011.

□ 2030

So in just 7 short months, we went from projections of a surplus over the

next 10 years to ever-increasing national debt. These figures show the debt that will be held by the public, the debt that we owe to people who buy those Treasury bills and Treasury bonds, a large portion of which are owned by foreign investors, moving from a surplus to a debt of $2.7 trillion.

Just look at the interest costs that this new debt will bring to the American people. We projected that over the next 10 years, back in April, that we could eliminate our debt and, over the period of 10 years, we would have to pay $709 billion in interest. With the new President's budget, we now see that these interest payments will equal 1.8, almost $1.8 trillion. That is just in interest that we will have to pay over the next 10 years. That is an increase in interest payments alone of about $1.1 trillion over the next 10 years.

Now, to put that in perspective, what could we do with $1.1 trillion in interest costs if we could simply return to the surpluses that we had anticipated back last April? Mr. Speaker, $1.1 trillion will fund the President's defense budget request for not just one year, but for 3 years. Mr. Speaker, $1.1 trillion would fund the President's budget request for defense for 3 years. That is why we need to be sure that we do not go back deeper into deficit spending, increase that national debt, and waste the resources of our taxpayers on interest servicing our national debt.

We know as Democrats that raiding Social Security is the wrong thing to do. Raiding Social Security will result in debts that will fall on the backs of our children. The American people know or deserve to know the truth. They understand that raiding Social Security and increasing our national debt will ultimately result in higher taxes for our children.

We have called on young men and women who wear the uniform of our great Nation to sacrifice, even to risk their lives in the defense of freedom. We all know that we are at war, but no one has told the American people that each of us must be willing to sacrifice as well. We have been told that we can have it all. We have been told that we can win the war, we can increase spending, we can have our taxes cut, that it will all be possible.

During World War II, every American sacrificed. During World War II, every American did their part. In the current war, we have been led to believe that we do not have to sacrifice. By doing so, we are entering, once again, into a period of deficit spending and growing national debt that, after 3 short years of fiscal responsibility, we will pass on to our children the cost of paying for this war.

I believe that is wrong. Blue Dog Democrats believe that is wrong. We believe that it is important to be honest with the American people about our finances in Washington. We believe it is important to preserve the principle that was voted on repeatedly on the floor of this House to lock box the Social Security trust funds. We, once again, under the President's budget, will be spending Social Security money to operate the rest of the government. Our children will pay the price of our fiscal irresponsibility. We believe as Blue Dogs it is time to get our house in order and to be honest with the American people.

We have several members of the Blue Dog Coalition who are here with us tonight who will address these issues. The first member of the coalition is the gentleman from California (Mr. SCHIFF). The gentleman has been very active in fighting for fiscal responsibility, for paying down the debt; and I am happy to yield to him to speak on this subject tonight.

Mr. SCHIFF. Mr. Speaker, I thank the gentleman for yielding. Tonight I join my colleagues in expressing my concern about the President's budget proposal. We applaud the President for outlining the priorities of beefing up homeland security and strengthening our national defense. What our troops have done halfway around the world in Afghanistan is nothing short of miraculous, and it is our obligation and our responsibility to make sure that the men and women in uniform have every tool at their disposal to win the war on terrorism and win it convincingly.

But the President has also proposed in his budget new levels of domestic spending and more than half a trillion dollars of additional tax cuts. One critical issue has been left out of this budget and that is, how do we pay for all of this? So many American families are facing the challenge of making ends meet, especially during this recession. American families are struggling to live within their means, and it is our responsibility as the Federal Government to do the same. We must find a way to balance the budget and remain steadfast in our commitment to fiscal discipline.

The new budget reports indicate that the government will return to deficit spending and raid all of the Medicare surplus and further raid the Social Security trust fund by more than $1.5 trillion over the next 10 years. This should be cause for great concern for our Nation's long-term economic well-being.

We are, I fear, at risk of making the same mistakes we made 2 decades ago when we began a vicious cycle of deficit spending and burdened ourselves with terrible debt and crushing debt service. We are at risk of ignoring the lessons of our protracted climb out of debt during the 1980s and 1990s and the enormous economic benefits that the return to fiscal responsibility brought this Nation. Having failed to learn from that history, we are now perilously close to repeating it.

Even now, credible voices within the administration are saying that debt simply does not matter. How soon we forget. During the debate last year, Congress and the President agreed that the Social Security trust fund surplus would be put in a lock box and saved to prepare for the retirement of the baby boomers. The new projections show that this promise will not be kept. Unfortunately, the new projections show return of budget deficits, of borrowing from Social Security, and a rapidly increasing national debt. Soon, very soon, the administration will be before this Congress asking us to raise the limit on the national debt; for permission, in effect, to open the Social Security lock box and throw away the key until one day, too far in the haze of our tomorrows to see now, we may find that key again.

Now, it is reasonable and appropriate to run temporary deficits during a recession and wartime, and we all fully support the President's efforts in this war on terrorism. However, under responsible fiscal policy, the temporary deficits incurred during a period of economic weakness and war must be offset by a return to budget surpluses when conditions improve. The government is projected to run on budget deficits that will require the government to raid the Social Security and Medicare trust funds for the rest of the decade, even before, even before additional spending increases for defense and homeland security are even counted.

We need a plan for the long-term budget that brings us back to fiscal responsibility. We are spending money now faster than it is coming in; and in doing so, we are risking the long-term solvency of the Federal budget and, worse, we are simply mortgaging our children's future.

Because our great Nation is faced with the challenges of protecting our national security, both at home and abroad during this time of war, we need to make tough choices in addressing the budget outlook. We need simply a wartime budget, one that meets our national defense and homeland security needs, and one, like in past wars, that calls on Americans for something they are willing to give, if asked; something they, in fact, yearn to be asked for in plain and candid terms, and that is sacrifice. Yet, this administration and this Congress has not called on the American people for sacrifice; not yet. Not with a budget that says we can have our cake and eat it too. We must keep our Nation strong, and we will; but we should not force our children to pay for it.

The price of freedom is high, as President Kennedy once said; and Americans have always been willing to pay it. We pay it still. We must sacrifice now for our children's future so we do not mortgage that future. While we stand in support of the President's efforts in this war on terrorism, we also must challenge our colleagues in Congress and in the administration to effectively address these economic circumstances and, working together in a bipartisan way, to return to a balanced budget, responsible fiscal discipline, and keep that Social Security trust fund sacred.

Mr. TURNER. Mr. Speaker, I thank the gentleman from California (Mr. SCHIFF) for his remarks. Another member of the Blue Dog Democrat Coalition who has been an outstanding leader in trying to urge this Congress to maintain and stay the course of fiscal responsibility has been the gentleman from Illinois (Mr. PHELPS). We are proud to have him on the floor tonight to share his thoughts with us.

Mr. PHELPS. Mr. Speaker, I thank the gentleman from Texas (Mr. TURNER), a vibrant leader of our caucus; and we appreciate his leadership in every way in trying to bring out the truth in honest budgeting, and that is truly what we need here in Washington.

I join my fellow Blue Dog colleagues in voicing my concerns with the President's budget. I support the President's outline for handling the war on terrorism, but I have concerns that the domestic priorities are being somewhat ignored. We can strike a fair balance and reasonable balance between our commitment to deal with terrorism and recognizing our needs for the economy.

Under the President's budget policies, the 10-year budget surplus is reduced by almost $5 trillion from what was expected a year ago. No doubt some of this is caused by the war on terrorism and the economic downturn. However, the President's budget cuts critical domestic funding for education, health care, and farmers for this year in order to reward corporate interests down the road. Even more, in order to avoid reporting deficits, the budget dips into the Social Security and Medicare trust funds, something he agreed during the election would not happen. As we Blue Dogs feared, this budget will start the public debt to rise again after reductions over the past 4 years and, as we expected, has already resulted in a request by the administration to raise the statutory debt ceiling.

In my congressional district of central and southern Illinois, domestic priorities such as creating jobs, providing affordable health care, improving schools and helping farmers are critical, especially during a recession. I am concerned that if we shortchange these critical domestic needs while running deficits and increasing the national debt, we will jeopardize our long-term fiscal health and will hamper our ability to meet future obligations to Social Security and Medicare, as well as our ability to pay for the next unforeseeable crisis our Nation might encounter.

Mr. Speaker, I thank the gentleman for this opportunity, and I appreciate his leadership.

Mr. TURNER. Mr. Speaker, I thank the gentleman for his remarks. I appreciate the leadership that he has given to our Blue Dog group as we work on these and other issues in this Congress.

I would like to yield now to the gentleman from Mississippi (Mr. TAYLOR). The gentleman has been a leader in strengthening our military, serving as the ranking Democrat on the Subcommittee on Procurement of the Committee on Armed Services. But while working to strengthen defense, he has also been an outspoken advocate of fiscal responsibility. I am proud to yield to a fellow Blue Dog Democrat, the gentleman from Mississippi (Mr. TAYLOR).

□ 2045

Mr. TAYLOR of Mississippi. Mr. Speaker, I thank the gentleman from Texas (Mr. TURNER) for this opportunity to speak to the American people tonight. I would ask Members to try to remember back a year ago. A year ago right now the President of the United States was saying that we were going to have surpluses as far as the eye could see, that nothing that could happen in Washington could keep that from happening, and, doggone it, there ought to be tax breaks because we have all these surpluses.

Washington is awash in money. His words, not mine. Back then I said it was not true. I knew it was not true then. It is certainly not true now.

A year ago in August, just think back to August, the President wanted to give 3 million illegal aliens amnesty coming to the country. Now he is on the right track saying we need to tighten our borders. I want to commend him for that.

A year ago the President had waited until the last day of July to submit his budget for defense to the Committee on Armed Services. Most Presidents, including President Clinton who was never accused of being pro-defense, would do it in February so we would have a chance to look at it, to scrub it, to try to make it better.

President Bush chose to make it his lowest priority, I am sorry to say. I want to commend him when this year he makes it his highest priority. I want to commend him for getting right on tightening our borders and not letting illegal aliens in and giving them amnesty.

There is one thing that the President continues to do that I need to point out and say, Mr. President, you have changed your tune on two things for the better; I am hoping you will change your tune on the third.

Mr. President, after some soul searching a couple of years ago I voted to impeach a guy who I felt lied under oath. We do not need to get into the details of that, but I felt like he lied under oath and he did not deserve to be President anymore. When someone talks about non-existent surpluses, it is probably just as good you did not say that under oath. When somebody talks about that we can go back temporarily to deficit spending, it is okay, it is probably just as good you did not say that under oath because I do not think that is true.

You see, Mr. President, what you totally ignored a year ago, and you cannot ignore now is right now, as we speak, our Nation owes the men and women of America, the working people that we all profess to represent, $1,210,000,000,000.

Let us remember a million is a thousand thousand. A billion is a thousand million. A trillion is a thousand billion. It is pretty mind boggling. We have a tendency here in Washington to think of something as 1.2 apples. No, it is 1 trillion, 200 billion, hundreds of millions of dollars that right now hardworking Americans have had taken out of their paychecks since the 1980's and even before with the promise as recently as the Reagan administration when Social Security taxes were increased with a Democratic House, a Republican Senate, a Republican President. They raised the amount that was taken out of people's paychecks for Social Security with a solemn promise that that money would be set aside to use for nothing but Social Security.

The much-discussed lock box on this House floor, if you could get to that lock box and open it up, all you would find is an IOU for 1 trillion, 210 billion, hundreds of millions of dollars. They did the same thing with Medicare. Again, the taxes went up on individuals. The taxes went up on employers. This happened during a Republican President, Reagan, a Democratic House, a Republican Senate, with the promise that that money would be set aside to pay nothing but Medicare bills for when people get 65 years old and when they get sick and need some help.

If you were to find that nonexistent lock box, all you would find is an IOU for $249,700,000,000. It is not there, not one penny of it.

We take money out of the folks who work for our Nation, not just the folks here on this House floor but the folks who are out there every day being park rangers, the folks being border policemen, INS agents, Customs Service agents. A little bit of money is taken out of their paycheck every month with the promise that it is set aside for their retirement. They have been doing it for a long time. If you would finally go through the hoops and find that account and open up that box, all you would find is an IOU for $537,500,000,000. There is nothing there.

For our military retirees it is a little bit different. They invest with their lives. They invest with their time away from their families. They invest with the thought that they could be killed any day at any moment, even in so-called safe places like the Pentagon, which we learned tragically in September are not safe places for America's military personnel.

So although they do not pay directly out of their paychecks, there is a line in the defense budget every year that contributes money to their retirement account, again, with the promise that it is going to be set aside and used for no other purpose but to pay their retirement. If you were to find that account all you would find is an IOU for $173,700,000,000.

So when the President and the talking heads in the media and other folks last year were talking about Washington being awash in money, I think they were fibbing to the American people. Either they did not know the truth, or they were misleading the American people. And that is not a good thing for either one of them to do. That is why a group of us said last year is it not more important to honor the promises, now that we have finally broke even and started having small surpluses, to pay those bills back?

That is why a group of us last year initiated the effort to increase defense spending. It started with the Blue Dog Coalition. Thank goodness the President got on the right side of that issue later in the year. But I certainly feel like we helped steer him in the right direction.

Remember, even with the increases in last year's defense budget, the procurement accounts were short-changed again. They were no better than under Bill Clinton; and as a matter of fact, the Bush budget asked for fewer ships for the United States Navy than even Bill Clinton did. Once again, this year the Bush budget despite the huge increases asked for even fewer ships than last year. The Bush budget only asked for five ships for the U.S. Navy. The typical life expectancy of a U.S. Navy ship is 30 years. Quick math, 150-ship Navy.

Just a few years ago Ronald Regan was trying to get us to a 600-ship Navy. Just a few years ago we had a 400-ship Navy. Today our Naval fleet is 318 ships and only 100 of them are combatants. If we accept the Bush budget, we will have a Navy fleet in short order of only 150 ships.

I do not think those are good priorities. I think the priority ought to be honesty to the American people. Remember all the talk about Washington is awash in money? Please, someone, explain to me if Washington is awash in money, the debt this year compared to the debt last year has increased by $281 billion in 12 months.

Now, folks will say September 11 threw us out of whack. I will remind you that our Nation's budget runs from the first of October to the end of September. The events of September 11 took place exactly 20 days before the end of the fiscal year. No one on Earth with a straight face is going to tell you that almost a $100 billion deficit occurred in the last 20 days of the year, because it did not.

One of the things I will encourage the American people to do, because a lot of the numbers get thrown around in Washington, I want you to check my numbers. I want you to check my sources. I hope you look at http/www.publicdebttreasurygov/. You can look it up on your computer. They track it by the month. You can see on September 1 our Nation was well on its way to about a $90 billion annual operating deficit. It got bigger each month of the year. That is the truth to the American people.

Please check my figures because very few people in Washington will encourage you to do so. That is one of the reasons why tomorrow, when people say, if you vote against this motion tomorrow you voted for a tax increase, you know what, if that guy said that under oath, I would have to impeach him because that is a lie. It is not a tax increase. It is a tax decrease that has not taken place yet. It is a tax decrease that those people who voted for it knew automatically sunsets 5 years from now. They all go away. All the taxes that were in place 18 months ago come right back.

So using their line of thought, those people who voted for it, voted for a tax increase because they all come back in 9 years.

The much talk about the estate tax relief that they make mention of does not really kick in until the ninth year and goes away entirely. That means it comes back the tenth year. Are we going to encourage people to commit suicide the ninth year because that is the only year that has meaningful change?

We propose giving people $4 million in their estate tax free. That is a heck of a lot of money in Mississippi. Even in Texas that is a lot of money. That is a lot of money in Florida. That is a lot of money in Illinois. I think that is fair. Because remember, a guy who is out there earning $40,000 paid taxes on everything he earns. Why does it have to be so magical about money you are given?

In fact, some of the most conservative commentators in America said it is really not conservative to tell people that a gift ought to be tax exempt when earnings are not. Why should earnings be taxed higher than things you are given, things that you have earned?

I want to encourage people to work. I want people to have faith that when they go to work and pay their Social Security taxes, that it really will be set aside for their Social Security; when they pay their Medicare taxes, it really will be set aside for that. For folks who work for us here, who work for the INS, the Customs Service, Federal firefighters on our military bases, I want them to know that their retirement is going to be there.

If we continue along this path of deficit after deficit, there is no guarantee it will be there. In fact, the chances are that it will not. I will remind people the most common question asked of me is Where does the money go? And their jaws hit their chest when they say the biggest expense of this Nation is not welfare. It is not foreign aid. It is not health care. It is not taking care of kids. It is not building roads. The biggest expense to this Nation on an annual operating basis is interest on the national debt, and it is $1 billion a day. The war against terrorism is $1 billion a month. The cost of incompetence in spending money we do not have is $1 billion a day. It continues and only gets worse as long as we continue to borrow money.

Mr. President, two things I think you ought to know. We are approaching the $5,950,000,000,000, mark which the law says is the Federal debt limit. You are rapidly getting there. This Member will not vote to raise the debt limit. If we have to tweak other budgets, if we have to suspend some of the tax breaks that have not taken place yet in order to fund the war on terror, I will help you do that. But I will not ask my kids and your kids and our grandkids that have yet to have been born to pay our bills, because no other generation of Americans has done that, and this generation of America cannot start that bad trend.

All the way from George Washington through the Carter presidency, this Nation only borrowed $1 trillion. That doubled in the 8 years of the Democratic House, Republican Senate and Ronald Reagan was President. Look where it is now.

As the gentleman from Texas (Mr. STENHOLM) jokingly says, Confucius says, ''When you find yourself in a hole, quit digging.'' It is time for our Nation to quit digging. It is time for our Nation to get serious about paying our bills. It is time for your generation and my generation to get serious about paying our bills.

Mr. President, if you send us a budget that is not in balance, that does not pay for this year's needs with this year's revenues, I cannot support it. We know how to balance the budget. You know how to balance the budget. This war is only costing one-twentieth of what we are squandering on interest on the national debt. It is not the reason the budget is out of balance

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BROWN of South Carolina). Members are reminded that the remarks in debate should be addressed to the Chair. It is not in order to direct remarks directly to the President.

Mr. TURNER. Mr. Speaker, I thank the gentleman from Mississippi (Mr. TAYLOR) for his presentation. The gentleman has been one of the foremost advocates of fiscal responsibility, balancing the budget and paying down the debt, and we are grateful for his membership in the Blue Dog Democratic Coalition.

Another Member who has been very active in leading the Blue Dogs and serves as a co-chair of the coalition is our friend, the gentleman from Florida (Mr. BOYD). It is my pleasure to yield time to him.

Mr. BOYD. Mr. Speaker, I thank the gentleman from Texas (Mr. TURNER) for organizing this Special Order to give the members of the Blue Dog Coalition a chance to talk a bit about fiscal responsibility.

I also want to thank the previous speaker, the gentleman from Mississippi (Mr. TAYLOR). He has been a forceful and long-time advocate for a strong national defense and also for fiscal responsibility. So we appreciate the

gentleman's long work here in the House of Representatives.

Mr. Speaker, tonight I have a feeling inside somewhat like I had about 13 years ago. Before I entered elected public service, I was a business person running a family business that I had spent 25 years in. I was extremely concerned about the future economic health and viability of our Nation.

Let me remind the Members about where we were in 1988. We had annual deficits, annual deficits running in the hundreds of billions of dollars. That means that the government was spending hundreds of billions of dollars on an annual basis more than it was taking in in revenue. And that deficit was only counted after you spent all of the Social Security money, after you spent all the Social Security money which was supposed to be set aside for future retirees. Our accounting practices were really messed up. We did not count a deficit until we spent everything, what we call the operating money, off-budget money, and then all of the Social Security money too.

□ 2100

In 1992, President George Bush was running for reelection. This country that fiscal year had a $290 billion deficit. President Bush, if my colleagues will remember where we were back then, we had just come out of the Desert Storm, the Persian Gulf conflict in which the Iraqi government had threatened some neighbors and America came to their defense and again showed us leadership around the world and doing what was right.

President Bush did a great job prosecuting that war. That happened I think in 1990 or so, but the election in 1992 really became about the economy and the fact that we had a $290 billion annual deficit, even after spending all the Social Security surpluses; and unemployment was high, interest rates were high, jobs were not being created. The economy was generally fairly stagnant.

That election, as I said, was much about the economy; and of course, President Bush lost that election, and in the next 8 or 10 years the administration, in concert with the Congress, I think because the country demanded it, began to work together to solve the economic problem, to solve this deficit problem that we had in this country.

I ran in 1996 for the U.S. House of Representatives, and I remember the cornerstone of that campaign was about the economy, was about the deficit, the fact that this country was not able to balance its books. So a lot of that conversation and debate that we had during the 1996 campaign was about that.

When I got to Washington I was anxious to become part of a group that was interested in fiscal responsibility, and so that is why I joined the Blue Dogs; and as my colleagues know, the leadership of the United States Congress, which was Republican in both the House and the Senate, and working in a bipartisan way with President Clinton's administration, developed a plan, actually it was a seven year plan in 1997, which would take our Nation out of deficit spending and carry us back into fiscal responsibility. I think the Blue Dogs played a very important role in that debate or that deal that was cut, and it just showed what can happen when the country comes together. We have a problem, we figure out a way to solve it, set aside our partisan differences and work together.

That plan was really a pretty simple plan, if put in place. Spending caps, it required that we ratchet down our spending as we went along and that if the economy would continue to grow we would be able to get in a surplus situation.

Guess what happened. The business community had great confidence that the government was doing its part, that we were doing our best to hold down spending and that in the long run we would get out of that deficit situation. As a result, the business community began to invest. The economy began to boom. We had a lot of people who had capital who were willing to risk that capital in new ideas and creative ideas. Next thing we know interest rates begin to go down. Employment was higher. New job creation. We had rising markets everywhere.

Of course, everybody knows that in 1992 the stock market was in the 3,000 range and maybe even below, and it went up in 2000, 2001 era, went up to 11,000.

When we got to balance, there was a lot of talk about lock boxes. This Congress had many debates. I know we have taken numerous votes on the lock boxes. That was a good idea; and that idea was simply this, that we use whatever surplus money we had to pay off the Federal debt. The Federal debt was running in the five and a half trillion dollar range. That Federal debt, to service it, was costing us, as my colleagues heard the gentleman from Mississippi (Mr. TAYLOR) say, the largest single expense item of the Federal budget, costing us in the neighborhood of $325 to $350 billion.

My contention is, as a businessperson, that a debt that is of that high percentage of an annual budget, it was in the neighborhood of 15 to 16 percent I believe, would really drag us down over a period of time, and we had to figure out a way to reduce that debt. So the lock box idea was a very good idea, which we would be forced to put Social Security surpluses into reducing Federal debt and any other surpluses that we might have into reducing Federal debt.

2000 Presidential election came along. OMB and CBO and others were forecasting just a year ago that we would have a $5.6 trillion surplus over the next 10 years, a $5.6 trillion surplus. Given the current laws that we are operating on, the current expected spending or revenues that we are going to get in and the spending requirements we have, we were looking at about a $5.6 trillion dollar surplus over the next 10 years, and if we had that kind of surplus we could almost pay off the total Federal debt. That was 1 year ago, January 2001.

What is that projection or forecast today about surpluses? Four billion dollars of that surplus has disappeared over the last year, projected surplus, $4 billion. There are lots of reasons for that. We all know what they are. Some have to do with the natural downturn in the economy that happened, some have to do with the September 11 tragedy and the effect it has had on our economy, and certainly a portion has to do with the economic policy that this Congress and administration put in place a year ago.

I would submit to my colleagues that there are three very good reasons not to go back to deficit spending. Number one is, and I think they are all equally important, but number one, the best way to continue our economic prosperity or economic boom that we experienced in the 1990s is to continue to run a surplus and to continue to pay down our Federal debt. Take pressure off the capital markets, interest rates stay low. The investment community, people who have money to invest will continue to have confidence that the economy is going to continue to be good and they will invest in it.

Secondly, I think the second reason is and certainly one some others have spoken about very eloquently is that when we borrow money to pay for programs that we want today, we are just mortgaging the future of our children and that is not fair. That really is an unfair thing to do.

Thirdly, certainly a situation that those of us here in Washington have been unable to face squarely is the Social Security issue. We all know that we are running surpluses in the Social Security trust fund now on an annual basis, but soon that will change. Within about 10 years we will not run an annual surplus in the Social Security trust fund. We will begin to draw out of that IOU that the gentleman from Mississippi (Mr. TAYLOR) talked about that is in that box, and we know the box is not locked by now. We do.

We expect the baby boomers to retire, and our economists and forecasters tell us that there is going to be a tremendous amount of pressure on our Federal Treasury to meet the requirements under the current Social Security and Medicare law. We have to prepare that, and we have not done a good job of that. One of the things that I hope this administration and this Congress can do this year is begin to address the long-term Social Security reform.

I think the last issue that I would like to talk about is one of the debt lending. I think the gentleman from Mississippi (Mr. TAYLOR) has addressed it in a very adequate way; but I said on this floor last year, as others did, and

we heard arguments, as we presented our Blue Dog budget, which we thought was a good budget that would have kept us out of this mess that we are in now, some argued against that budget and ultimately defeated it on the basis that we would pay off the Federal debt too quickly, that this United States Government that would pay off, if we went into the surplus and began to pay down some of the debt, that we would pay off the debt too quickly and have to pay some kind of penalty. I wish we could even think that today.

The same folks who may have argued a year ago that we could not pay down the surplus because we might have to pay off the debt too quickly today might ask us to raise the debt ceiling. I have to agree with the gentleman from Mississippi (Mr. TAYLOR). I am not going to vote to raise the Federal debt ceiling until we put a good plan in place. I think we need to go back, like we did in 1997, and the President and the administration and the congressional leaders need to sit together and we need to figure out how to get out of this mess together.

I want to thank the gentleman from Texas (Mr. TURNER) for his work. I know that he and others have organized this event tonight; and I want to say to the leadership, the Republican and Democratic leadership, and to the administration, the Blue Dogs stand ready to work in a bipartisan way to help us find the solutions to these problems that we are facing today. We are ready. We have got a lot of good folks who understand that the country has many needs, who understand where its priorities are, and we want to work with the President and the congressional leadership to get those problems solved.

I yield back to the gentleman from Texas (Mr. TURNER) and thank him for allowing me to speak.

Mr. TURNER. Mr. Speaker, I appreciate the gentleman from Florida's remarks and appreciate his commitment to fiscal discipline and fiscal responsibility. It does seem somewhat surprising that in just a year's time or less than a year that our Federal financial picture could have changed so much.

I think one of the most difficult things at work in this Congress today is to acknowledge that the circumstances have changed. There is going to be a resolution on the floor tomorrow. It is not a law. It does not have any effect. It is what we call a sense of the House. It is simply an effort by the Republican leadership to try to put folks on record as to whether or not they are committed to the tax cut that was passed last June.

I was pleased to be one who supported the tax cut last June, but I also understand that since last June we are now at war again. We are now in a posture where we are seeing record projections of deficits rather than surpluses, and I think even though all of us understand that we must not raise taxes in the current recession, the long term does require an intelligent and a careful discussion of the direction this country has taken; and to blindly follow a path toward fiscal irresponsibility is going to result in debts on the backs of our children that all of us will be ashamed to see.

Our Federal debt, almost $6 trillion today, is increasing daily because of the deficit spending, and as the gentleman from Florida (Mr. BOYD) pointed out, the President, through the Secretary of the Treasury, has asked this Congress to raise the debt ceiling $700 billion. We were told back last June that it would not be necessary to raise the Federal debt ceiling for at least 6 or 7 years; but all of a sudden, just before the Christmas recess, we were told that we are now going to have to raise the debt ceiling sometime in late February or early March.

I agree with the gentleman from Mississippi (Mr. TAYLOR) and the gentleman from Florida (Mr. BOYD), we do not need to vote to increase the national debt of this country, to raise the ceiling of that debt until we have some firm commitments regarding a return to fiscal responsibility. As we said earlier, if we continue along the path of the Republican's budget plans over the next 10 years, based on the best estimates we have from the Congressional Budget Office, we will increase the amount of interest that we pay on our national debt by a trillion dollars, over a trillion dollars.

There is a lot we could do with that trillion dollars. As I said, we could fund the President's defense budget request for 3 years straight if we could save that trillion dollars.

We already spend a billion dollars a day on interest on our Federal debt. We were told earlier that the war is costing us a billion dollars a month, contrast that, and it is very expensive to fight this war, and all of us believe we need to spend every dollar necessary to win this war; and it is currently costing us a billion dollars a day, but we are paying a billion dollars every time, billion dollars every month, but it is costing us a billion dollar every day just to pay the interest on our national debt.

□ 2115

Clearly, our national debt has grown too large. The interest consumes too much of our Federal budget, and we are going in the wrong direction.

If we had a trillion dollars in interest savings by not increasing our national debt, by proceeding on the path we were on and thought we were on last June, where we are not increasing the national debts and in fact were headed towards paying it off, we could take that trillion dollars and save it, and we could pay for 20 years of war at $1 billion a month.

We are clearly moving back to deficit spending, to raiding Social Security, and toward reckless fiscal policies that our children will have to pay for someday. All we are asking of our Republican leaders and of the President is to be honest with the American people; to be sure that they are told the straight story and that they too understand that it is not just the men and women in uniform who are having to sacrifice and risk their lives in fighting this war, but that every American has a role to play and we all have to be willing to sacrifice.

Yes, we need to cut spending in areas where we can cut it. But when we sit down to draw up the Federal budget for the American family, we ought to do it just like we do at home, and that is we ought to measure our revenues and balance those against our expenses. And if we do not have enough income to cover our expenses, we need to cut our expenses and balance our budget. Washington has not learned that. Apparently, even after 3 years of returning to fiscal responsibility and having surpluses in our Federal budget, we once again are turning a blind eye to the importance of balancing our budget.

We believe that the President and the leadership of this House have a responsibility to submit to us a balanced budget and a plan to keep us on the road to fiscal responsibility. That is the only way to preserve the long-term prosperity for the American people. We want to look to the longer term, to be sure our children and grandchildren do not inherit the reckless fiscal policies of the current generation.

I thank the Blue Dog Democrats who have joined me on the floor tonight for this discussion on the importance of fiscal responsibility. I look forward to the opportunity to debate this issue in the days ahead as we continue to work to balance the budget and to pay down our debt and to protect the Social Security trust fund for the future.

In closing tonight, the Blue Dogs would like to close this hour in memory of Darlene Luther, the wife of our friend and colleague, Bill Luther. Both Bill and Darlene have been known throughout the years as public servants, a family that served their constituents, who worked hard together to make America a better place, and our hearts go out tonight to Bill and his family in the loss of Darlene.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BACA (at the request of Mr. GEPHARDT) for today on account of inclement weather and snow conditions canceling his flight.

Mr. HALL of Texas (at the request of Mr. GEPHARDT) for today on account of airport delays in Dallas.

Ms. MILLENDER-MCDONALD (at the request of Mr. GEPHARDT) for today on account of official business in the district.

Mr. UNDERWOOD (at the request of Mr. GEPHARDT) for today on account of official business.

Mr. FRELINGHUYSEN (at the request of Mr. ARMEY) for today and February 6 on account of personal reasons.

Mr. LUCAS of Oklahoma (at the request of Mr. ARMEY) for today on account of weather delay.

Mrs. ROUKEMA (at the request of Mr. ARMEY) for today and the balance of the week on account of illness.

Mr. RYAN of Wisconsin (at the request of Mr. ARMEY) for today and the balance of the week on account of the birth of his first child, Elizabeth Anne.

Mr. SHAW (at the request of Mr. ARMEY) for today and the balance of the week on account of family medical reasons.

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. STARK) to revise and extend their remarks and include extraneous material:)

Ms. NORTON, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Ms. LEE, for 5 minutes, today.

Mr. BERMAN, for 5 minutes, today.

Ms. ESHOO, for 5 minutes, today.

Mr. FARR of California, for 5 minutes, today.

Mr. HONDA, for 5 minutes, today.

Ms. LOFGREN, for 5 minutes, today.

Ms. ROYBAL-ALLARD, for 5 minutes, today.

Ms. SANCHEZ, for 5 minutes, today.

Mr. SHERMAN, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mrs. DAVIS of California, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mrs. MEEK of Florida, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mrs. CAPPS, for 5 minutes, today.

Mr. SCHIFF, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. WEINER, for 5 minutes, today.

Mr. SANDLIN, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Mr. BLUMENAUER, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Ms. SCHAKOWSKY, for 5 minutes, today.

(The following Members (at the request of Mr. RAMSTAD) to revise and extend their remarks and include extraneous material:)

Mr. MORAN of Kansas, for 5 minutes, today.

Mr. GANSKE, for 5 minutes, February 6 and 7.

Mr. WALDEN of Oregon, for 5 minutes, today.

Mr. KIRK, for 5 minutes, today.

Mr. RAMSTAD, for 5 minutes, today.

Mr. HERGER, for 5 minutes, February 6.

Mr. DIAZ-BALART, for 5 minutes, February 6.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. WELLER, for 5 minutes, today.

Mr. BACHUS, for 5 minutes, today.

Mr. SANDERS, for 5 minutes, today.

BILL PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House reports that on February 5, 2002 he presented to the President of the United States, for his approval, the following bill.

H.R. 400. To authorize the Secretary of the Interior to establish the Ronald Reagan Boyhood Home National Historic Site, and for other purposes.

ADJOURNMENT

Mr. TURNER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 18 minutes p.m.), the House adjourned until tomorrow, Wednesday, February 6, 2002, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5338. A letter from the Legislative and Regulatory Activities Division, Department of the Treasury, transmitting the Department's final rule—Capital; Leverage and Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Nonfinancial Equity Investments [Docket No. 02–01] (RIN: 1557–AB14) received January 29, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5339. A letter from the Legislative and Regulatory Activities Division, Department of the Treasury, transmitting the Department's final rule—International Banking Activities: Capital Equivalency Deposits [Docket No. 02–02] (RIN: 1557–AC05) received January 29, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5340. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Section 112(I) Authority for Hazardous Air Pollutants and the Chemical Accident Prevention Provisions; Allegheny County; Health Department [PA001–1002; FRL–7135–3] received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5341. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Section 112(I) Authority for Hazardous Air Pollutants; City of Philadelphia; Department of Public Health Air Management Services [PA001–1001; FRL–7134–9] received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5342. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Interim Final Determination that State has Corrected the Deficiencies in California, Yolo-Solano Air Quality Management District [CA 254–0318c; FRL–7132–1] received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5343. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Revisions to the California State Implementation Plan, Yolo-Solano Air Quality Management District [CA 254–0318a; FRL–7131–9] received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5344. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Plans for Designated Facilities and Pollutants; States of Kansas, Missouri, and Nebraska [FRL–7134–7] received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5345. A letter from the Associate Chief, Accounting Policy Division, Federal Communications Commission, transmitting the Commission's final rule—Billed Party Preference for InterLATA 0 Calls [CC Docket No. 92–77] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5346. A letter from the Acting Chief, Policy and Rules Division, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Part 2 of the Commission's Rules to Allocate Spectrum Below 3 GHz for Mobile and Fixed Services to Support the Introduction of New Advanced Wireless Services, including Third Generation Wireless Systems [ET Docket No. 00–258]; Amendment of the U.S. Table of Frequency Allocations to Designate the 2500–2520/2670–2690 MHz Frequency Bands for the Mobile-Satellite Service [RM–9911] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5347. A letter from the Senior Legal Advisor, WTB, Federal Communications Commission, transmitting the Commission's final rule—Revision of Part 22 and Part 90 Of the Commission's Rules to Facilitate Future Development of Paging Systems [WT Docket No. 96–18]; Implementation of Section 309(j) Of the Communications Act—Competitive Bidding [PR Docket No. 93–253] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5348. A letter from the Acting Chief, Policy and Rules Division, Federal Communications Commission, transmitting the Commission's final rule— Authorization and Use of Software Defined Radios [ET Docket No. 00–47] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5349. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.606(b), Table of Allotments, Television Broadcast Stations (Destin, Florida) [MM Docket No. 01–171, RM–10158] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5350. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Calumet, Michigan) [MM Docket No. 01–166, RM–10182] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5351. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau,

Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (New Orleans, Louisiana) [MM Docket No. 01–164, RM–10135] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5352. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.606(b), Table of Allotments, Television Broadcast Stations (International Falls and Chisholm, Minnesota) [MM Docket No. 01–87, RM–10092] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5353. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Nogales, Vail and Patagonia, Arizona) [MM Docket No. 00–31, RM–9815, RM–10014, RM–10095] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5354. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Barnwell, South Carolina, and Pembroke, Douglas, Willacooche, Statesboro, Pulaski, East Dublin, Swainsboro and Twin City Georgia) [MM Docket No. 00–18, RM–9790] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5355. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Detroit Lakes and Barnesville, Minnesota, and Enderlin, North Dakota) [MM Docket No. 00–53, RM–9823, RM–9950] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5356. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Paonia and Olathe, Colorado) [MM Docket No. 98–188, RM–9346, RM–9656, RM–9657] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5357. A letter from the Acting Director, Fish and Wildlife Service, Department of the Interior, transmitting the Department's final rule—Endangered and Threatened Wildlife and Plants; Endangered Status for Carex lutea (Golden Sedge)(RIN: 1018–AF68) received January 22, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5358. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Economic Exclusive Zone Off Alaska; Trawl Gear in the Gulf of Alaska [Docket No. 010112013–1013–01; I.D. 101901D] received January 25, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5359. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model EC 120 Helicopters [Docket No. 2001–SW–23–AD; Amendment 39–12524; AD 2001–24–08] (RIN: 2120–AA64) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5360. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model AS 332C, L, L1, and L2 Helicopters [Docket No. 99–SW–78–AD; Amendment 39–12560; AD 2001–25–07] (RIN: 2120–AA64) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5361. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Criminal History Records Checks [Docket No. FAA–2001–10999; Amdt. Nos. 107–14 and 108–19] (RIN: 2120–AH53) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5362. A letter from the Director, Office of Regulations Management, Department of Veterans' Affairs, transmitting the Department's final rule—Diseases Specific to Radiation-Exposed Veterans (RIN: 2900–AK64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

5363. A letter from the Chief, Regulations Division, ATF, Department of Treasury, transmitting the Department's final rule—Hard Cider, Semi-Generic Wine Designations, and Wholesale Liquor Dealers' Signs (97–2523) [T.D. ATF–470 RE: T.D. ATF–398, Notice No. 859, Notice No. 869, T.D. ATF–418, Notice No. 881 and T.D. ATF–430] received January 25, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 342. Resolution providing for the consideration of motions to suspend the rules (Rept. 107–356). Referred to the House Calendar.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 343. Resolution providing for consideration of the bill (H.R. 3394) to authorize funding for computer and network security research and development and research fellowship programs, and for other purposes (Rept. 107–357). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. SAXTON:

H.R. 3673. A bill to amend the Federal Water Pollution Control Act relating to marine sanitation devices; to the Committee on Transportation and Infrastructure.

By Mr. CANNON:

H.R. 3674. A bill to amend title 18 of the United States Code to correct a technical error in the codification of title 36 of the United States Code; to the Committee on the Judiciary.

By Ms. DEGETTE (for herself, Mr. PALLONE, Mr. BALDACCI, Mr. SERRANO, Mr. HINCHEY, Mrs. CAPPS, Ms. ROYBAL-ALLARD, Mr. CROWLEY, Ms. LEE, Mr. THOMPSON of California, Mrs. MALONEY of New York, Mr. TOWNS, Ms. BROWN of Florida, Ms. JACKSON-LEE of Texas, Mrs. MCCARTHY of New York, Ms. WOOLSEY, Ms. NORTON, Mr. ABERCROMBIE, Mr. BERMAN, and Mr. MCGOVERN):

H.R. 3675. A bill to amend titles XIX and XXI of the Social Security Act to improve the coverage of needy children under the State Children's Health Insurance Program (SCHIP) and the Medicaid Program; to the Committee on Energy and Commerce.

By Ms. DEGETTE (for herself and Mrs. BONO):

H.R. 3676. A bill to amend titles V, XVIII, and XIX of the Social Security Act to promote tobacco use cessation under the medicare program, the Medicare Program, and the maternal and child health 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. ENGLISH:

H.R. 3677. A bill to amend title I of the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to provide new protections under applicable fiduciary rules for participants and beneficiaries under 401(k) plans and to provide for 3-year vesting of elective deferrals under such plans; to the Committee on Education and the Workforce, 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:

H.R. 3678. A bill to amend the Fair Labor Standards Act of 1938 to clarify the exemption from the minimum wage and overtime compensation requirements of that Act for certain construction engineering and design professionals; to the Committee on Education and the Workforce.

By Mr. GUTIERREZ:

H.R. 3679. A bill to prohibit the possession or transfer of junk guns, also known as Saturday Night Specials; to the Committee on the Judiciary.

By Ms. HART:

H.R. 3680. A bill to amend the Federal Election Campaign Act of 1971 to require persons who make disbursements for certain electioneering communications and certain mass communications to file information with the Federal Election Commission regarding the source of the funds used for the disbursements, and for other purposes; to the Committee on House Administration.

By Ms. HOOLEY of Oregon (for herself and Mr. WALDEN of Oregon):

H.R. 3681. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to make volunteer members of the Civil Air Patrol eligible for Public Safety Officer death benefits; to the Committee on the Judiciary.

By Ms. LEE:

H.R. 3682. A bill to establish a living wage, jobs for all policy for all peoples in the United States and its territories, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committees on the Budget, Armed Services, and Rules, 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. MATHESON:

H.R. 3683. A bill to authorize the national Institute of Standards and Technology to assist in the development of reliable and valid tests for banned performance-enhancing substances and to establish a research program on the long-term consequences of the use of such performance-enhancing substances; to the Committee on Science, and in addition to the Committee on Energy and Commerce, 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. SIMMONS (for himself, Ms. HART, Mr. KOLBE, Mr. MANZULLO, Mr. LATOURETTE, Mr. FORBES, and Mr. PLATTS):

H.R. 3684. A bill to amend the Social Security Act establish an outpatient prescription drug assistance program for low-income Medicare beneficiaries; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, 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. SMITH of New Jersey:

H.R. 3685. A bill to amend the Internal Revenue Code of 1986 to allow a refundable credit against income tax for educational expenses incurred for each qualifying child of the taxpayer in attending public or private elementary or secondary school; to the Committee on Ways and Means.

By Mr. STEARNS (for himself, Mr. PITTS, Mr. SMITH of New Jersey, Mr. DEMINT, Mr. SCHAFFER, Mr. PICKERING, Ms. MILLENDER-MCDONALD, Mr. FORBES, Mr. TAYLOR of Mississippi, Mr. FERGUSON, Mrs. JO ANN DAVIS of Virginia, Mr. FALEOMAVAEGA, Mr. WILSON of South Carolina, Mr. PENCE, Mr. BAKER, Mr. VITTER, Mr. UNDERWOOD, and Mr. FOLEY):

H.R. 3686. A bill to authorize the Secretary of Health and Human Services to make grants to nonprofit tax-exempt organizations for the purchase of ultrasound equipment to provide free examinations to pregnant women needing such services, and for other purposes; to the Committee on Energy and Commerce.

By Mr. COX (for himself, Mr. ARMEY, Mr. BURTON of Indiana, Mr. SHADEGG, Mr. SESSIONS, Mr. VITTER, Mr. FLAKE, Mr. BARTLETT of Maryland, Mr. GARY G. MILLER of California, Mr. PENCE, Mr. STEARNS, Mr. OTTER, Mr. GRAHAM, Mr. KELLER, Mr. SAM JOHNSON of Texas, Mr. TANCREDO, Mr. SMITH of New Jersey, Mr. SCHAFFER, Mr. SKEEN, Mr. TIAHRT, Mr. CRANE, Mr. DELAY, Mr. JONES of North Carolina, Mr. BUYER, Ms. HART, Mr. AKIN, Mr. CHABOT, Mr. RYUN of Kansas, Mr. ROHRABACHER, Mr. HOEKSTRA, Mr. BARR of Georgia, Mr. GREEN of Wisconsin, Mr. HAYWORTH, Mr. DEMINT, Mr. FOLEY, Mr. SAXTON, Mr. BROWN of South Carolina, Mrs. CUBIN, Mr. CANTOR, Mr. JEFF MILLER of Florida, Mr. HUNTER, Mr. FOSSELLA, Mr. SOUDER, Mr. BOOZMAN, Mr. ISSA, Mrs. JO ANN DAVIS of Virginia, Mr. KING, Mr. TIBERI, Mr. CULBERSON, Mr. KERNS, Mr. CAMP, Mr. PETERSON of Minnesota, Mr. SWEENEY, Mr. HOSTELLER, Mr. GUTKNECHT, Mr. FARR of California, Mr. THOMAS, Mrs. BIGGERT and Mr. ROYCE):

H.J. Res. 82. Joint resolution recognizing the 91st birthday of Ronald Reagan; to the Committee on Government Reform.

By Mr. BACHUS (for himself, Mr. WELLER, 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, Mr. WICKER, Mr. STUMP, Mr. SESSIONS, Mr. CRANE, Mr. GIBBONS, Mr. MCKEON, Mr. OXLEY, Mr. SENSENBRENNER, Mr. PLATTS, Mr. KNOLLENBERG, Mr. GOODLATTE, Mr. SCHROCK, Mr. GRUCCI, Mr. TIBERI, Mr. BROWN of South Carolina, Mr. RILEY, Mr. SHAW, Mr. CRENSHAW, Mr. BARR of Georgia, Mrs. WILSON of New Mexico, Mr. KENNEDY of Minnesota, Mr. FRELINGHUYSEN, Mr. CANTOR, Ms. HART, Mrs. BIGGERT, Mr. KIRK, Mr. BOOZMAN, Mr. DEMINT, Mr. JONES of North Carolina, Mr. GANSKE, Mr. WILSON of South Carolina, and Mr. JEFF MILLER of Florida):

H. Con. Res. 312. Concurrent resolution expressing the sense of the House of Representatives that the scheduled tax relief provided for by the Economic Growth and Tax Relief Reconciliation Act of 2001 passed by a bipartisan majority in Congress should not be suspended or repealed; to the Committee on Ways and Means.

By Mr. CROWLEY (for himself, Mr. DIAZ-BALART, Mr. BALLENGER, Mr. FOLEY, Mr. RAMSTAD, Mr. PORTMAN, Mr. HASTINGS of Florida, Mr. HOEFFEL, Mr. LEACH, Mr. SMITH of New Jersey, Mr. ACKERMAN, Mr. HONDA, Mr. LANTOS, Mr. WEINER, Mr. WEXLER, Ms. ROYBAL-ALLARD, Ms. KAPTUR, and Mr. CANTOR):

H. Con. Res. 313. Concurrent resolution expressing the sense of Congress regarding the crash of Transporte Aereo Militar Ecuatoriano (TAME) Flight 120 on January 28, 2002; to the Committee on International Relations.

By Mr. GRUCCI:

H. Con. Res. 314. Concurrent resolution recognizing the members of AMVETS for their service to the Nation and supporting the goal of AMVETS National Charter Day; to the Committee on Veterans' Affairs.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 15: Mr. BARR of Georgia.

H.R. 154: Mr. WILSON of South Carolina.

H.R. 162: Mr. DAVIS of Florida.

H.R. 183: Mr. ISRAEL, Ms. BROWN of Florida, and Mr. STARK.

H.R. 394: Mr. WILSON of South Carolina and Mr. FORBES.

H.R. 440: Mr. THOMPSON of California, Mr. OBERSTAR, and Mr. MCINNIS.

H.R. 488: Mr. BARRETT, Mr. KILDEE, Ms. LOFGREN, and Ms. WOOLSEY.

H.R. 632: Ms. KILPATRICK and Ms. BROWN of Florida.

H.R. 656: Mr. OTTER.

H.R. 658: Mr. NETHERCUTT, Mr. BARCIA, Mr. TANNER, and Mr. GREEN of Wisconsin.

H.R. 664: Mr. VITTER, Mr. FORBES, Mr. WILSON of South Carolina, and Mrs. NORTHUP.

H.R. 747: Mr. FRANK.

H.R. 774: Mr. WILSON of South Carolina and Mr. KILDEE.

H.R. 776: Mr. WILSON of South Carolina.

H.R. 826: Mr. REYNOLDS, Mr. DOOLITTLE, and Mr. OTTER.

H.R. 854: Mr. DAVIS of Florida, Mr. OXLEY, Mr. WILSON of South Carolina, Mr. CUNNINGHAM, and Mr. UDALL of Colorado.

H.R. 948: Mr. SCHIFF, Mr. HONDA, Mr. LANGEVIN, Mr. WATT of North Carolina, and Mrs. Napolitano.

H.R. 951: Mr. WILSON of South Carolina, Mr. CUNNINGHAM, and Mr. QUINN.

H.R. 952: Mr. CRAMER.

H.R. 990: Mr. WILSON of South Carolina and Mr. FORBES.

H.R. 997: Mr. SHOWS.

H.R. 1172: Mrs. NORTHRUP.

H.R. 1247: Mr. DAVIS of Illinois.

H.R. 1296: Mr. STUMP and Mrs. THURMAN.

H.R. 1307: Mr. ISRAEL.

H.R. 1322: Mrs. LOWEY, Mr. ROTHMAN, and Mr. HOEFFEL.

H.R. 1354: Ms. MILLENDER-MCDONALD and Mr. FATTAH.

H.R. 1377: Mr. WILSON of South Carolina and Ms. HARMAN.

H.R. 1421: Mr. ENGLISH, Mr. WELDON of Pennsylvania, Mr. TIBERI, Mr. GREENWOOD, Ms. VELAZQUEZ, Ms. NORTON, and Mr. REYES.

H.R. 1520: Mr. KING, Mr. BENTSEN, Mr. MATSUI, Ms. DELAURO, Mr. BACHUS, Ms. LEE, and Mr. OBERSTAR.

H.R. 1556: Mr. CUNNINGHAM and Mr. SCHAFFER.

H.R. 1609: Mr. GRAVES.

H.R. 1711: Mr. INSLEE, Mr. BLUMENAUER, and Mr. DICKS.

H.R. 1764: Mr. GUTIERREZ.

H.R. 1779: Mr. FERGUSON.

H.R. 1786: Mr. BEREUTER.

H.R. 1795: Mr. SHIMKUS, Mr. TIBERI, Mr. TURNER, Mr. DOYLE, Mr. UPTON, Mr. WELLER, and Mr. JOHNSON of Illinois.

H.R. 1797: Mr. FOLEY.

H.R. 1828: Mr. SNYDER.

H.R. 1841: Mr. ISRAEL and Mr. WEINER.

H.R. 2037: Mr. LAMPSON, Mr. THORNBERRY, Mr. CALLAHAN, Mr. NUSSLE, Mr. LOBIONDO, Mr. TANNER, and Mr. GREEN of Texas.

H.R. 2074: Mr. ABERCROMBIE.

H.R. 2207: Mr. VISCLOSKY.

H.R. 2308: Mr. CRAMER.

H.R. 2339: Mr. ABERCROMBIE.

H.R. 2340: Ms. NORTON.

H.R. 2341: Mr. TOM DAVIS of Virginia.

H.R. 2484: Mr. KILDEE, Mr. MATSUI, Ms. NORTON, Mrs. MINK of Hawaii, and Mr. SIMMONS.

H.R. 2550: Mr. BLAGOJEVICH and Ms. SCHAKOWSKY.

H.R. 2629: Mr. MATSUI, Mr. QUINN, Mr. WILSON of South Carolina, Mr. KENNEDY of Rhode Island, and Mr. DOYLE.

H.R. 2674: Mr. FRANK, Mr. LARSON of Connecticut, Mr. HOLT, Mr. ANDREWS, Mr. TRAFICANT, Mr. OBERSTAR, Mr. BOUCHER, and Mr. WYNN.

H.R. 2695: Mr. TOM DAVIS of Virginia, Mr. MCINNIS, Mr. WELLER, Mr. CUNNINGHAM, Mr. CHAMBLISS, Mr. OTTER, Mr. SAM JOHNSON of Texas, and Mr. SIMPSON.

H.R. 2723: Mr. BACA.

H.R. 2795: Mr. HASTINGS of Washington and Mr. OTTER.

H.R. 2817: Mr. ENGLISH.

H.R. 2820: Mr. NEAL of Massachusetts, Mr. CROWLEY, Mrs. JONES of Ohio, Mr. SCHROCK, Mrs. EMERSON, Mr. ACKERMAN, Mr. FROST, Mr. FARR of California, Mr. GORDON, and Mr. DEUTSCH.

H.R. 2822: Mr. WELDON of Florida.

H.R. 2823: Mr. WELDON of Florida.

H.R. 2824: Mr. WELDON of Florida.

H.R. 2846: Mr. SOUDER.

H.R. 2931: Mr. MANZULLO, Mr. BARR of Georgia, and Mr. RYUN of Kansas.

H.R. 3058: Mr. ISRAEL, Mr. RANGEL, Mr. TIBERI, Mr. HASTINGS of Florida, Mr. LUTHER, Mr. COYNE, Mrs. MYRICK, and Mr. JACKSON of Illinois.

H.R. 3068: Mr. EHRLICH.

H.R. 3113: Mr. WATT of North Carolina, Ms. WATSON OF CALIFORNIA, Mr. THOMPSON of Mississippi, Ms. JACKSON-LEE of Texas, and Ms. KILPATRICK.

H.R. 3130: Mr. HOLT.

H.R. 3131: Mr. COBLE, Mr. BOUCHER, Mr. KUCINICH, Mr. RAMSTAD, and Mr. COYNE.

H.R. 3149: Mr. HOEKSTRA and Mr. TURNER.

H.R. 3192: Mr. LATOURETTE, Mr. WICKER, Mr. CRANE, Mr. REGULA, Mr. SKEEN, Mr.

CULBERSON, Mr. BROWN of South Carolina, Mr. HERGER, Mr. OXLEY, Mr. PLATTS, and Mr. WALDEN of Oregon.

H.R. 3215: Mr. BARR of Georgia.

H.R. 3229: Mr. STENHOLM.

H.R. 3230: Ms. HARMAN.

H.R. 3231: Mr. BACHUS, Mr. FRELINGHUYSEN, Mr. LINDER, Mr. BONILLA, Mr. CALLAHAN, and Mr. LEWIS of Kentucky.

H.R. 3236: Mr. RAHALL and Mr. LANGEVIN.

H.R. 3238: Mr. LARSON of Connecticut, Mr. LANGEVIN, Mr. ROTHMAN, Mr. UDALL of Colorado, and Mr. MARKEY.

H.R. 3250: Ms. KAPTUR.

H.R. 3279: Ms. SCHAKOWSKY.

H.R. 3280: Ms. LEE.

H.R. 3289: Mr. KUCINICH and Mr. GIBBONS.

H.R. 3328: Mr. TURNER.

H.R. 3331: Mr. FALEOMAVAEGA.

H.R. 3337: Mr. CLAY, Mr. FOSSELLA, Ms. MCKINNEY, Mr. TIBERI, and Mr. PASTOR.

H.R. 3352: Mr. STUPAK and Mr. LUCAS of Kentucky.

H.R. 3368: Mrs. MALONEY of New York.

H.R. 3414: Mr. SNYDER and Mr. UNDERWOOD.

H.R. 3424: Mr. MICA, Mr. WOLF, Mr. DOOLITTLE, Ms. MILLENDER-MCDONALD, Mr. SHUSTER, Mr. BERMAN, Mr. HINOJOSA, Mr. FARR of California, Mr. PETRI, Mr. RADANOVICH, Mrs. NORTHUP, Mr. MATSUI, Ms. NORTON, and Mr. WEXLER.

H.R. 3437: Ms. MILLENDER-MCDONALD, Mr. WILSON of South Carolina, and Mr. LAMPSON.

H.R. 3450: Mr. UDALL of Colorado, Mr. LANTOS, Mr. GUTIERREZ, Mr. BRADY of Pennsylvania, Ms. SOLIS, Mr. CLYBURN, Mr. ENGEL, Mr. HINCHEY, Mr. PRICE of North Carolina, Mrs. JOHNSON of Connecticut, Mrs. MALONEY of New York, Mr. MATSUI, Mr. UNDERWOOD, Mr. WAMP, Mr. WEXLER, Mr. KILDEE, Mr. WYNN, Mr. DICKS, MS. WATSON of California, Mr. HASTINGS of Florida, Mr. LANGEVIN, Ms. PELOSI, Mr. GOODE, Mr. NUSSLE, Mr. PUTNAM, and Mr. FOLEY.

H.R. 3475: Mr. BARR of Georgia.

H.R. 3498: Mrs. THURMAN.

H.R. 3505: Ms. ESHOO, Ms. HARMAN, Ms. LOFGREN, and Mr. LANTOS.

H.R. 3524: Ms. MCKINNEY.

H.R. 3565: Mr. MCNULTY, Mr. ABERCROMBIE, Mr. STUPAK, Mr. DOYLE, Mr. WYNN, and Ms. NORTON.

H.R. 3569: Mr. LATOURETTE, Mr. GILCHREST, Mr. PAUL, and Mr. OBERSTAR.

H.R. 3580: Mr. PICKERING and Mr. ENGEL.

H.R. 3584: Mr. SHAYS.

H.R. 3618: Mr. ETHERIDGE and Mrs. THURMAN.

H.R. 3623: Mr. FRANK and Mr. FROST.

H.R. 3634: Mr. SOUDER, Mr. CROWLEY, Mr. SAXTON, Ms. BERKLEY, Ms. HART, Mr. SCHROCK, Mr. BARTLETT of Maryland, Mr. PLATTS, Mr. PENCE, Mr. ISRAEL, Mr. ENGLISH, Mr. FROST, Mr. REYNOLDS, Mr. FERGUSON, and Mr. WELLER.

H.R. 3626: Mr. SNYDER and Mr. PALLONE.

H.R. 3644: Mrs. JONES of Ohio.

H.R. 3645: Mrs. MINK of Hawaii and Mr. BROWN of Ohio.

H.R. 3661: Mr. BRADY of Texas, Mr. WILSON of South Carolina, Mr. KILDEE, Mr. LATOURETTE, Mr. GRAVES, and Mr. FOLEY.

H.R. 3670: Mr. BLUMENAUER, Mr. INSLEE, Mr. GEORGE MILLER of California, Mr. FROST, Mr. STENHOLM, Mr. CROWLEY, Mr. ABERCROMBIE, Mr. STRICKLAND, Mr. MORAN of Virginia, Mr. BECERRA, Ms. NORTON, Ms. KAPTUR, Mr. BOUCHER, and Mr. COSTELLO.

H.J. Res. 6: Mr. ISRAEL.

H.J. Res. 23: Mr. BACHUS and Mr. PORTMAN.

H. Con. Res. 99: Mr. OBERSTAR and Ms. JACKSON-LEE of Texas.

H. Con. Res. 104: Mr. UDALL of Colorado and Mr. MENENDEZ.

H. Con. Res. 164: Mr. COSTELLO and Mr. HOLT.

H. Con. Res. 177: Mr. COSTELLO and Mr. FILNER.

H. Con. Res. 238: Mr. FILNER.

H. Con. Res. 269: Mr. COYNE, Ms. BERKLEY, Mr. DOYLE, and Mr. HOLT.

H. Con. Res. 284: Mr. BALDACCI.

H. Con. Res. 285: Ms. CARSON of Indiana, Ms. SCHAKOWSKY, Mr. DINGELL, Mr. SABO, Mr. LANTOS, and Ms. MCCOLLUM.

H. Con. Res. 290: Mrs. CLAYTON.

H. Con. Res. 298: Mr. MCNULTY.

H. Con. Res. 305: Mr. NEY and Ms. DUNN.

H. Con. Res. 295: Mr. TOM DAVIS of Virginia.

H. Con. Res. 325: Mr. MCGOVERN and Mr. FROST.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 3394

OFFERED BY: MR. HASTINGS OF FLORIDA

AMENDMENT NO. 1: At the end of the bill, insert the following new section:

SEC. 13. MINORITY PARTICIPATION.

In carrying out the programs authorized by this Act and the amendments made by this Act, the Director and the Director of the National Institute of Standards and Technology shall ensure that—

(1) at least 10 percent of the fellowships awarded to individuals are awarded to individuals who are a member of an underrepresented minority; and

(2) at least 5 percent of the grants made to institutions of higher education are made to historically black colleges and universities.

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 107th CONGRESS, SECOND SESSION

Vol. 148 WASHINGTON, TUESDAY, FEBRUARY 5, 2002 No. 7

Senate

The Senate met at 10 a.m. and was called to order by the Honorable HERB KOHL, a Senator from the State of Wisconsin.

The PRESIDING OFFICER. The Senate will be led in prayer by our guest Chaplain, CPT Leroy Gilbert, Chaplain of the U.S. Coast Guard.

PRAYER

Let us pray.

Eternal God, before the United States Senate begins its deliberation, we pause to give You thanks and invoke Your blessings and presence upon the Senators, their staffs, and all those who work in the Senate, as they transact the business of our Nation.

Lord, we are thankful for our system of government where opinions and divergent views are discussed and analyzed to form synergistic policies that are best for our country.

Dear God, may the words of the psalmist, ''blessed is the nation whose God is the Lord'' (Psalm 33:12), remind us that America has a divine calling to be a ''nation under God.'' May we never forget the foundation upon which this Nation was built, sustained, and blessed, because Your word gives us wisdom to know that ''all the nations that forget God return to the grave.''—Psalm 9:17. We come before You today, dear God, as a nation that has not forgotten its allegiance and motto, ''In God We Trust.'' May every decision made in the Senate bring honor to God and make of us a stronger, better, and safer Nation.

Lord, this Nation is faced with new and unexpected challenges that jeopardize the American way of life, our safety, and liberty. Many have said that after September 11, America will never be the same. If this great Nation has to change, then Lord, mold America and make it even greater. Change us to bring out the best in us for the good of humanity. Bless the Senators with spiritual wisdom and insight to make good decisions to keep America united, strong, efficient, and equal to her tasks.

As we resolve to stand united as a country, dear Lord, we pray the prayer that is written in the hearts of every American: ''God bless America, land that I love, stand beside her and guide her, through the night with the light from above. From the mountain to the prairies, to the ocean white with foam. God bless America our home sweet home.'' In Thy name we pray. Amen.

PLEDGE OF ALLEGIANCE

The Honorable HERB KOHL 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 assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 5, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HERB KOHL, a Senator from the State of Wisconsin, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. KOHL thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

SCHEDULE

Mr. REID. Mr. President, this morning, after a brief period of morning business, at 10:15 a.m. the Senate will proceed to executive session to consider the nomination of Philip Martinez to be a United States district judge. Debate on the nomination is limited to 15 minutes equally divided. At 10:30 a.m., the Senate will vote on the confirmation of this nomination.

Following that vote, the Senate will resume debate on the economic recovery stimulus package. Other votes are expected today with respect to that bill. As a reminder to Members, cloture has been filed on the Daschle and others substitute amendment. All first-degree amendments must be filed by 12:30 p.m. today. In addition, the Senate will recess at 12:30 p.m. for the weekly party conferences.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, 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 not to extend beyond the hour of 10:15 a.m., with Senators permitted to speak therein for up to 5 minutes each.

The Chair recognizes the Senator from Nevada.

Mr. REID. Mr. President, I ask unanimous consent that the next 10 minutes be equally divided between the minority and majority.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask the Chair to inform me when I have used the 5 minutes.

The ACTING PRESIDENT pro tempore. The Chair will do so.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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THE BUDGET

Mr. REID. Mr. President, I think it is important to note, with the President having submitted to us his budget, that we have had a $5 trillion surplus disappear in the last 8 months.

Earlier this month, the Congressional Budget Office confirmed that since passage of the tax cut in May, the surplus projected for the period of 2002 to 2011 declined by $4 trillion. The President's new tax-and-spend proposals would consume another $1.3 trillion or more over this period.

I acknowledge that some of this is as a result of the war being conducted, but that is just some of it. As all political scientists and economists have reported in the last few months, the majority of the problem is other economic problems that have developed since this administration took office. It is clear that the Republican fiscal management forces a $1.5 trillion raid of the Social Security trust funds. There is also a raid on the Medicare trust funds of some $300 billion.

So I think we must acknowledge we have some serious problems that are going to have to be talked about in the next month or so as we get ready to do a budget for this Congress.

We have what should be called deceptive bookkeeping. We have broken the bipartisan commitment to save Social Security trust fund surpluses. The administration has submitted to us an unbalanced budget. Clearly it is unbalanced. And they have used the Social Security surpluses to mask the unprecedented fiscal reversal seen in the last 8 months and to pay for exploding tax cuts that primarily benefit a wealthy few while jeopardizing retirement security for all Americans.

In addition to this deceptive accounting practice, the administration's budget breaks with a decade-long tradition by only providing details for the next 5 years, even as the administration offers new tax-and-spend proposals with enormous costs that are not felt until later years. The reason they are not doing the 10-year forecast is that the deficits explode in those outyears. This gimmick hides the full budgetary impact and irresponsibility of the administration's fiscal proposals.

The budget also resorts to other—for lack of a better description—gimmicks. Examples include unrealistic restraints on future nondefense discretionary spending, unspecified future Medicare cuts, and proposing budget cuts that have been repeatedly rejected.

Mr. President, I reserve the remainder of the majority's time.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I would like to make some comments in relation to the remarks the Senator from Nevada just made—not in disagreement with anything he said, but to supplement them and to put them in proper perspective.

In regard to tax cuts and the war on terrorism and their impact on the deficit, even after the tax cuts of last year, we are still going to have a level of taxation that is as high as we had in World War II. The war on terrorism is taking our resources because, obviously, we have to put every resource we can into winning the war or it might not be won. And we are still going to have a level of taxation that was similar to the times of other wars. The benchmark we use is World War II, when taxes were at about 20.6 percent of gross national product.

I ought to correct myself. At the end of 10 years, we would probably still have taxes a bit less than they were in World War II. But right now, they are at that level, even considering the tax cuts we passed.

The war on terrorism has been one of the reasons we are in deficit. Also, the tax cuts are a reason there will be deficits. There are deficits because of the recession we are in right now, most of which was caused by the war acts of September 11, but also remember that the downturn in the economy, as far as manufacturing is concerned, started 19 months ago, in March of the last year of President Clinton's administration. Also remember that 50 percent of the loss of the Nasdaq took place in the last year of the Clinton administration. As far as the economy is concerned, the downturn started before President Bush ever took office, before we ever knew that the dastardly acts which occurred on September 11 would ever happen to us.

I want to comment on a fact that is true, that this does affect Social Security. In a unified budget, Social Security is considered part of the deficit or part of the surplus, but it is wrong to refer to a situation for Social Security different now than a year ago when we anticipated a $5.8 trillion surplus.

This is a historical fact about Social Security that has never changed since 1936: Whether we have a unified budget, which we have had since 1967 when President Johnson instituted it, or whether we have separate pots of money—some for Social Security, some for Medicare, some for disability, some for highways, some for airports—our different trust funds, the way Social Security has been accounted for has not changed since 1936. It is this simple: Since 1936, the Social Security payroll money has been paid into a trust fund. That trust fund has had some sort of a surplus since 1936 except for the years 1982 and 1983. My colleagues will remember, at that particular time when we did not have a surplus, we borrowed money from Medicare to keep Social Security checks going until we bailed it out.

Since 1936, Social Security moneys have always been handled the same way. They have been put in the Social Security trust fund and the surplus has been invested in non-marketable Government securities. That has not changed since 1936, whether we have had unified accounting or whatever the situation has been.

I yield the floor.

Mr. THOMAS. Mr. President, has the time for morning business expired?

The ACTING PRESIDENT pro tempore. Under morning business, the time for the minority has expired.

Mr. THOMAS. I thank the Chair.

Mrs. HUTCHISON. Mr. President, is it in order now to talk about Judge Phil Martinez?

EXECUTIVE SESSION

NOMINATION OF PHILIP R. MARTINEZ TO BE UNITED STATES DISTRICT JUDGE

The ACTING PRESIDENT pro tempore. The Senate will now proceed to executive session to consider the following nomination, which the clerk will report.

The assistant legislative clerk read the nomination of Philip R. Martinez, of Texas, to be United States District Judge for the Western District of Texas.

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be 15 minutes evenly divided between the chairman and ranking member of the Judiciary Committee.

Who yields time?

The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I am sure the distinguished chairman of the committee will be here shortly. I am very pleased that I am the first person to speak on behalf of Judge Phil Martinez to be a United States District Judge for the Western District of Texas.

Of all the courts in the country that are desperate for judges, those on the United States-Mexico border have the most critical need. According to statistics from 2000, the Western District of Texas handles the most criminal cases in the country, 4,434 per year, while the Southern District of Texas, for which Randy Crane awaits confirmation, has the third highest level after California's Southern District.

Currently, the Western District of Texas is facing a criminal caseload of 1,983 pending cases and 2,758 defendants waiting for trial because we do not have these judgeships filled.

In El Paso, 884 cases are pending overall, more than any other region in the district. Each day, more cases are added, overwhelming an already overburdened Western District. Relief is needed.

Our war against terrorism is heating up as well as our war on drugs. Therefore, it is more crucial that we have highly qualified judges and law enforcement officials in charge of our justice system along the United States-Mexico border. This is a decisive time for our Nation and our borders.

Senator DIANNE FEINSTEIN and I have introduced a bill to expand the number of Federal courts along the border. While I encourage Senators to support

that bill, I also urge my colleagues to expedite the confirmation of border prosecutors and other judges such as Judge Martinez and Randy Crane.

At the same time, certainly we must be very careful with the selection of U.S. district judges because, as we all know, they have lifetime appointments. That is why I am very pleased to recommend Judge Martinez.

Judge Martinez has presided over a State district court in El Paso since 1991. Previously, he was a judge of a county court at law, having been elected by the people of El Paso. He has also been a practicing lawyer with the firm of Kemp, Smith, an excellent firm in El Paso. He has more than 10 years of experience at the trial court level, presiding over felony, juvenile, and civil cases. In 1979, Judge Martinez graduated from the University of Texas-El Paso with highest honors, receiving his law degree in 1982 from Harvard University.

In addition, he has been a director of the El Paso Legal Assistance Society, the El Paso Holocaust Museum, the El Paso Cancer Treatment Center, and the Hispanic Leadership Institute. He was named the 1991–1992 El Paso Young Lawyers Association's ''Outstanding Young Lawyer'' after winning its 1990 Outstanding Achievement Award.

Judge Martinez is known in El Paso as a brilliant thinker and an effective and hard worker. He is known to make fair and thoughtful judgment based on principle. I cannot think of anyone to better fill the pending judicial vacancy in El Paso at a pivotal time for this court.

I am very pleased to recommend to my colleagues Judge Phil Martinez to be a United States district judge for the Western District in El Paso.

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

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Utah.

Mr. HATCH. Mr. President, I join in the remarks of the distinguished Senator from Texas, and I rise also to express my enthusiastic support for Philip R. Martinez who has been nominated to be a U.S. District Court judge for the Western District of Texas.

Judge Martinez is an extremely well-qualified nominee who has distinguished himself with hard work, and he has a fine intellect. He will do great service for the citizens of our country.

Judge Martinez graduated from Harvard Law School in 1982 and thereafter developed a commercial litigation practice involving antitrust, securities fraud, deceptive trade practices, contract, and, of course, banking issues. He was elected to serve as a judge in El Paso County Court of Law No. 1 for a 4-year term beginning in January 1991, and he resigned this position in October 1991 to accept appointment by the Governor to the 327th Judicial District Court. He was subsequently elected to this position for a 2-year term beginning in January 1993 and reelected for consecutive terms thereafter. Clearly, he has the experience and temperament required for this position.

While I am speaking about Judge Martinez's qualifications, I would be remiss not to make an observation or two about how judge Martinez's nomination fits into the bigger picture of how the Senate is treating judicial nominees this year. As I mentioned 10 days ago, I think we started off the session with appropriate diligence. Chairman LEAHY scheduled a hearing the first week we were in session on one circuit court nominee and five district court nominees. That same week we voted on two district court nominees that had been held over from the end of the last session.

Yesterday we had a vote on Callie V. Granade, and after today there will be no more holdovers from last year. So I commend the chairman and the Democratic leader for getting off to a good start.

Judge Martinez's nomination also provides a useful example of how, contrary to some unsupported insinuations, the White House has worked with us, consulted appropriately, and reached across the aisle to find good bipartisan nominees. Judge Martinez, who belongs to the El Paso County Democratic Party, received strong support from both of his home State Senators. He is a highly qualified Hispanic of Mexican descent who will add an important point of view to the bench.

I sincerely hope that our record so far this year is not a false start. The Judiciary Committee in the Senate should continue to step up the pace of hearings and votes on judicial nominees. No one can dispute that we have plenty of work to do.

Taking account of today's vote, there are 98 vacancies on the Federal judiciary. We have received 24 new nominations already this year. Added to the 34 nominees after today who saw no committee action last session, we will now have a total of 59 nominees pending in the Senate. I am optimistic that we will confirm all of these and then some. Our yardstick for 2002, President Bush's second year in office, is 1994, the second year of President Clinton's first term. That year the Senate confirmed 100 judicial nominees. I am confident the Republicans and Democrats can work together to achieve and perhaps even hopefully exceed 100 confirmations in 2002.

So I look forward to working together with Chairman LEAHY and my colleagues on both sides of the aisle and on both sides of the committee to accomplish this goal. I appreciate the work of my colleagues on the other side in doing this work, because the Federal judiciary is in a crisis and we have to do something about it. The best we can do is take these nominees up and vote on them and hopefully get them confirmed so they can get on the bench and help us during this time of crisis where we do have an awful lot of pressure on the Federal judiciary.

I appreciate, Mr. President, that you are a member of Judiciary Committee, and I just want to remark on your fine work on the committee through the years.

With that, I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. THOMAS. Mr. President, I ask we move forward with the vote.

The ACTING PRESIDENT pro tempore. All time having expired, the question is, Will the Senate advise and consent to the nomination of Philip R. Martinez, to be a U.S. District Judge for the Western District of Texas? On this question, the yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) and the Senator from Georgia (Mr. MILLER) are necessarily absent.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr. MCCAIN), the Senator from Pennsylvania (Mr. SPECTER), the Senator from Mississippi (Mr. LOTT), and the Senator from Mississippi (Mr. COCHRAN) are necessarily absent.

The result was announced—yeas 93, nays 0, as follows:

[Rollcall Vote No. 12 Ex.]

YEAS—93

Akaka	Domenici	Lieberman
Allard	Dorgan	Lincoln
Allen	Durbin	Lugar
Baucus	Edwards	McConnell
Bayh	Ensign	Mikulski
Bennett	Enzi	Murkowski
Biden	Feingold	Murray
Bingaman	Feinstein	Nelson (FL)
Bond	Fitzgerald	Nelson (NE)
Boxer	Frist	Nickles
Breaux	Graham	Reed
Brownback	Gramm	Reid
Bunning	Grassley	Roberts
Burns	Gregg	Rockefeller
Byrd	Hagel	Santorum
Campbell	Harkin	Sarbanes
Cantwell	Hatch	Schumer
Carnahan	Helms	Sessions
Carper	Hollings	Shelby
Chafee	Hutchinson	Smith (NH)
Cleland	Hutchison	Smith (OR)
Clinton	Inhofe	Snowe
Collins	Inouye	Stabenow
Conrad	Jeffords	Stevens
Corzine	Johnson	Thomas
Craig	Kennedy	Thurmond
Crapo	Kohl	Torricelli
Daschle	Kyl	Voinovich
Dayton	Landrieu	Warner
DeWine	Leahy	Wellstone
Dodd	Levin	Wyden

NOT VOTING—7

Cochran	McCain	Thompson
Kerry	Miller	
Lott	Specter	

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, the motion to reconsider is laid on the table. The President shall be immediately notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

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. MURKOWSKI. 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. MURKOWSKI. Mr. President, I ask unanimous consent to speak in morning business for about 5 minutes.

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

CONSIDERATION OF THE ENERGY BILL

Mr. MURKOWSKI. Mr. President, as ranking member of the Energy and Natural Resources Committee, I bring to the attention of my colleagues a situation which I think bears some light.

We have a unique set of circumstances surrounding the manner in which the energy bill is likely to come up before the Senate. I understand that unofficially a date has been set for February 11.

What we have before us is a bill that has been proposed by the majority leader with the assistance of the chairman of the committee, Senator BINGAMAN. The problem with the process is that bill has not been referred to the committee of jurisdiction; that is, the Energy and Natural Resources Committee.

The question is, Why in the normal course of events would a bill under the jurisdiction of the committee not be referred to that committee? To suggest that there is an effort to obstruct the process by giving Members input on the bill through the normal process of amendments is a travesty of the process associated with the traditions of the Senate.

Let me outline where the inconsistencies are.

The Commerce Committee is holding markups on aspects of the energy bill concerning CAFE standards, as they should. Senator HOLLINGS, chairman of that committee, insisted that prior to any developed input on an energy bill CAFE standards be addressed in the committee of jurisdiction; namely, Commerce. I have no objection to that. That is quite appropriate. But it brings me back to the reality that the committee of jurisdiction on the underlying bill has not been given the opportunity. In fact, the majority leader has indicated to the chairman of the Energy Committee that the matter not be taken up before the Energy Committee. One can only wonder why.

Obviously, there are portions of the energy bill with which the majority leader disagrees. I can understand that. But to circumvent the committee process is what I find unacceptable.

Let me give you another example of an inconsistency associated with the energy bill; that is, certain tax incentives that are proposed to expand our energy production, particularly in the area of renewables and new technology.

The Finance Committee, which Senator BAUCUS chairs, is in the process of holding markups, in detail, on portions of energy-related tax matters. So here we have two committees, neither of which have the underlying jurisdiction associated with the energy bill, and their chairmen are proceeding with hearings on their portions of the energy bill; namely, those associated with tax provisions in the Finance Committee and those associated with CAFE standards in the Commerce Committee.

So I would ask the majority leader why he refuses to allow the committee of jurisdiction to hold markups to encourage the participation of members of the committee to review, if you will, or have any input in the bill that is before the Senate as submitted by the majority leader.

This bill has had no referrals to the Energy Committee. It has had absolutely no input from the minority side—Republican members—of that committee. I fail to understand the rationale of the majority leader in refusing to allow the committee of jurisdiction to hold a markup. Perhaps there is a concern the majority leader has relative to how any votes would go outside of the parameters of the legislation which he and Senator BINGAMAN have introduced.

I think it is also a reflection on myself, as the ranking member, and Senator BINGAMAN, as the chairman of the committee, to have our committee circumvented by the dictate of the majority leader. Yet at the same time the majority leader, I assume, is knowledgeable and allows the Committee of Commerce and the Committee of Finance to address their portions of legislation that would be included in the underlying bill.

I bring this matter to the attention of other Members because I think it suggests that clearly the majority leader is attempting to obstruct the legislative process. This bill belongs in the Energy Committee. The Energy Committee has every right to proceed to discuss and consider aspects of this very important legislation. After all, this is one of the President's underlying priorities, along with trade legislation and stimulus. And now that the majority leader has given us an opportunity to have a date to take up energy—namely, the date of February 11—we find ourselves in the position where we have had absolutely no input in this legislation.

We have had a bill in since over a year ago, a comprehensive energy bill. We can look forward to the debate and proceed with amendments to the majority leader's bill. We can consider substitutions. But I want my colleagues to know that the committee of jurisdiction has been circumvented, with no reasonable explanation. Yet the other committees have been allowed to proceed.

I do not know whether to pursue this further, in the sense of asking my colleagues, collectively, if this is the way they believe the Senate should be run or whether we should proceed with a sense of the Senate relative to one committee, for all practical purposes, ostracized by the majority leader by not allowing the committee of jurisdiction to take up this matter. But I communicate to my colleagues that I believe this is a grave injustice. It is a reflection on myself and it is a reflection on the committee chairman, inasmuch as our responsibility has been circumvented. The majority leader has simply decided, without the input of the committee of jurisdiction, to proceed with this legislation coming up on the floor.

I encourage my colleagues to reflect on what is happening. I think it is a retreat from tradition. I find it very objectionable, and I cannot understand why the majority leader would obstruct the process associated with the responsibility of a committee of jurisdiction.

Mr. President, I am going to have more to say about this matter as time goes on, but I do appreciate the opportunity, in morning business, to bring this matter to the attention of my colleagues.

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. KYL. 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. Will the Senator withhold for a unanimous consent request?

Mr. KYL. Certainly.

The PRESIDING OFFICER. The Senator from Nevada.

MORNING BUSINESS

Mr. REID. Mr. President, I have been speaking at some length this morning with Senator NICKLES. We also spent some time with Senator GRASSLEY and the majority leader. It would be in everyone's interest for the next hour to continue with discussions off the floor dealing with the stimulus package and also with the agriculture bill, which we hope can be brought up in the near future. Those discussions are ongoing.

I think the discussions have been conducted in good faith. We have spent a lot of time on this economic stimulus

bill, and not being in the Chamber debating and offering amendments I do not think is going to take away from our ability to do the bill or not do the bill. We already have pending—I do not know the exact number—probably 20 amendments we have not disposed of.

Mr. President, I ask unanimous consent that the Senate now proceed to a period for morning business, with Senators permitted to speak for up to 10 minutes each, until 12:30 p.m. when we recess for our party conferences.

The PRESIDING OFFICER. Is there objection?

Mr. NICKLES. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, at this time, I tell my friend and colleague, I will not object because I have a great deal of respect for him. We are ready to proceed with a lot of amendments on the stimulus bill. My colleague from Arizona has an amendment to make the estate tax elimination permanent. As people know, it is effective for 1 year and goes off the books; it sunsets. It should be made permanent. We have other amendments dealing with net offset carryback for 5 years. We would like to have a vote on that amendment. We have amendments that we believe will help stimulate the economy. We would like to have votes on them.

I guess we can go into a period for morning business, have the caucuses, and people can strategize. Democrats and Republicans do have several amendments pending. Frankly, a lot of us would like to vote on those amendments to improve the package the majority leader introduced, which we believe comes up a little short.

I am not going to object to his request for a period for morning business. My understanding is we can debate the stimulus package through that period. But I hope we will have a chance for Democrats and Republicans to offer their amendments later today and tomorrow. So I mention to my colleague, who is my very good friend, that we want to have some votes to improve this package today, but I shall not object to his request.

Mr. KYL. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I have a question for the Senator from Nevada. We are going back on the bill immediately after our respective caucuses; is that correct?

Mr. REID. That is the regular order.

Mr. KYL. I do not object.

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

The PRESIDING OFFICER. The Senator from Arizona.

REPEAL OF THE DEATH TAX

Mr. KYL. Mr. President, given the fact we are in morning business, I wish to speak to the question of the repeal of the death tax to which the Senator from Oklahoma just referred. As my colleagues will remember, of course, the repeal of the death tax was part of the tax package that was passed earlier in the year, but because of the unique procedures of the Senate and the rules under which we operate, we could only look to a 10-year period, as a result of which, perversely, we phase down the death tax and end up repealing it in the ninth year, so it is only effective for 1 year before the whole thing sunsets and we go right back to the current situation with respect to the application of the death tax.

I do not think most Americans realize that is what has happened, but people who have to plan for their estates do realize it has happened. This is why a permanent repeal of the death tax now would be so helpful as a stimulus to the economy because all of the estate tax planning, the insurance, and all the other activities people have to do to provide against the possibility of paying the death tax must continue, as it has in the last many years, with the uncertainty of knowing whether or not, if ever, it is going to be permanently repealed and the expenses of all that have to continue to be incurred, expenses that could be put into investments so we could create jobs for our economy, precisely what the President has talked about doing with his stimulus package.

It is time for us to complete the job we began and see to it that the repeal of the death tax is, in fact, permanent and, therefore, meaningful.

Let me note some of the uncertainty that the lack of total repeal causes our family businesses, our farms, and individuals.

As I said, the business owners are going to continue to have to do the estate planning that is costly, cumbersome, and time consuming. If we repeal permanently the death tax, then these resources can be reinvested directly into these businesses, thus creating new job opportunities and providing a much needed boost to local economies.

In June 2001, a bipartisan majority of Congress did, in fact, act responsibly and provided this repeal of the death tax, much needed relief to our American families, with that historic tax package. But if we do not finish the job, we are going to be held in limbo with respect to the death tax because it comes right back into play after the end of the 10-year period.

The amendment I have offered will not be voted on until perhaps this afternoon. It will repeal the death tax forever so that our children and grandchildren will not have to worry about it or plan to have to pay for it.

Actually, last year's tax legislation has had the perverse result that more planning is necessary to deal with the death tax than currently is the case. Accountants, lawyers, and insurance companies are having a field day, frankly, with the uncertainty that is encapsulated in the current state of the death tax legislation.

More planning is needed now because nobody knows for sure if and when it will ever be fully repealed.

The sunset provision adds to the complexity of future death tax planning, increasing wasteful costs that are an unproductive drag on our economy. Until permanent repeal is certain, family businesses, farms, and ranches must continue to pay the high cost of life insurance policies, death tax planners, and tax attorneys. These expenses total more than $12 billion a year according to CONSAD Research Corporation in a study, ''The Federal Estate Tax: An Analysis of Three Prominent Issues.'' That is money that could be saved, could be reinvested in these businesses to create the kinds of job opportunities the President is talking about in urging us to move on with an economic stimulus and job creation package.

Clearly, burying the death tax will enable family businesses, farms, and ranches to begin investing those billions and start providing more stimulus. A more efficient utilization of these resources will result in an immediate stimulus for the economy. More workers will be hired, more capital assets purchased, and more productive goods produced if we eliminate the confusion over the death tax's repeal.

I think we all understand why we repealed the death tax in the first instance. In addition to the fact that a huge amount of money is spent on estate tax planning, studies indicate we spend about the same amount each year on the estate tax planning as is paid in estate taxes altogether. So it is really a double taxation. We are paying an amount of money to deal with the eventuality of paying an estate tax, and that is paid by a lot of people who do not end up paying the tax but end up having to pay the expenses of dealing with the existence of a death tax, and then an equal amount of money is spent in the estate tax itself.

In 2009, families, frankly, who are grieving their lost ones will be faced with a potentially high 45-percent death tax rate. Fortunately, they are going to be able to utilize a $3.5 million death tax exemption which was enacted into law last year, but in 2010 families grieving for lost ones will avoid the death tax entirely. They will only have a total of $5.6 million of stepped-up basis, but that will effectively exempt them from all future capital gains tax, a tax in any event of which they would control the timing.

Then in 2011, families grieving their lost ones will feel the wrath of a resurrected death tax returned to its 2001 rate potency. Rates will be as high as 60 percent with a paltry $675,000 death tax exemption. That is the way our repeal, at midpoint of last year, worked. So it is a very unfair and arbitrary treatment for the death of family members, as well as, as I said before, creating perverse economic incentives.

One can only imagine the extremes to which a family will go to keep fatally ill family members alive in 2009. Nobody wants to predict or argue for anyone to die in any particular year, and that is exactly the perverse nature of the code that we have created now. Unless one dies in the year 2010, they have a big problem. And for heaven's sake, do not wait to die until the year 2011. Now what kind of tax policy is that, where we say if one dies in the year 2010 they get full benefits of repeal but if they hang on to life and die a year later they are right back to where they were a year ago with a 60-percent tax rate and an exemption that does not cover most of the family farmers and businesses that we are talking about? That is horrible moral policy. It is horrible economic policy. It cannot be the policy of the U.S. Government and yet that is exactly what our repeal last year resulted in, the reinstitution of the tax in the year 2010. It is an outrage that our Tax Code would incorporate such arbitrary and immoral incentives.

Of course that is not what we intended when we repealed the tax. It is not what we intended when a bipartisan majority voted on that repeal and passed it. We really wanted it to be forever, but again it was the rules of the Senate that limited us to a 10-year program. So the best solution would be to finish the job and permanently repeal the death tax effective January 1, 2002. By making the tax repeal permanent in 2010, Congress can keep the promise it made last year. I think this is the only moral way we can respond to this very immoral tax.

I will have more to say when we actually debate the amendment, but I close by asking my colleagues to allow us to present this amendment and have an up-or-down vote on it without playing parliamentary games. It is possible that somebody could second degree this amendment. We could play the game by second degreeing it. We could second degree somebody else's amendment with this amendment. We can do all of those things, but I think the American people would like for us not to be playing games.

When I go home, that is what I hear all the time: Why do you guys go back to Washington and play all of these, as they say, partisan games?

The repeal of the death tax and the passage of the tax bill was a successful bipartisan effort. So I think it is important the majority of us who approved that tax package, including the death tax provisions, be given an opportunity to vote up-or-down on this amendment, which finishes the job we started, and enable us to vote to repeal the death tax permanently. If we cannot get that kind of a vote, then all we are doing is hiding from the American people our views with respect to this issue and allow a lot of people to say, oh, sure, yes, I voted for repealing the death tax knowing full well that it was not an effective appeal because it only existed for 1 year.

One better not wait to die the following year if they want to get the advantage of what we did. That is a perverse policy. So I urge my colleagues to allow this vote, up or down, on the death tax amendment. We will be bringing it up this afternoon.

I am looking forward to a spirited debate on it. At the conclusion of that debate, we need to stand up for what is right and true and vote yes or no. If my colleagues do not want to make it permanent, then stand up and say so and let everybody know exactly where they stand.

I think the majority of us are going to want to finish the job we started, make this tax cut permanent, allow the people who otherwise would have to spend $12 billion a year or more on estate planning to put that money into more productive enterprises, to create jobs and help us get out of the economic doldrums our country is in today.

It is good policy for the economy but, more importantly, it is good policy for small businesses, farms, and the American people.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Is there a time limit on morning business?

The PRESIDING OFFICER. Up to 10 minutes.

Mr. GRASSLEY. I ask unanimous consent to have 15 minutes.

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

BENEFITS OF THE 2001 TAX RELIEF BILL

Mr. GRASSLEY. Mr. President, I refer to an article on page 6 of the Washington Post this morning where there is a quote from colleagues in this body and in the other body about the President's budget. I refer to this comment from the ranking Democrat on the House Budget Committee, Congressman SPRATT:

> When it comes to waging a war on terrorism, the President has our total support, but national security and homeland security need not come at the expense of Social Security.

Philosophically, that is a good argument. It is an accurate argument for us to be using, but the inference is that with the President's new budget there is some sort of a new game in town, that because we do not have a general fund surplus, because we have to spend more money because of the war on terrorism, as well as the domestic aspect of the war on terrorism, we are going to take Social Security money to finance that because there is otherwise a debt. The implication is this is some new policy.

The point I make is that this kind of talk is misleading because seniors become frightened that they might not receive their Social Security payments. Conservatives may feel as if there is not any fiscal discipline in Washington. Compared to the last 4 years, we have paid down on the national debt in the last 4 years on a relative basis. But conservatives might be concerned that there is no concern about fiscal discipline when it comes to Social Security. But, in fact, there is no new policy in town.

The point I make is since Social Security was started in 1936, except for about 18 months in the years 1982 and 1983, it has had a positive cashflow, more money coming in from the Social Security payroll tax than has been paid out in benefits. As we anticipate that for the future, that will be true for another 14 years, or so.

So for people who read this statement by Congressman SPRATT—and I quote: When it comes to waging war on terrorism, the President has our total support, but national security and homeland security need not come at the expense of Social Security—I say it is not coming at the expense of Social Security. Nothing has changed on Social Security since 1936. We have a positive cashflow today. We have had a positive cashflow every year except for 18 months in 1982 and 1983, and we will have a positive cashflow in Social Security for at least another 13 or 14 years. National security and homeland security are not coming at the expense of Social Security, I say to the distinguished Congressman in the other body.

Since we still have a positive cashflow in the year 2002, and we had a positive cashflow starting when the tax was first implemented, except for those 2 years, what happens with Social Security money? The disposition of Social Security money is the same today, last year, and years we have been running a surplus in the unified budget, and for a long time back. The surplus is invested in Treasury bonds because those are considered the safest investment for retirees. They draw interest. The interest accrues to the benefit of Social Security. That positive cashflow invested in Treasury bonds, plus the interest that is accrued, is going to be used to pay Social Security benefits when there is a negative cashflow in some future year. That is the way Social Security was set up. That is the way it has been operated since it was implemented in 1936. That is the way I believe it will be for a long time into the future.

National security and homeland security is not coming at the expense of Social Security. Let me give a parallel analysis. I will use the highway trust fund. In my State, it is the road use tax fund. At the Federal level it is the highway trust fund. All of the gas tax money goes into the highway trust fund. It is paid out of that highway trust fund for transportation, mostly for highways. It is not used for anything else. There are times, though, that the Federal Government decided they did not want to spend all the highway trust fund money. It was invested in Treasury bonds, as well. And it was not used to buy bombs and guns

and pay military pay. Over a period of years a lot of money accumulated.

In the last highway bill, Congress decided we ought to spend down that money that accumulated in the highway trust fund, and we spent it down. Not entirely, but we are spending it down. Consequently, if you can take that money that accumulated in the highway trust fund, that was not spent on roads on a current basis, but later was and is being spent for highways, it is exactly the same for Social Security. Moneys accumulate, with interest accruing to the trust fund, to be spent when it is needed, in the same way that the gas money, when it was not spent on highways, accumulated and later Congress decided we ought to spend more money on highways and we spent more money on highways.

It is one of the facts of trust fund accounting. The problem comes when we put Social Security in the context of a unified budget that it somehow gets lost in the public's mind. I assure the public that the implication of the statement by the ranking Democrat on the House Budget Committee, Congressman SPRATT, that the President's war on terrorism, the American people's war on terrorism could somehow be paid for by Social Security. In fact, it is not being financed by Social Security money.

TAX RELIEF

Mr. GRASSLEY. Mr. President, I will comment also on the tax relief bill signed by the President of the United States on June 7, the tax bill that Senator BAUCUS and I wrote in a bipartisan way, to get passed last year. I will concentrate on the stimulative impact on the tax bill of last year because now, being in a recession and being on another stimulus package, I don't think we ought to lose sight of the fact that the tax bill of last year is having some economic good at a time most needed, in a time of recession.

It does contain a significant number of tax reduction and tax relief provisions that will go into effect and should help build consumer confidence. Part of the economy may be uncertain, but the tax outlook is clear: Under the law we passed, Federal income taxes have declined and will continue to decline over the next 10 years. Taxpayers can take that knowledge to the bank, regardless of Senator KENNEDY's suggestion that we not allow the remaining provisions of the tax bill to go into effect.

Obviously, I don't think Congress should stop here. Our huge economy needs a shot in the arm. The tax bill of last year will help to provide that shot in the arm. It contains a generous amount of relief for individual taxpayers. Some of the measure's tax cuts went into effect last year and many other provisions became effective January 1 of this year. Those are the provisions I will address.

There is a new 10-percent rate bracket. The act created a new 10-percent regular income tax bracket for a part of taxable income that had otherwise been taxed at a higher rate of 15 percent. The 10-percent bracket applies to the first $6,000 of taxable income for single individuals; $10,000 of taxable income for heads of household; and $12,000 for married couples filing jointly. This is effective beginning after December 31, 2000. That money is out there to stimulate the economy right now, but it will continue this year and next year and into the future.

We had a reduction in other individual tax rates, the regular income tax rates phased down over 6 years. So effective July 1 of last year through 2003, the 28-percent rate is cut to 27 percent. We hope in this economic stimulus package to speed that one rate up, it be reduced to 25 percent right now to help middle-income taxpayers and to stimulate the economy at the same time. However, as written in last year's tax bill, the 31-percent rate is cut to 30 percent right now. The 36-percent rate is cut to 35 percent right now. The 39.6-percent rate is cut to 38.6 percent.

Eventually, all these separate rates, after this phase-in period is done, will become 25 percent, 28 percent, 33 percent, and 35 percent, respectively.

An increase and expansion of the child tax credit is surely going to help families, particularly middle-income families, particularly those in the $30,000-a-year income tax range, with their family needs, putting more money in their pockets. It is going to be a stimulus to the economy. The child credit was expanded to $600 per child, immediately through the year 2004; it goes up to $700 through the year 2008; $800 through the year 2009; and finally, $1,000 in 2010. But, more important, the child credit was made refundable to the extent of 10 percent of the taxpayer's earned income in excess of $10,000 for the years 2001 through 2004, and this is increased to 15 percent after the year 2005.

I emphasize that because of all the people who say the Tax Relief Act of last year was for the wealthy. A refundable credit is helping people of the lower income tax bracket very much. For example, in the year 2001, a single mother with two children, making $15,000, received a credit of $500. This single mother likely now will receive a bigger tax refund check when she files her 2001 tax return by April 15. This expansion of the child credit will ensure that millions of low-income families, not rich people, will now receive the benefit of this child credit. For those people who spend so much of their income, maybe all of it in some cases, they are going to have more money to spend, and that is going to stimulate the economy.

Then we have the extension and expansion of the adoption tax credit, not so much as a stimulus to the economy but because stable families are very important to our society. Moving children out of foster care into a home where they can actually have a mom and dad is very important social policy. So we move the tax credit from $5,000 to $10,000. Today, in the case of the special needs child, that tax credit is $6,000. This provision significantly eases the financial burden of adoption and encourages adoption. This is in effect for taxable income starting this year.

We have a tax credit, then, for employers who provide child care for their employees. In my State of Iowa, 72 percent of the households have both spouses working, the highest percentage of any State in the Nation. For those families who have children, the need for dependable child care is very important. Getting that from the employer is even better for those families. So this new tax credit provides an incentive for employer-provided on-site daycare facilities. This is effective for taxable years beginning right now.

We have marriage penalty relief, and it relates to the earned-income tax credit. That earned-income tax credit, which is available only to low-income families, phases out for married couples. We increased that phaseout by $1,000 immediately and ultimately increase it to $3,000. So those families who would otherwise have that earned-income tax credit phased out, not having the money, not being able to stimulate the economy, now are going to have up to another $1,000 immediately available. Again, being low-income families, that ought to help stimulate the economy starting right now for the year we are in.

Mr. President, I see the Senator from Vermont. Is it possible for me to have another 5 minutes?

Mr. LEAHY. Of course.

Mr. GRASSLEY. I ask unanimous consent if I may have 5 more minutes.

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

Mr. LEAHY. If I might then be recognized after the Senator?

Mr. GRASSLEY. I add that to my unanimous consent request.

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

Mr. GRASSLEY. I thank the Chair.

So, obviously, this is going to help stimulate the economy because this $1,000 is going to go to low-income families who do not have very much discretionary income and can use it to improve their lot. But at the same time it will stimulate the economy—whether it is spent or whether they save it.

We have improvements in the education savings accounts, or what we might call education individual retirement accounts, individual education IRAs. The annual limit on contributions to the education savings account increases from $500 to $2,000. The definition of qualified education expenses that may be paid tax free from the education savings account is expanded to include elementary and secondary school expenses. The phaseout ranges—for married taxpayers filing joint returns, it is increased to become twice

the rate of single taxpayers, so more families can take advantage of this. Corporations and other entities, including tax-exempt groups, are permitted to make contributions to education savings accounts. These changes are effective right now, this taxable year.

Then we have expanded consideration of prepaid tuition programs. Several provisions will encourage participation in prepaid tuition programs for higher education. Investment gains will be tax free, and private colleges and universities happen to be offering these plans. This provision goes into effect now.

There is an exclusion for employer-provided educational assistance. This extends the exclusion to graduate education and makes the exclusion for undergraduate and graduate education permanent, effective right now.

Then we have improvement in the student loan interest deduction. This eliminates the 60-month limit on the deduction of interest from a student loan. The income phaseout ranges, for eligibility for the student loan interest deduction, increasing it from $50,000 to $65,000 for individuals and from $100,000 to $130,000 for married taxpayers on joint returns. We repeal the restriction that voluntary payments of interest are not deductible. These provisions are effective right now.

Then we have tax benefits for governmental bonds for public school construction. These benefits are effective for bonds issued starting this year.

There is a deduction for college tuition, a provision allowing above-the-line deduction for college tuition expenses. It is intended to help low- and middle-income families pay for college.

In the years 2002 and 2003, individuals with adjusted gross incomes of $65,000 may deduct $3,000. In the years 2004 and 2005, for those same individuals it would be $4,000. In the case of taxpayers with adjusted gross income that does not exceed $80,000, the deduction would be $2,000.

I just read a lot of provisions that were taken from the tax bill. I started my remarks by talking about the stimulus impact of the tax bill we passed 7 months ago, the impact it is going to have at a time of recession. People might raise some question about the education provisions to which I just referred, of their stimulative impact. In a time of recession, obviously beyond the good that education does generally to help people in their lives in the future, we have a situation where maybe in a recession, families would shy away from going to college—their kids going to college, or adults, independent adults going to college. As they look at the provisions of last year's tax bill and the benefits that come from it, they might see the advantage of continuing their education, even at a time of recession.

Any of that money that is spent as a result of that would obviously have some impact as stimulus in the economy. But for the long haul, it is a stimulus, too, because as people are better educated, they are more productive; they earn more money. It helps the long-term recovery of our economy.

I want to make some reference to the estate and gift tax provisions. These have a beneficial impact, but they are not entirely stimulative for right now. Again, we have small business people who tend to be the most harmed by not being able to pass on the family business to their next generation. There is always a lot of anxiety during times of recession and during times of economic downturn.

We ought to do whatever we can to relieve the anxiety of small business people who are under very tough constraints because of the recession. We ought to relieve that anxiety to the greatest extent possible.

It gives me a chance to say what Senator KYL said just before I took the floor; that is, that we have an opportunity on this economic stimulative package to make sure that the estate tax provisions of the bill the President signed last June be made permanent.

I am going to yield the floor at this point. I thank my colleagues for their attention to some provisions of an old story—the tax bill of last year, a tax bill that is going to have beneficial impacts well into the future but, most importantly, has some impact right now as we are in a time of recession.

The PRESIDING OFFICER (Mrs. CLINTON). The Senator from Vermont.

Mr. LEAHY. Madam President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. The Senate is in morning business.

Mr. LEAHY. I thank the Chair.

NEW YORK

Mr. LEAHY. Madam President, I compliment the distinguished Presiding Officer, and her distinguished colleague, Senator SCHUMER, for not only the State of New York but for the City of New York.

I had the privilege of attending the economic summit in New York City this weekend. I saw the distinguished Presiding Officer on several occasions. In fact, I was beginning to think that somehow she had been cloned because she was attending and speaking and was involved in so many different events.

I know the economic summit came to New York City as a gesture of solidarity with the city after the terrible events of last fall. They came there knowing that not only would they bring people from around the world as well as from our own country, but they would bring the press from around the world to show the world that New York City is open, and New York City is in a position to handle, as it always has, any group of any size for any purpose. I want to say that New York City did.

I was extraordinarily impressed with the level of everything from communications, certainly to law enforcement—New York's finest was there—to the continuing work at ground zero. My wife and I and our daughter visited to see again the work that continues by these brave men and women from the New York Fire Department, who are still working there. The police department is still working there, and other agencies as well as volunteers.

I was gratified to see while we were there a number of foreign visitors going to ground zero. Anybody has to be moved just reading the notes that have been left there by family members. While we were there, foreign delegations were laying wreaths and paying homage.

The point, though, is that New York City reflects, really, what is best in America. We have seen a major city of commerce, of education, of entertainment, and of history badly damaged that came right back, and was able to demonstrate that to the rest of the world.

As one coming from the State of Vermont, I sometimes hear regional accents at their best when I go to New York City. I am sure that New Yorkers feel the same way when they come to Vermont. But the accent I heard was one of hope, of excitement, of all the best things that are reflected by that city.

I commend not only the two Senators, my two friends from New York, but everybody—from the mayor to the Governor, and everyone who has worked so hard on this. New York City is open for business, as it was for some members of the Leahy family. It was a pleasure to be there.

ON THE CONFIRMATION OF JUDGE PHILIP MARTINEZ

Mr. LEAHY. I commend the Majority Leader and our Assistant Majority Leader for bringing the confirmation of Judge Martinez of Texas to a successful conclusion today. I also want to thank Senator DURBIN for having chaired the hearing in December that laid the groundwork for the confirmation of Judge Martinez and four other federal judges.

At the Committee meeting at which we considered the nomination of Judge Martinez, I inserted in the RECORD a letter I had recently received from Congressman SILVESTRE REYES of Texas strongly endorsing him. Congressman REYES noted that the court to which Judge Martinez is nominated is facing a criminal caseload of over 2,000 cases with a single active judge in the El Paso region personally trying to manage over 1,100 criminal cases. I say to Congressman REYES and Judge Briones, help should be on the way very soon in the person of Judge Martinez.

It was not so long ago, when the Senate was under Republican control, that it took 943 days to confirm Judge Hilda Tagle to the United States District Court for the Southern District of Texas. She was first nominated in August 1995, but not confirmed until

March 1998. When the final vote came, she was confirmed by unanimous consent and without a single negative vote, after having been stalled for almost three years.

I recall that the nomination of Michael Schattman to a vacancy on the Northern District of Texas never got a hearing and was never acted upon, while his nomination languished for over two years. I recall just two years ago when Ricardo Morado, who had served as Mayor of San Benito, Texas, and was nominated for a vacancy in the Southern District of Texas, never got a hearing and was never acted upon.

These are district court nominations that could have helped solve problems in the trial courts if acted upon by the Senate over the last several years. In addition to these nominees, the Republican-led Senate failed to provide a hearing and failed to take action on the nominations of Jorge Rangel and Enrique Moreno to the same emergency vacancy on the Fifth Circuit Court of Appeals over the last four years.

In contrast, we are moving expeditiously to consider and confirm Judge Martinez, who was nominated in October, received his ABA peer review in November, participated in a hearing in early December, was reported by the Committee on December 13 and is today being confirmed. In addition, Randy Crane, a nominee to a vacancy on the Southern District of Texas District Court will be having a confirmation hearing in the near future.

Just as we have worked hard since July and paid attention to the needs of the district courts in Montana, Kentucky, Kansas and Alabama, whose Chief Judges wrote asking for prompt attention to serious problems, we are responding to the needs of our courts throughout the country.

The first two confirmations to the district courts last summer were Judge Cebull and Judge Haddon to the District Court in Montana. The Chief Judge of that court had written to us asking for our immediate attention and help because he had no active associate judge in that district. We responded. Working with Senator BAUCUS and Senator BURNS, a Democrat and a Republican, the two nominees were included in our very first hearing, which held the day after Committee members were assigned. They were both confirmed the following week, on July 20, 2001.

Similarly, we heard from the Chief Judge of the District Court for the Eastern District of Kentucky. We responded by holding hearings for three judicial nominees to vacancies in that Court and proceeded to confirm two so quickly that they had to delay being sworn in to wind down their legal practices.

Likewise, when we heard from the Chief Judge of the District Court for Kansas, we responded. We moved expeditiously to hold a hearing, report and confirm Judge Robinson to alleviate the emergency situation that the Chief Judge indicated existed in Topeka.

Yesterday, as the Senate confirmed the second district court judge for courts in Alabama since November, we learned from Senator SESSIONS that the Chief Judge of the Southern District of Alabama had written to him to urge action in filling the vacancy in that court and noted that he was the only active judge left.

Similarly, today we provide relief to the district courts in Texas.

I congratulate the nominee and his family on his confirmation today.

With today's confirmation, the Senate has confirmed four additional judges since returning late last month. The Senate will have confirmed 32 judges since the change in majority last summer. One-quarter of the judges confirmed have been for judicial emergency vacancies, eight so far. Unfortunately, the White House has yet to work with home State Senators to send nominees for an additional 15 judicial emergency vacancies and 31 federal trial court vacancies.

Of course, I have yet to chair the Judiciary Committee for a full year; it has been barely six months. But the confirmations we have achieved in those six months are already comparable to the year totals for 1997, 1999 and 2000 and almost twice as many as a Republican majority in the Senate allowed to be confirmed in 1996.

The 1996 session was the second year of the last Republican chairmanship. In that 1996 session, only 17 judges were confirmed all year and none were confirmed to the Court of Appeals—none. I expect and intend to work hard on additional judicial nominations through this session and to exceed the total from the 1996 session of only 17 confirmations. In that 1996 session, the fourth judicial confirmation did not occur until April. By contrast, we will have confirmed four additional judges by the middle of the first full week in session this year.

The Judiciary Committee held its first hearing of the session on our second day in session, January 24, for Judge Michael Melloy, a nominee to the 8th Circuit from Iowa, and district court nominees from Arizona, Iowa, Texas, Louisiana and the District of Columbia, a total of six judicial nominations.

I have set another hearing on the nomination of Judge Charles Pickering for the 5th Circuit for this Thursday, February 7, 2002.

I am working to hold another confirmation hearing for judicial nominations, as well, before the end of February, even though it is a short month with a week's recess.

I noted on January 25 in my statement to the Senate that we inherited a frayed process and are working hard to repair the damage of the last several years. I have already laid out a constructive program of suggestions that would help in that effort and help return the confirmation process to one that is a cooperative, bipartisan effort. I have included suggestions for the White House, that it work with Democrats as well as Republicans, that it encourage rather than forestall the use of bipartisan selection commissions, that it consider carefully the views of home State Senators.

This past summer, by the time I became chairman of the Judiciary Committee, federal court vacancies already topped 100 and were rising to 111. Since July, we have worked hard and the Senate has been diligent in considering and confirming 32 judges, thereby beginning the process of lowering the vacancies on our federal courts. Since I became Chairman, 26 additional vacancies have arisen. Still, we have been able to outpace this high level of attrition and lower the vacancies to under 100.

During the last six and one-half years when a Republican majority controlled the process, the vacancies rose from 65 to over 100, an increase of almost 60 percent. By contrast, we are now working to keep these numbers moving in the right directions.

Our Majority Leader, with the help of the Assistant Majority Leader, is clearing the calendar of judicial nominations and the Senate has proceeded to vote on every one of them. This is one of the reforms that signals a return to normalcy for the Senate, which had gotten away from such practices over the past six years. Since the change in majority, judicial nominees have not been held on the calendar for months and months or held over without action or returned to the President without action.

I have observed that to make real progress will take the cooperation of the White House. The most progress can be made most quickly if the White House would begin working with home State Senators to identify fair-minded, nonideological, consensus nominees to fill these court vacancies. One of the reasons that the Committee was able to work as quickly as it has and the Senate has been able to confirm 32 judges in the last few months is because those nominations were strongly supported as consensus nominees.

I have heard of too many situations in too many States involving too many reasonable and moderate home State Senators in which the White House has demonstrated no willingness to work with home State Senators to fill judicial vacancies cooperatively. As we move forward, I urge the White House to show greater inclusiveness and flexibility and to help make this a truly bipartisan enterprise. Logjams exist in a number of settings.

To make real progress, repair the damage that has been done over previous years, and build bridges toward a more cooperative process, there is much that the White House could do to work more cooperatively with all home State Senators, including Democratic Senators.

Of course, more than two-thirds of the federal court vacancies continue to be on the district courts. The Administration has been slow to make nominations to the vacancies on the federal trial courts. In the last five months of last year, the Senate confirmed a higher percentage of the President's trial court nominees, 22 out of 36, than a Republican majority had allowed the Senate to confirm in the first session of either of the last two Congresses with a Democratic President. Last year the President did not make nominations to almost 80 percent of the current trial court vacancies. As we began this session, 55 out of 69 vacancies were without a nominee.

In late January, the White House finally sent nominations for another 24 of those trial court vacancies. After the Committee receives the indication that the nominees have the support of their home State Senators and after the Committee has received ABA peer reviews, these recent nominations will then be eligible to be included in Committee hearings. Because the White House shifted the time at which the ABA does its evaluation of nominees to the post-nomination period, these 24 nominees are unlikely to have completed files ready for evaluation until after the Easter recess. Even then, over two and one-half dozen of the federal trial court vacancies, 31, may still be without eligible nominees.

We have accomplished more, and at a faster pace, than in years past. We have worked harder and faster than previously on judicial nominations, despite the unprecedented difficulties being faced by the nation and the Senate. I am encouraged that this confirmation today was not delayed by extended, unexplained, anonymous holds on the Senate Executive Calendar, the type of hold that characterized so much of the previous six and one-half years. Majority Leader DASCHLE has moved swiftly on judicial nominees reported to the calendar.

I thank all Senators who have helped in our efforts and assisted in the hard work to review and consider the dozens of judicial nominations we have reported and confirmed. I thank, in particular, the Senators who serve on the Judiciary Committee for their helpful action since this summer. As our action today demonstrates, again, we are moving ahead to fill judicial vacancies with nominees who have strong bipartisan support.

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.

The PRESIDING OFFICER. In my capacity as a Senator from New York, I ask unanimous consent that the order for the quorum call be rescinded.

Without objection, it is so ordered.

RECESS

The PRESIDING OFFICER. The time of 12:30 p.m. having arrived, the Senate will now stand in recess until the hour of 2:15 p.m. today.

Thereupon, the Senate, at 12:31 p.m., recessed until 2:15 p.m., whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. JOHNSON).

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. DORGAN. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

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

Mr. DORGAN. Mr. President, is the Senate currently in morning business?

The PRESIDING OFFICER. No, it is not.

Mr. DORGAN. What is currently pending?

The PRESIDING OFFICER. The regular order is to have the clerk report the pending business.

Mr. DORGAN. Mr. President, I ask unanimous consent to speak in morning business for 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ENRON CORPORATION CEO SUBPOENAED

Mr. DORGAN. Mr. President, I come to the floor of the Senate to discuss, just for a few minutes, the action taken this morning in the Senate Commerce Committee. We voted unanimously to support a subpoena being delivered to Mr. Kenneth Lay, who is the former chairman and CEO of the Enron Corporation. I want to describe for my colleagues what brought us to this point and why we believed we had to vote to authorize a subpoena being issued.

About 4 to 6 weeks ago, Mr. Lay's attorneys told us that Mr. Lay would be willing to appear before the Senate Commerce Committee. That was in response to a request by us as we began to investigate what happened with respect to the Enron Corporation. As you know, this is the largest bankruptcy in American history. There is substantial information that has been available for some while now, prior to and since the bankruptcy, about things that had happened inside the corporation that cause a great deal of concern.

A memo by one of the vice presidents of Enron was presented to the CEO, Mr. Lay, in August of last year. That memo by Vice President Watkins talked about accounting hoaxes and irregularities of sorts, and warned about what people would find if they dug into the partnerships that were being created in this corporation.

Then, in November and December, that company's auditors, Arthur Andersen and Company, talked about possible illegal acts with respect to that corporation and the review of some documents.

Then, last Saturday, a report that was commissioned by the board of directors of the Enron Corporation, the Powers report, described a broad range of very serious problems that went on inside that corporation.

At any rate, during this period of time we had requested the testimony before the subcommittee and the full committee of the Commerce Committee by Mr. Lay. His attorneys said he would be made available on February 4 at 9:30 in the morning. They continued to say that even through last Friday and Saturday.

On the Sunday evening before Mr. Lay's scheduled appearance, we were called his attorneys. They told us that Mr. Lay had changed his mind and he would no longer be available to testify and would therefore not appear on Monday morning.

Mr. Lay's attorneys wrote a letter saying the problem was that Mr. Lay had heard comments about his company that concerned him. They felt it would probably be a prosecutorial kind of environment in the committee hearing on Monday, and therefore he did not want to appear.

The fact is, the comments that were made by a number of Members of the Senate prior to Sunday were no different than the assertions made to the CEO of Enron by his own employee last August, by his accounting firm in November and December, and especially by his own company's board of directors on Saturday last.

Mr. Lay, in my judgment, following the report by the board of directors of this corporation, decided that he did not want to talk to anybody publicly and decided to lay it off on some Members of Congress, saying that is the reason he did not want to come and testify.

Let me tell you what was in that report, just to give one small example. This report says that in this corporation, one of the corporate officers, Mr. Fastow, in creating one of the partnerships—incidentally, there were a lot of secret partnerships created here—Mr. Fastow invested $25,000 of his own money in a partnership in a corporation of which he was an officer. Sixty days later, that $25,000 was $4.5 million to Mr. Fastow.

Does anybody in this room know of investments like that? Would you like to make a $25,000 investment that, in 60 days, becomes $4.5 million? Where can you do that? The lottery, but that is not a sure thing.

No, this wasn't gambling inside the corporation. This was just people playing fast and loose with the truth and with other people's money. When someone takes $25,000 and turns it into $4.5 million in 2 months, in my judgment, that is stealing. That is just stealing—yes, quote unquote, stealing—from investors who own the shares in that corporation.

At the same time that you have an officer of the company taking $25,000 and in 60 days turning it into $4.5 million, at the same time that is happening, one of my constituents in North Dakota is writing a two-page letter to me. That letter, an anguished cry from this family, asks the following question:

> What on Earth has happened? I worked for this company's subsidiary for many, many years and have put away $300,000 into a retirement account. Do you know what my retirement account is worth today?—$1,700; from $300,000 to $1,700.

He and his family have lost it all. But inside that corporation we had people making millions.

Was that a corporate culture of corruption? You bet your life it was. And the reason Mr. Lay has decided not to come to the Congress to testify was not because of anything anyone has said. It is because of what this Powers report has found that went on inside this company. I will give another example.

This company decided to create a little partnership called Braveheart to accommodate some business they were going to do with the Blockbuster Corporation. They were actually going to have Blockbuster be the repository of movies. They were going to stream these videos or movies to consumers around the country. It was going to be a big business. It was announced in March of 2000. By February of the next year it was gone. But in the meantime they created a little partnership called Braveheart to take care of all this.

Do you know what Braveheart did? Braveheart borrowed roughly $112 million from a Canadian bank. Then it sold its assets to the Enron Corporation for slightly over $100 million. The Enron Corporation booked it as a business profit, when in fact all it was a bank loan from a Canadian bank, run through a partnership that wasn't doing any business at all—just a few test markets with a few customers. You tell me whether that is honest business.

It is not. Can someone come to the Congress and defend that? They can't. That is why we have people who were at the head of this corporation who were unwilling to talk.

I just wanted to make the point that the assertions by attorneys on behalf of principals in this corporation are suggesting that they have been offended because they might find a prosecutorial approach at some of these hearings. No one suggested that a hearing before this Congress would ever be a walk in the park, especially when you have a record inside this corporation of financial manipulation, of dishonest accounting, and of personal enrichment of officers and directors.

I wanted to make that point about what we had to do this morning. We issued a subpoena for Mr. Lay. It was issued on a unanimous vote by the Senate Commerce Committee. That is nearly unprecedented. We don't issue subpoenas in the Commerce Committee. We have the power and authority to do so, but we don't do it very often. But we did it because we felt we had no choice.

Mr. President, I had asked permission to speak in morning business. I have just a couple of other things to mention very briefly, and I want to do that in a separate section of morning business. How much time is remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 1½ minutes remaining.

Mr. DORGAN. Let me ask if I can extend that by 2 minutes by consent.

The PRESIDING OFFICER. Is there objection?

Mr. SESSIONS. I will not object to that at this point. I know Senator TORRICELLI has some brief remarks. I know they both are very interested in these issues and it is time we talk about them, but we have a stimulus package on the floor and we want to get to that as soon as possible.

Is 5 minutes all right for Senator TORRICELLI?

The PRESIDING OFFICER. The Senator from North Dakota has the floor. Is there objection to his request?

Mr. TORRICELLI. Reserving the right to object, Mr. President, I request at the conclusion of Senator DORGAN that I be recognized for 10 minutes.

Mr. SESSIONS. I have to object to 10 minutes.

Mr. TORRICELLI. The Senator has 5 minutes. Mr. President, I hate to get into a bidding process, but I would like to have a reasonable amount of time to be recognized after Senator DORGAN.

Mr. SESSIONS. We have business on the floor, and I know people would like to change the focus of our debate on the stimulus package, which is overdue in my view. I was willing to let the Senator have a few more minutes. I would not object to 5 minutes.

Mr. TORRICELLI. I withdraw my objection.

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

The Senator from North Dakota.

Mr. DORGAN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Two and one-half minutes.

Mr. DORGAN. Mr. President, I asked for 2 minutes in addition to the minute and a half remaining at that point. I expect I will have 3 and a half minutes.

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

THE STIMULUS PACKAGE

Mr. DORGAN. Mr. President, I'd like to talk a moment about several items I think ought to be included in the economic recovery package.

One, I have filed an amendment that would provide for a 5-year extension of the wind energy production tax credit. We really must get that done. Regrettably, this credit was allowed to expire at the end of last year. As a result, many lenders have stopped providing financing for new wind energy projects. Wind development projects underway have come to a screeching halt.

Extending the wind energy production tax credit would provide an immediate boost to the economy. We have a lot of projects on the books that aren't moving because the credit expired. A long-term extension will jump-start development activity, create jobs and help this country meet its future energy needs. Each new wind turbine placed into service creates about $1 million in economic activity.

I would like to make the wind energy production tax credit permanent. My proposal today would extend it for 5 years. Clearly, a shorter term extension will not provide developers the certainty and stability they need to plan and finance new wind energy projects. I think Congress must act quickly to ensure the availability of the wind energy tax credit over the long term. If we don't act now, many wind energy initiatives will be scrapped at a time when this country can least afford it.

Second, I intend to offer and have filed an amendment to permit companies that have recently suffered net operating losses to carry back those losses for 5 years for federal income tax purposes. I will not go into a lengthy description of why we ought to do that. But my amendment should provide some needed financial help for those companies that have been hurt most during the current economic downturn. It will increase cash flow for many of these firms and help them make payroll, avoid additional layoffs and, hopefully, encourage new hiring. It will also help them to make investments in equipment and machinery they need to rebuild, grow and prosper.

There is bipartisan support in both the Senate and the House of Representatives for net operating loss carry-back relief proposals. We ought to include in a 5-year net operating loss carry-back provision in the economic recovery package.

Finally, I've filed an amendment that would provide tax relief for many S-corporations that sell ''built-in'' gain assets and reinvest the proceeds from those sales back into their companies. Today, there are hundreds of thousands of firms that operate as S corporations that would have a huge tax impediment if they were to sell certain appreciated business assets. The taxes they would be required to pay on that gain, even if they reinvest it, would be prohibitive. As a result, many S-corporations are forced to keep these assets—even if they are no longer productive and could be converted into assets that generate new growth and jobs.

The amendment I filed today would allow those who are involved in these S-corporations to sell built-in gain assets without facing a massive federal tax bill, provided they reinvest the proceeds into the business within a two-year period. That, too, is stimulative.

Many of these companies are the job-producing companies in this country.

To allow them to sell less productive assets and reinvest into more productive assets will be very stimulative to this country's economy. It will produce jobs and economic growth and opportunity. But they are locked out of that at the present time by the Tax Code. My amendment proposes to change that result and I hope we will get an opportunity to consider it during the debate on the economic stimulus package.

One final point: The Kyl amendment, of which I am supportive, dealing with tourism is an amendment to which I want to offer a second-degree amendment dealing with loan guarantees. It would cost $200 million or $300 million over the 10-year period. It deals with a subject about which I have spoken with Senator KYL and Senator REID.

Many of the businesses connected to the airports and the airlines that were shut down post-September 11 are in desperate condition. A program of loan guarantees dealing with the most fragile of those businesses which were shut down through no fault of their own—through edict by the Federal Government—would be appropriate in those unusual circumstances and would be guaranteed by an amendment attached to the Kyl amendment.

I hope to be able to offer that as a second-degree amendment dealing with travel agents, car rentals, and others attached to airports which suffered just as much as the airlines did when the airlines were ordered to be shut down and there was no travel anywhere in the country for a specific period.

As I indicated, I noticed the previous amendments yesterday. I wanted to indicate that I would be prepared to offer a second-degree amendment to Senator KYL's amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

VOICE OF INQUIRY

Mr. TORRICELLI. Mr. President, the President of the United States has challenged the Nation to commit an additional $120 billion in resources for our Armed Forces. Indeed, when the Nation is attacked, that is as it should be. The President has asked us to commit $40 billion to deal with internal security in our country. With the loss of life we have suffered and all of our apprehension about terrorism, that is as it should be. It is, however, an extraordinary request.

While our willingness to commit resources is endless to guarantee the security of our country, our national curiosity about these circumstances and how our country was so vulnerable seems to be very limited indeed.

It has been 5 months since the lives of our people were taken in the most devastating attack on America in history. There have been words of rage and revenge, vows to strengthen our security and to commit endless resources. There has been everything except a voice of inquiry.

On September 10, this Nation was not without resources, with a $320 billion defense establishment larger than a dozen other industrial nations combined; a massive internal law enforcement apparatus; and, by press accounts, a $30 billion intelligence establishment.

The terrorist attack on September 11 apparently was waged with the combined financial resources of $250,000. It was implemented by 19 people. Why is it I believe that probably financial resources were not determinative in the success of this evil attack? Why is it that I suspect it was probably not the numbers of personnel available? The country was not without resources on September 10. But something went terribly wrong. The allocation of resources, quality of leadership, strategy—I don't know. The real point is neither does anybody else, including the President of the United States and Members of the Senate.

At some point, 260 million Americans, with all the rage they feel against our enemy, with all the anger they feel, and with all the sympathy they feel for the victims, are going to want to know what happened and why.

There is no limit to the resources that I will vote to make available to the Commander in Chief to defend this Nation. But there is no limit to the efforts I will make to get accountability in this Government for our people.

In my State, there are hundreds—indeed, there are several thousands—of widows and orphans. As much as any American, as much as history itself, these people are going to demand answers in the course of their lives.

The President has suggested his preference is that we hold private hearings in the intelligence community. That is not how we conduct this Government. There was not an attack on the intelligence committee, nor is it their responsibility alone. Our accountability is to the people of the country. Yet the administration claims that such hearings or inquiries would be a distraction from the war on terrorism. That is not our history or how we conduct our Government.

Ten days after Pearl Harbor, with half of the American fleet in ruins and with fears of an attack on California by the Imperial Japanese Navy, FDR ordered an inquiry into how indeed we were so undefended. The *Challenger* lay in ruins with all of our ambitions for a space program, and Ronald Reagan did the same for NASA. This instance deserves no less. Accountability is at the core of any representative government.

On behalf of the people of my State and the victims—their wives, husbands, parents, and children—I demand it now. This Nation needs a board of inquiry to determine the events of September 11—how it occurred and why; where we succeeded and why we failed—not for the sake of revenge, not to cast blame, but to ensure that it never happens again. Armed only with that knowledge—more than any funding or any new weapon—can we genuinely assure our people that those events will not be repeated.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

ORDER OF PROCEDURE

Mr. REID. Mr. President, during the conferences we have had, it has been determined we could have a voice vote on the Bunning amendment. So I ask unanimous consent that after the Chair reports the bill, we move to the Bunning amendment, followed by the Reid for Baucus amendment. It is not a Reid amendment; I just offered it for Senator BAUCUS.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

HOPE FOR CHILDREN ACT—Resumed

The PRESIDING OFFICER. The clerk will report the bill.

The bill 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.

Reid (for Baucus) amendment No. 2721 (to amendment No. 2698), to provide emergency agriculture assistance.

Bunning/Inhofe modified amendment No. 2699 (to the language proposed to be stricken by amendment No. 2698), to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies.

Hatch/Bennett amendment No. 2724 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to allow the carryback of certain net operating losses for 7 years.

Domenici amendment No. 2723 (to the language proposed to be stricken by amendment No. 2698), to provide for a payroll tax holiday.

Allard/Hatch/Allen amendment No. 2722 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to permanently extend the research credit and to increase the rates of the alternative incremental credit.

Smith of New Hampshire amendment No. 2732 (to the language proposed to be stricken by amendment No. 2698), to provide a waiver of the early withdrawal penalty for distributions from qualified retirement plans to individuals called to active duty during the national emergency declared by the President on September 14, 2001.

Smith of New Hampshire amendment No. 2733 (to the language proposed to be stricken by amendment No. 2698), to prohibit a State from imposing a discriminatory tax on income earned within such State by nonresidents of such State.

Smith of New Hampshire amendment No. 2734 (to the language proposed to be stricken by amendment No. 2698), to provide that tips

received for certain services shall not be subject to income or employment taxes.

Smith of New Hampshire amendment No. 2735 (to the language proposed to be stricken by amendment No. 2698), to allow a deduction for real property taxes whether or not the taxpayer itemizes other deductions.

Sessions amendment No. 2736 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide tax incentives for economic recovery and provide for the payment of emergency extended unemployment compensation.

Grassley (for McCain) amendment No. 2700 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide a special rule for members of the uniformed services and Foreign Service in determining the exclusion of gain from the sale of a principal residence.

Kyl amendment No. 2758 (to the language proposed to be stricken by amendment No. 2698), to remove the sunset on the repeal of the estate tax.

Reid modified amendment No. 2764 (to amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide a refundable credit for recreational travel, and to modify the business expense limits.

Reid (for Durbin) amendment No. 2766 (to amendment No. 2698), to provide enhanced unemployment compensation benefits.

Lincoln amendment No. 2767 (to amendment No. 2698), to delay until at lease June 30, 2002, any changes in medicaid regulations that modify the medicaid upper payment limit for non-State Government-owned or operated hospitals.

Thomas amendment No. 2728 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to modify the qualified small issue bond provisions.

Craig amendment No. 2770 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to expand the availability of Archer medical savings accounts.

Grassley amendment No. 2773 (to the language proposed to be stricken by amendment No. 2698), to provide tax incentives for economic recovery and assistance to displaced workers.

AMENDMENT NO. 2699, AS MODIFIED

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2699, as modified.

Mr. REID. Mr. President, I ask unanimous consent the yeas and nays on the Bunning amendment, which have been previously ordered, be vitiated.

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

The question is on agreeing to amendment No. 2699, as modified.

The amendment (No. 2699), as modified, was agreed to.

Mr. REID. I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2721

Mr. REID. Mr. President, it is my understanding we are now on the Baucus amendment, which has been previously debated.

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. It is my understanding there are others who wish to speak on this amendment. I ask all those within the sound of my voice to come over and renew the debate.

AMENDMENT NO. 2807 TO AMENDMENT NO. 2721

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I believe we are on the Baucus amendment. On behalf of Senator KYL, I call up amendment No. 2758 as a second-degree amendment.

Mr. REID. Mr. President, does it take unanimous consent to move off the Baucus amendment to the Kyl amendment?

Mr. SESSIONS. I offer this as a second-degree amendment.

The PRESIDING OFFICER. Second-degree amendments are in order.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alabama [Mr. SESSIONS], for Mr. KYL, proposes an amendment numbered 2807 to the amendment No. 2721.

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

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

The amendment is as follows:

(Purpose: To remove the sunset on the repeal of the estate tax)

At the end, add the following:

SEC. . PERMANENT REPEAL OF ESTATE TAXES.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended—

(1) by striking ''this Act'' and all that follows through ''2010'' in subsection (a) and inserting ''this Act (other than title V) shall not apply to taxable, plan, or limitation years beginning after December 31, 2010.'', and

(2) by striking '', estates, gifts, and transfers'' in subsection (b).

Mr. REID. Mr. President, will the Senator yield for the purpose of a unanimous consent request? This will require no debate. There is an amendment Senator KYL and I filed on which Senator DORGAN wants to offer a second-degree amendment. He says he does not need to debate it at this time.

I ask unanimous consent that we be allowed to move off the pending amendment temporarily so that Senator DORGAN can offer his amendment to the Reid-Kyl amendment, and then we will be right back on the second-degree amendment of the Senator from Arizona.

Mr. SESSIONS. Do we have a time agreement? How quickly will we be back on the Kyl amendment?

Mr. REID. Two minutes?

Mr. DORGAN. Yes, Mr. President, that will be fine.

Mr. SESSIONS. Will the Senator from Nevada restate the unanimous consent request?

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the Reid-Kyl amendment, which is two amendments down the line, and that Senator DORGAN offer a second-degree amendment, be allowed to speak for 2 minutes, and then we immediately return to the Kyl second-degree amendment to the underlying Baucus amendment.

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

Mr. DORGAN. Mr. President, I wish to offer a second-degree amendment. I ask unanimous consent that we be on amendment No. 2764 which has been proposed by Senator REID and Senator KYL.

Mr. KYL. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. The point of the unanimous consent request of the Senator from Nevada was to allow the second-degree amendment to the Reid-Kyl amendment and to allow the Senator from North Dakota to speak about that amendment for 2 minutes and immediately return to the pending business, which is the Baucus amendment with the second-degree amendment, offered by the Senator from Alabama on behalf of myself, pending; is that correct?

Mr. REID. The Senator from Arizona is correct.

The PRESIDING OFFICER. The last request of the Senator from North Dakota is consistent with the order of the Senator from Arizona.

Mr. KYL. Mr. President, I ask the Senator from North Dakota to restate his request. I obviously misunderstood.

Mr. DORGAN. Mr. President, I ask unanimous consent that the amendment proposed by Senator REID and Senator KYL, amendment No. 2764, which had previously been offered but set aside, be brought back so I can offer a second-degree amendment to it. I ask that amendment No. 2764 be the pending business.

Mr. SESSIONS. Reserving the right to object, my concern is that has already been taken care of by Senator REID. It might confuse matters. I object.

The PRESIDING OFFICER. Objection is heard.

AMENDMENT NO. 2808 TO AMENDMENT NO. 2764

Mr. DORGAN. Mr. President, I send an amendment to the desk. This is an amendment I had filed. It is called the travel industry stabilization amendment. I offer it as a second-degree amendment to the Reid-Kyl amendment that was offered previously.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. DORGAN] proposes an amendment numbered 2808 to amendment No. 2764.

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

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

The amendment is as follows:

(Purpose: To preserve the continued viability of the United States Travel industry)

At the end, add the following:

TITLE _____—TRAVEL INDUSTRY STABILIZATION

SECTION __01. SHORT TITLE.

This title may be cited as the ''American Travel Industry Stabilization Act''.

SEC. __02. TRAVEL INDUSTRY DISASTER RELIEF.

(a) IN GENERAL.—Notwithstanding any other provision of law, the President shall take the actions described in subsection (b) to compensate eligible travel-related businesses.

(b) ACTIONS DESCRIBED.—

(1) IN GENERAL.—Subject to such terms and conditions as the President deems necessary, and upon application, the President is authorized to issue Federal credit instruments to eligible travel-related businesses described in subsection (c) that do not, in the aggregate, exceed $2,000,000,000 and provide the subsidy amounts necessary for such instruments in accordance with the provisions of the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(2) TIME FOR APPLICATION.—An application for a Federal credit instrument shall be filed by an eligible travel-related business not later than 1 year after the promulgation of regulations.

(3) TERMS OF CREDIT INSTRUMENTS.—A loan guaranteed under this title may be used exclusively for the purpose of meeting obligations and expenses to the extent that an applicant demonstrates—

(A) business operations were directly and adversely affected by the events of September 11, 2001;

(B) the loan guarantee is necessary to meet such obligations;

(C) the inability of the applicant to meet such obligations or expenses is directly attributable to the impact of September 11, 2001; and

(D) the applicant has the ability to repay the loan.

(c) DEFINITIONS.—In this title:

(1) BOARD.—The term ''Board'' means the Air Transportation Stabilization Board established under the Air Transportation Safety and System Stabilization Act (49 U.S.C. 40101 note; P.L. 107–42).

(2) ELIGIBLE TRAVEL-RELATED BUSINESS.—The term ''eligible travel-related business'' means a business that was injured by the Government shutdown of the airline industry following the terrorist attacks on the United States that occurred on September 11, 2001, and that on such date—

(A) had a contractual arrangement with an air carrier to provide goods or services, including those with a contractual relationship with the Airline Reporting Corporation; or

(B) was a nonaeronautical for-profit business operating at an airport engaged in the sale of consumer goods or services to the public under an arrangement with the airport or the airport's governing body.

(3) FEDERAL CREDIT INSTRUMENT.—The term ''Federal credit instrument'' means any guarantee or other pledge by the Board issued under section __02(b) to pledge the full faith and credit of the United States to pay all or part of any of the principal of and interest on a loan or other debt obligation issued by an obligor and funded by a lender.

(4) FINANCIAL OBLIGATION.—The term ''financial obligation'' means any note, bond, debenture, or other debt obligation issued by an obligor in connection with financing under this section and section __02(b).

(5) LENDER.—The term ''lender'' means any non-Federal qualified institutional buyer (as defined by section 230.144A(a) of title 17, Code of Federal Regulations (or any successor regulatory) known as rule 144A(a) of the Securities and Exchange Commission and issued under the Securities Act of 1933), including—

(A) a qualified retirement plan (as defined in section 4974(c) of the Internal Revenue Code of 1986 (26 U.S.C. 4974(c))) that is a qualified institutional buyer; and

(B) a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986 (26 U.S.C. 414(d))) that is a qualified institutional buyer.

(6) OBLIGOR.—The term ''obligor'' means a party primarily liable for payment of the principal of, or interest on, a Federal credit instrument, which party may be a corporation, partnership, joint venture, trust, or governmental entity, agency, or instrumentality.

(d) EMERGENCY DESIGNATION.—Congress designates the amount of new budget authority and outlays in all fiscal years resulting from this title as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(e)). Such amount shall be available only to the extent that a request, that includes designation of such amount as an emergency requirement as defined in such Act, is transmitted by the President to Congress.

SEC. __03. ADDITIONAL FUNCTIONS FOR THE AIRLINE STABILIZATION BOARD.

(a) ADDITIONAL FUNCTIONS TO STABILIZE THE TRAVEL INDUSTRY.—The Board shall review and make recommendations to the President with respect to applications for Federal credit instruments submitted under section __02(b).

(b) FEDERAL CREDIT INSTRUMENTS.—

(1) IN GENERAL.—The Board may enter into agreements with 1 or more obligors to issue Federal credit instruments under section __02(b) if the Board determines, in its discretion, that—

(A) the obligor is an entity in a travel-related business for which credit is not reasonably available at the time of the transaction;

(B) the intended obligation by the obligor is prudently incurred; and

(C) such agreement is a necessary part of maintaining a safe, efficient, and viable travel industry in the United States.

(2) TERMS AND LIMITATIONS.—

(A) FORMS, TERMS, AND CONDITIONS.—A Federal credit instrument shall be issued under section __02(b) in such form and such terms and conditions and contain such covenants, representatives, warranties, and requirements (including requirements for audits) as the Board determines appropriate, provided that—

(i) a loan shall be repaid over a period not to exceed 5 years from the date that the loan is guaranteed under this title;

(ii) the Government guarantee shall cover not less than 80 percent of the value of the loan;

(iii) loan guarantees under this title shall be extended based upon the ability of the eligible travel-related business to repay the loan without regard to collateral; and

(iv) any loan origination fee may not exceed 1 percent of the loan value.

(B) PROCEDURES.—Not later than 14 days after the date of enactment of this title, the Director of the Office of Management and Budget, in consultation with the Board, shall issue regulations setting forth procedures for application and minimum requirements.

(c) FINANCIAL PROTECTION OF GOVERNMENT.—

(1) IN GENERAL.—To the extent feasible and practicable, as provided in paragraphs (2) and (3), the Board shall ensure that the Government is compensated for the risk assumed in making guarantees under this title.

(2) GOVERNMENT PARTICIPATION IN GAINS.—To the extent to which any participating corporation accepts financial assistance, in the form of accepting the proceeds of any loans guaranteed by the Government under this title, the Board is authorized to enter into contracts under which the Government, contingent on the financial success of the participating corporation, would participate in the gains of the participating corporation or its security holders through the use of such instruments as warrants, stock options, common or preferred stock, or other appropriate equity instruments.

(3) DEPOSIT IN TREASURY.—All amounts collected by the Secretary of the Treasury under this subsection shall be deposited in the Treasury as miscellaneous receipts.

(e) AUTHORIZATION OF FUNDS.—Congress authorizes and hereby appropriates such sums as are necessary to carry out the purposes of this title.

Mr. DORGAN. Mr. President, I will not take 2 minutes because I will speak on this at another time. I indicated previously I support the underlying Reid-Kyl amendment which deals with travel and tourism-related issues. The amendment I have offered is an amendment that deals with some loan guarantees to those businesses that have a connection to the airports and the airlines that had been shut down by the Federal Government post-September 11. Many of them remain in very difficult straits. They face some very difficult financial troubles.

The Federal Government did provide loan guarantees and grants to the airlines. I was supportive of that. But there were ancillary businesses that are related to the airlines and related to the airports that suffered substantial losses as a result of actions by the Federal Government to shut down air service.

This is legislation I have written to address that situation in the form of loan guarantees. I have spent time with my colleague from Nevada, Senator REID, and others of my colleagues who are supportive of this approach.

I offer it as a second-degree amendment because I believe it is appropriately something that should be attached to the Reid-Kyl amendment which I intend to support as well.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I appreciate the spirit in which the Senator from North Dakota proposed the second-degree amendment. I am hopeful we will be able to adopt the Reid-Kyl amendment at a later time.

AMENDMENT NO. 2807

Mr. KYL. Mr. President, what is pending before the Senate is my second-degree amendment to the Baucus amendment, which for those who are interpreting this means we are back on the question of whether we can repeal permanently the estate tax or, as it is frequently called, the death tax.

As we all will recall, last year when we passed the Tax Reform Act, one of the provisions that was incorporated within that bill was a gradual reduction of the estate tax rates and enlargement of the exemption, and finally, in the ninth year, an actual repeal of the existing death tax.

We were joined in a bipartisan coalition to support that. There were literally scores and scores of organizations—and I am going to ask unanimous consent after a bit to print in the RECORD the list of organizations that supported the repeal of the death tax—and we even defeated an amendment of Senator CONRAD of North Dakota that would have put the Senate on record as saying we should not make it permanent.

Clearly, the intention was to make it permanent; the desire was to make it permanent. I do not think anybody would have stood before the Senate and said we wanted to repeal the estate tax for 1 year. They would have been laughed out of the body. Yet that is precisely what the effect of our action was.

There is a rule in the Senate that does not allow us to work in more than a 10-year window without a 60-vote majority. There is a rule that required us to change the procedure, and by making the procedure for 10 years, the effect is to sunset the repeal. That means we go right back to where it was last year with a 60-percent rate of the death tax and only a $675,000 exemption.

If one wants to see how this works, in the year 2010 you do not have to pay any death tax if you die. It basically pays you to die in that year, but do not try to live a day into the next year because you are then going to have to pay the entire death tax as it existed in 2001.

We go way back, in other words, to a punitive, destructive death tax. Clearly, we did not mean for this to be the way it was. Clearly, we would like to make it permanent, and this is the time to do it because there is significant evidence that making the death tax repeal permanent will significantly stimulate the economy and create jobs. That is the reason for bringing it up at this time.

We are talking about the stimulus package. The President is talking about creating jobs, and by repealing the death tax permanently we can achieve those objectives.

How is that so? In simple terms, people still have to plan for the death tax. They still have to buy the insurance. They still have to pay the lawyers. They still have to pay the estate tax planners, the accountants, and all the rest of it unless they are absolutely sure they are going to die during one of the 365 days of the 10th year. If they cannot be sure they are going to die during that period of time, then they need to plan because the tax is back in effect.

Who, after all, except someone who would be deliberately taking their life, can predict when they are going to die? One sure does not want to be lucky enough to live beyond the 10th year because then they are going to get stuck with the death tax with its punitive rates, just as it was last year. That is why there is a huge expense involved in the existing law, and that expense every year, by farmers and small businessmen and other people in this country, is money that is spent on an unproductive enterprise that could be spent in creating jobs.

Let us get to a couple of specifics, and then I will ask some of my colleagues to join in this debate. A December 1998 report by the Joint Economic Committee concluded the existence of the death tax in this century has reduced the stock of capital in the economy by nearly half a trillion dollars. By repealing the death tax and putting those resources to better use, i.e., investment, the Joint Committee estimates as many as 240,000 jobs could be created over the next 7 years, and Americans would have an additional $24.4 billion in disposable personal income. That is stimulus.

You want to stimulate the economy? You want to create jobs? You want investment in capital and other businesses? Permanently repealing the death tax will do that.

Last year, Dr. Wilbur Steger, a Ph.D. president of CONSAD Research Corporation, and an adjunct professor of policy science at the Heinz School of Carnegie Mellon University, testified before the Senate Finance Committee and disputed the death tax supporters' arguments that only 2 percent of Americans are affected by the tax. Rather than affecting less than 500 family businesses in a typical year, he said the total number of taxable estates that consist largely of family-owned businesses likely exceeds 10,000 families annually. He went on to state an immediate death tax repeal would provide a $40 billion automatic stimulus to the economy.

So what we could do best to stimulate the economy and create jobs is to ensure that the death tax repeal we voted for last year is in fact made permanent.

I am going to provide some additional evidence that we can create jobs and stimulate the economy with the permanent repeal of the death tax, but at this time I yield to my colleague from Oklahoma, who I know wanted to make a few remarks before he has to leave.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I ask unanimous consent to be made a cosponsor of Senator KYL's amendment.

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

Mr. NICKLES. Mr. President, this amendment is a very positive amendment. The Senator from Montana, Mr. BAUCUS, introduced an amendment that would add another $2.3 billion in emergency spending for agriculture. We debated that last week. We defeated it. We defeated it on a budget point of order. I made that motion because we have had a lot of emergency spending for agriculture. As a matter of fact, the last couple of years it has just ballooned. We averaged less than a billion or two for decades, and then all of a sudden the last couple of years we start doing $12 billion, $13 billion, $14 billion of emergency spending.

The Senator from Montana said we have more problems; let's add another $2 billion or $3 billion—not in the context of the farm bill or the budget but just another couple billion dollars. Now that we are in deficits, I question that. My colleague from Arizona offered an amendment that my farmers have been talking to me about for the last 20-some years, and that is to repeal the death tax. Why in the world should agriculture, or anybody who has a business, have to sell the business because somebody happens to pass away? Somebody passes away and all of a sudden the Government says it wants 55 percent of their farm, 55 percent of their business. I happen to think that is wrong.

In the tax bill we passed last year, we reduced the estate tax and we increased the exemptions. We increased the exemption from $675,000 to a million dollars beginning January 1 of 2002. So that is a positive thing, a good thing. Over the course of the tax bill, over the next 10 years, we eliminated the death tax, increased the exemption from $1 million to $2 million to $4 million, where in the year 2010 the death tax is repealed. That entire bill was sunsetted. People who do not follow the Senate and do not know our rules ask why did we sunset it? We sunsetted it because of the reconciliation bill. The reconciliation bill, by law, has to be within a 10-year timeframe. We could not make permanent tax law changes. We could change the law in 10 years. So that is exactly what we did.

The Senator from Arizona says in this particular case the sunset does not work. When people are doing estate planning, they want to know what their tax liability is when they die and, if they have an estate, they can plan accordingly. Maybe they can give their property to a son or a grandson, a grandchild, a granddaughter, or maybe they want to give it to a trust or they want to give it to a charity or they want to break it up. Whatever they want to do, they should have those options. They should not be faced with the current situation of well, OK, we are going to reduce the death tax for years, increase the exemption up to $4 million, in effect reducing the death tax, but in the year 2011 it reverts back and all of a sudden you are looking at an enormous tax rate, a tax rate that would be as high as 50 percent. That is wrong.

So the Senator from Arizona says: Let us fix it. Let us make it permanent. That was the intent of the bill that we passed last year. I believe that is where the votes are in the Senate. If they believe in free enterprise, if they believe in agriculture, if they believe in family farms, if they do not want an enterprise, whether it be a farm or a business, if they do not want somebody to have to sell it because someone passes away, to give Government half

of it, then support the amendment of Senator KYL.

If my colleagues really want to do something, let us make this tax change, which, because we were under reconciliation last year had to be temporary, had to be sunsetted. We are not under reconciliation now so we do not have those constrictions imposed upon us as Members of the Senate. We are not under those rules, so I encourage my colleagues to not say, oh, yes, they supported elimination of the death tax, and in the year 2011 it is reinstated at the previously higher rates. That would be grossly unfair and grossly inequitable.

For people who are trying to do estate planning and trying to estimate what their tax liability would be for their kids or for their grandkids, it is tremendously unfair. It might be great for the estate lawyers, for estate planners and others because the more Congress changes this, the more they get to do in writing wills and rewriting estates and how planning should be done. So the way to solve this problem is to pass the amendment of the Senator from Arizona. That is the best thing we could do for agriculture, not another $2 billion, $3 billion in emergency assistance.

Every Congressman and every Senator knows if we could go back and tell our agricultural community, the Farm Bureau, the farmers union, the wheat growers, the cattlemen, and so on, that we repealed the death tax, we know we would get a standing ovation because of the very fact that many of those farms are second and third generation. They are wealthy on paper but they are cash poor.

So if they pass away now, they know their survivors will have to sell the operation to pay the death tax, to pay the tax that will be owed the Federal Government. When the Government comes in and says they want half, they will have to sell it; they will have to break it up. In the process, it will cost a lot of jobs.

The amendment of Senator KYL creates jobs. It will help maintain small businesses so they do not have to break up. It will help maintain farms and ranches so they will not have to break them up into smaller units or sell them for the taxman.

So I again compliment my colleague from Arizona. I think he has an excellent amendment. He has added it to the amendment of Senator BAUCUS. I encourage people on both sides of the aisle to vote in favor of the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I ask unanimous consent that I be named as a cosponsor of Senator KYL's amendment.

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

Mr. SESSIONS. Mr. President, when I first came to the Senate and I met with farm people in my State, this was their No. 1 issue—to eliminate the death tax. It is savaging closely held enterprises all over America, particularly farms. It is something that touches people in a very real way. The way this elimination has occurred as part of the budget reconciliation, as Senator NICKLES so ably described, we will have elimination of the death tax 1 year, and a reimposition of it the next year, leaving estate planning problems for people trying to wrestle with that. It has human consequences.

I remember being on an airplane not too long ago with a professional woman. She told me about her grandfather dying back in the 1980s. A tax change in the death tax was passed during the Reagan years. It was to take effect January 1. The family was home for Christmas. He was dying of cancer. He had terminal cancer. Each morning he asked what day it was. He died 11 a.m., January 1—his last contribution to his family. This is personal. It is real. It savages businesses.

Let me try to explain why I believe we have a particularly pernicious consequence as a result of the death tax that has not been sufficiently discussed and is causing damages to our economy far greater than a lot of people thought. This is the reason. I thought about farmers in Alabama. Maybe they own a couple thousand acres, and maybe some of that land is near an airport or town and the value on paper is high but they don't want to sell it. Compare that to an international paper company that may own 600,000 acres of land, 200,000 or 100,000 acres of land. They compete against one another. If they are timber producing, and both grow timber, they compete against one another.

The big multinational corporation that does business all over the world is never impacted adversely by the estate tax. People who own stock in it may be, but not that corporation. But the individual competitor, the competitor of the big international corporations, builds up a little capital, equity, and realizes some success, and they can get savaged, each generation, by a 50-percent tax. This makes them uncompetitive. Is there any doubt why farmers getting to the end of their lives, small businessmen wanting to pass on their business to their family, have to sit down and discuss what they are going to do? They have to sit down and decide if they can pay that generational tax and still operate the business. What if the business has a lot of investment, a lot of capital, hiring a lot of people, but they do not have a lot of cash? How can each generation pay this huge death tax to the Government? Yet the big business competitor, a broadly held international corporation, with which they compete, does not ever become impacted by the death tax.

That is happening in America. We need to encourage locally owned corporations. We need to nurture them, not oppress them. We need more competition in the American economy.

It is troubling that virtually every bank in my home State of Alabama has been sold and bought up by a bigger bank, and they get bought up by bigger banks. Why? One reason is families who used to routinely own banks, that were tied to the community, supporting Boy Scouts, schools and the United Way, cannot compete. They are looking at the death tax coming down on them. They figure they can protect themselves against it more effectively by selling off their small business to a larger corporation that does not have to pay that tax.

I thank Senator KYL for his leadership. I believe we ought to consider that the death tax is an anticompetitive activity that hurts competition by damaging small businesses and farms in a way that does not occur to larger, wealthier international enterprises.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. I ask unanimous consent to have printed for the RECORD a 3-page listing of a variety of organizations, all of which support repeal of the estate tax.

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

THE FAMILY BUSINESS ESTATE TAX COALITION

Air Conditioning Contractors of America, American Business Press, American Consulting Engineers Council, American Council for Capital Formation, American Family Business Institute, American Farm Bureau Federation, American Forest and Paper Association, American Forest Resources Council, American Hotel & Lodging Association, American International Automobile Dealers Association, American Supply Association, American Wholesale Marketers Association, American Vintners Association, Americans for Fair Taxation, Associated Builders & Contractors, Associated Equipment Distributors, Associated General Contractors, Association for Manufacturing Technology, Citizens Against Government Waste, and Citizens for a Sound Economy.

Communicating For Agriculture, Construction Industry Manufacturers Association, Farm Credit Council, Fierce and Isakowitz, Food Distributors International, Food Marketing Institute, Guest & Associates, Independent Community Bankers of America, Independent Insurance Agents of America, International Council of Shopping Centers, Kessler & Associates, National Association of Beverage Retailers, National Association of Convenience Stores, National Association of Home Builders, National Association of Manufacturers, National Association of Plumbing-Heating-Cooling Contractors, National Association of Realtors, National Association of Wholesaler-Distributors, National Automobile Dealers Association, and National Beer Wholesalers Association.

National Cattlemen's Beef Association, National Corn Growers Association, National Cotton Council, National Electrical Contractors Association, National Federation of Independent Business, National Grocers Association, National Licensed Beverage Association, National Lumber and Building Material Dealers Association, National Marine Manufacturers Association, National Newspaper Association, National Restaurant Association, National Roofing Contractors Association, National Small Business United,

National Taxpayers Union, National Telephone Cooperative Association, National Tooling & Machining Association, National Utility Contractors Association, Newspaper Association of America, Ocean Spray Cranberries, Inc, and Organization for the Promotion & Advancement of Small Telecommunications Companies (OPASTCO).

Painting & Decorating Contractors of America, Petroleum Marketers Association of America, Printing Industries of America, Rock Hill Telephone Company, Safeguard America's Family Enterprises, Society of American Florists, Southeastern Lumber Manufacturers, Texas and Southwestern Cattle Raisers Association, Textile Rental Services Association, Tire Association of North America, United States Telecom Association, U.S. Business & Industry Council, U.S. Chamber of Commerce, Wine and Spirits Wholesalers of America, and Wine Institute.

MEMBERS OF THE SMALL BUSINESS LEGISLATIVE COUNCIL (71)

Air Conditioning Contractors of America, Alliance of Independent Store Owners and Professionals, Alliance of Affordable Services, American Bus Association, American Consulting Engineers Council, American Council of Independent Laboratories, American Machine Tool Distributors Association, American Moving and Storage Association, American Nursery and Landscape Association, American Road & Transportation Builders Association, American Society of Interior Designers, American Society of Travel Agents, Inc., American Subcontractors Association, Associated Landscape Contractors of America, Association of Small Business Development Centers, Association of Sales and Marketing Companies, Automotive Recyclers Association, Bowling Proprietors Association of America, Building Service Contractors Association International, and Business Advertising Council.

CBA, Council of Fleet Specialists, Council of Growing Companies, Cremation Association of North America, Direct Selling Association, Electronics Representatives Association, Health Industry Representatives Association, Helicopter Association International, Independent Community Bankers of America, Independent Electrical Contractors, Inc., Independent Medical Distributors Association, International Association of Refrigerated Warehouses, International Association of Used Equipment Dealers, International Business Brokers Association, International Franchise Association, Machinery Dealers National Association, Mail Advertising Service Association, Manufacturers Agents for the Food Service Industry, Manufacturers Agents National Association, and Manufacturers Representatives of America, Inc.

National Association for the Self-Employed, National Association of Plumbing-Heating-Cooling Contractors, National Association of Realtors, National Association of RV Parks and Campgrounds, National Association of Small Business Investment Companies, National Community Pharmacists Association, National Electrical Contractors Association, National Electrical Manufacturers Representatives Association, National Lumber & Building Material Dealers Association, National Ornamental & Miscellaneous Metals Association, National Paperbox Association, National Private Truck Council, National Retail Hardware Association, National Tooling and Machining Association, National Wood Flooring Association, Painting and Decorating Contractors of America, Petroleum Marketers Association of America, Printing Industries of America, Inc., Professional Lawn Care Association of America, and Promotional Products Association International.

The Retailer's Bakery Association, Saturation Mailers Coalition, Small Business Council of America, Inc., Small Business Exporters Association, SMC Business Councils, Society of American Florists, Specialty Equipment Market Association, Tire Association of North America, Turfgrass Producers International, United Motorcoach Association, and Washington Area New Automobile Dealers Association.

Mr. KYL. Mr. President, let me give a sense of the businesses and organizations involved—everything from the American Council for Capital Formation, American Family Business Institute, Hotel & Lodging Association, the National Automobile Dealers Association, Citizens Against Government Waste, Citizens for a Sound Economy, a long list of agricultural organizations, Independent Insurance Agents of America, National Association of Home Builders, National Association of Manufacturers, National Cattlemen's Beef Association, National Corn Growers Association, National Taxpayers Union, Chamber of Commerce, and on and on, a whole number of businesses and organizations. As we recall from the debate we had last year, a group of environmental organizations, as well, were involved because of the pro-environmental ramifications of repealing the death tax permanently.

It is very important to focus for a moment on why we are proposing this amendment on this bill at this time. President Bush's budget for the next fiscal year incorporates a permanent repeal of the estate tax. This is something the President knows will benefit our economy and create jobs. That is why it is included within his fiscal year 2003 budget sent here yesterday. This is propitious timing. We have the opportunity to act on this now.

Earlier I indicated the reason this has such a stimulative effect is that there is such a large amount of money being spent on lawyers and estate planning and insurance that could be more productively put into investment in companies for the creation of jobs.

To give an idea of the magnitude of the money we are talking about, I will cite a study done for last year. Alicia Munnell, a member of President Clinton's Council of Economic Advisers, estimates the cost of complying with death tax laws is roughly at the same magnitude as the revenue raised by the tax itself.

In 1998, that was about $23 billion. In other words, for every dollar the death tax raises for the Treasury, it almost costs Americans that same amount of money to prepare to deal with the death tax when their time comes. It is literally a double tax. Half of it is totally unproductive.

I am a lawyer. I don't mean to suggest that paying money to lawyers is a bad thing. But one can hardly argue that it creates new jobs. Perhaps one could say we need to have more lawyers. As long as we keep this law on the books and we do not permanently repeal the death tax, we can put a few more lawyers to work. It is a stretch to argue that justifies keeping this unfair law on the books.

No, the reality is that we can create a lot more jobs, 240,000 jobs over the next 7 years, by a repeal of the estate tax. We can provide another almost $25 billion in disposable personal income, according to the Joint Economic Committee. These numbers do not lie. We have an opportunity to do something positive for our economy, for job creation, for investment. That is why the President has included this permanent repeal in his budget for this year.

Let me show how this works and how unfair it is. Somebody dies in the year 2009. None of us can predict when we will die. If you die in the year 2009, those in your family who succeed you will be faced with a potentially high 45-percent death tax rate. The good news is they have a $3.5 million exemption because that is the way we structured it under our tax bill last year. If you are lucky enough to die in the year 2010, assuming that dying is a good thing—when I say ''if you are lucky enough,'' I don't mean it that way—if you can avoid dying in the year 2009 and stretch your life into 2010, you will be able to have your loved ones avoid the death tax entirely as a result of the bill we passed last year. However, if you are able, through good medicine and health care and the like, to extend your life to the following year, the year 2011, your family is in a world of hurt. Because you lived a little bit longer, they are going to go back to the days when we had a 60-percent death tax rate and an exemption of only $675,000.

What is a sensible small business person, farmer—whoever—going to do, given the fact that it is pretty difficult to predict when you are going to die? And you clearly do not want to take the chance that the only year that you are likely to die in is 2010. What you are going to do is pay lawyers and accountants and estate planners and buy the insurance that needs to be purchased to reduce that death tax liability to as little as possible. That is the expenditure we are talking about that is unproductive. That is to say it does not create any new jobs, it doesn't stimulate the economy; all it does is continue the status quo of a death tax that is going to take effect when you die.

This is the reason it is not only unfair, but what we accomplished last year is really, in some respects, a cruel hoax. I know a lot of people I talk to back home believe we actually repealed the death tax. There was some bragging about the tax bill last year. It was a great bill. The problem with it is, as the Senator from Oklahoma said, because it was done as part of a reconciliation package, it could not exceed a 10-year time span.

I have tried to go back home and explain to people what we did was really good. We established the principle that we did not want the death tax anymore and we had a bipartisan coalition of

Senators who voted overwhelmingly for that. But we now have to finish the business we started. As the President is proposing in his budget, we have to make that repeal permanent. Otherwise, we not only have a very unfair situation, but we have a very inefficient and I would say uneconomical situation here.

We have the opportunity to put that money to work that otherwise would simply go—again, I don't mean to denigrate lawyers—to pay those lawyers to figure out how to enable you to maximize the reduction in your death tax when you die.

Mr. SESSIONS. Will the Senator yield for a question?

Mr. KYL. I am happy to yield.

Mr. SESSIONS. First I want to express my personal appreciation to Senator KYL for his leadership on this issue since I have been in the Senate. There is no one here who understands it more than he, or has fought more effectively to see it become more a reality, the elimination of the tax.

But, I say to Senator KYL, what I was thinking about was the circumstance of a small business seeing a death on the horizon and a death tax coming up. The fact that they know they have to make a payment of significance to Uncle Sam—would that not perhaps cause them to hesitate to invest in new equipment, to modernize or expand their business, knowing that that might cause them to use up their cash or even borrow money, and in fact make the economy less vibrant than it otherwise would be?

Mr. KYL. Mr. President, I say to the Senator from Alabama, that is another entirely separate argument for eliminating the tax and making its repeal permanent. The Senator is absolutely correct.

In addition to the wasteful money we spend trying to avoid the liability or reduce it as much as possible, rather than putting that into productive assets, the Senator is pointing out that because of the possibility—it is almost like a black cloud hanging over your head—if you think you are going to die, you are not going to make that new investment, you are not going to revitalize your plant and equipment or hire that other team that is going to produce a new product, or maybe go out of your way to market the product—all of those things that will be an investment in our economy. You are going to defer that because you know you are going to need it for something else; namely, to pay the grim reaper, because you know you are going to pass away.

I think of an example back home of a company that became very successful. One entrepreneur moved to our State and over time built up a wonderful business employing over 200 people. He was a great contributor to the charities in our community. He was one of those pillars of the community that you just like to think of but he died. His family had a terrible time. The tax liability there was so great that they ended up having to sell this business.

The idea of a death tax is to prevent an accumulation of wealth. That is the theory of it. What happened here? They had to sell to a big company, the kind of big corporation the Senator from Alabama was just talking about. Instead of this small—I would say, with 200 employees, it is getting to be a medium-size business, but it was still a sole proprietorship basically. But instead of having the business in our town, employing all those people from town, contributing to the charities and the local economy, and so on, this big corporation came in. Are they still employing that number of people? No. Are they contributing to the community as did our friend Jerry? No. These people are not making the kind of investment—and I don't denigrate them at all, but they are trying to run a business, and that is fine, but there is a difference here.

The small businessman who built up his business continued to plow everything he had back into the business, which is exactly the point the Senator from Alabama is making here. You put it back into the business so it can continue to grow because it is a family-owned business. You do not have to take out all the money and send it someplace else. Because they did that, they were asset rich and cash poor. You do not want to find yourself in that position if you are going to die, because you cannot pay the taxes. That is why his family had to end up selling the business.

Mr. SESSIONS. I would like to follow up on that. The company that bought them, bought your friend Jerry's business, presuming they were a broadly held stock corporation, maybe of national size—that corporation would never have to plan its economic future with the fear of having to pay an estate tax because corporations do not pay death taxes; is that correct? Isn't that a factor, an economic incentive we have created for small businesses to sell out to big businesses when really they ought to be competing against them and keeping them honest?

Mr. KYL. I say the Senator from Alabama is exactly correct. It is an unfairness for the small business because the small businessmen are taxed in this fashion. The big corporation—I am all for big corporations, too, but they don't have to worry about this kind of thing. So there is, in effect, a perverse incentive working here, but it is one of the things that is not only bad for the economy but it makes it unfair. It is not really an American way of looking at things, to my way of thinking.

If the Senator from Nevada would like to speak, we have had our chance here, so the Senator is welcome to the floor.

The PRESIDING OFFICER. The deputy majority leader.

Mr. REID. Mr. President, I hope people are beginning to see what Senator DASCHLE has put up with now for months on the stimulus package—months. It is never quite right. There is always something just a little bit lacking.

Remember, there were rules set down for what a stimulus package should be. I may not have it down exactly right, but it is supposed to be fiscally responsible, supposed be short term, and would have no effect on the deficit. That is what we were supposed to do to get a stimulus package. And we have tried very hard.

But what are we working on today, now, to divert attention from what the underlying Daschle bill does? We are now talking about something 10 years from now. I don't know if any of the unemployed are watching. There are probably some watching TV because they are not working, so maybe some of them slipped onto C–SPAN. I hope the unemployed understand what is going on here. The minority is now focusing again on the wealthy. We can have all the stories about the poor family farmers, and I understand that. I think the estate tax needs some revision, and we were willing to do that, to work with the minority to do that.

Say what you want to say. This affects the top one-half percent of the people in America as it relates to income. We were willing to change it from the standard before. But no matter how you twist and turn it, this relates to people who have assets—a lot of assets.

How do the unemployed feel? We have given them nothing—zero. Since September 11, we have taken care of the airlines. We have focused on the insurance industry. We have done all kinds of things for corporate America but very little for consuming America.

We talk about meeting the qualifications for having something stimulative. Studies have shown that every dollar invested in unemployment insurance produces $2.52 in gross domestic product. Those unemployed out there should understand that we want to help. We have tried to help.

Part of Senator DASCHLE's legislation deals with extended unemployment benefits. During the previous Bush administration, we extended unemployment benefits five times. We did it during the Reagan years. But now we are not doing it. We are not messing around with something to help the unemployed.

In Nevada, over 100,000 jobs have been lost because of September 11. Indirectly, in the service industry—people who wait tables, waiters, waitresses, park cars—over 30,000 jobs were lost. Those people are now without unemployment benefits. Their time has run out.

I think we should extend it. They did not do anything wrong. We have done it in the past. It is not as if they are not willing to work. They are on the union lists. If something picks up, they will be rehired. In the meantime, they need help.

I was a big supporter of Welfare to Work. I think we did good work during

the Clinton years to get Welfare to Work. As you recall, President Clinton didn't accept proposals that were sent to him. He kept vetoing them until he got it just right. He improved it by his veto.

There are people in Nevada who are working in the service industry. Some of those 30,000 people are people who went into Welfare to Work. These people may be dishwashers. They may be people who assist maids in cleaning up the hotel rooms in Las Vegas and Reno. They may be someone working in some other rather low-paying job, but they get paid certainly a lot better than being on welfare. Those people are out of work and haven't been on the job long enough to qualify for unemployment benefits. We want to give them some help. But no, this isn't quite the right time to do this.

There was the Department of Labor study done in 1999. This is not some new study to justify an unemployment insurance extension. This was done in 1999. Every dollar invested in unemployment insurance extension generates $2.52 in gross domestic product.

Another study by the Department of Labor estimated that unemployment insurance mitigates real loss in gross domestic product by 15 percent. In the last five recessions, the average peak number of jobs saved was 131,000.

Joseph Stiglitz, co-winner of the Nobel Peace Prize in economics last year, stated that we should extend the duration and magnitude of the benefits we provide to our unemployed. This is not only the fairest proposal but also the most effective. People who become unemployed cut back their expenditures. Giving them more money directly would increase expenditures.

But here we are not doing what is called for by the President of the United States, saying that if we are going to do something on an economic recovery plan, it should be short term, fiscally responsible, and it should do anything for the deficit. This amendment fails on all three.

The Congressional Research Service concurs with Joseph Stiglitz. They say that extending unemployment compensation is in fact likely to be a more successful policy for stimulating aggregate demand than any other tax or transfer charge.

There is a time and place to debate whether or not the estate tax repeal should be made permanent. I acknowledge that. There is a time and place to do it. But it is not on this legislation. This is another effort to allow the minority and the President of the United States and the people around him to blame Senator DASCHLE and the Democrats, that we didn't do anything to pass an economic stimulus package.

But the American people aren't that stupid. They know that we have done it. It was laid out here yesterday in detail by Majority Leader DASCHLE. He has tried to get an economic stimulus package passed.

What did he ask for? What does the underlying bill call for? It calls for extended unemployment benefits. It calls for tax rebates for those people who didn't get tax rebates during the first round. Remember, the most successful part of President Bush's tax cut program was our program that he stole from us. I was glad he did. But that was our program. We called for rebates. That was us. We asked for that because we knew those people would spend that money quickly. They have.

Also, part of Senator DASCHLE's legislation was bonus depreciation. What is that? The bill would increase the bonus depreciation deduction for the cost of any capital asset purchased between September 10, 2001, and September 11, 2002, and it would be certified by the end of 2002.

One of the amendments offered by the chairman of the Finance Committee, Senator BAUCUS, extended that. So Senator DASCHLE's 1-year proposal has been extended. The bonus depreciation up to 30 percent of the cost of the asset would be in addition to the normal first year depreciation. Leaseholds would qualify for the bonus depreciation deduction. This would really help small business. It would help big business, but it would really help small business. That is why the majority leader included this in his legislation.

Finally, a provision in his legislation would provide temporary increases for a Federal Medicaid matching rate, called FMAP. The Federal Government matches between 50 and 83 percent of the cost of Medicaid in each State depending on the State's per capita income. Medicaid matching rates for fiscal year 2002 are based on a State's per capita income in 1997, 1998, and 1999, in which the economy was very strong. The most recent economic trends do not reflect a new matching rate. Senator DASCHLE wanted to adjust that.

Why did he pick these four things: Extended unemployment benefits, tax rebates, bonus depreciation, and fiscal relief for the States? The reason he did it is people believed these things would be stimulative to the economy. But he narrowed it down to four things he had heard speeches about given by the majority and the minority in the Senate saying we think this should be done. There was general agreement on the four things he put in this legislation. But, no, it is not quite the right time. No matter what happens, it really is not quite the right time to do it.

Now we are in a debate about making the estate tax repeal permanent. Let us see. Does that stimulate the economy? No. Is it short term? No. Is it fiscally responsible? No. But again it deals with the rich people. I am all for helping rich people. I think it is something we have an obligation to do. I think helping rich people helps everybody. But there is a limit.

I say to those unemployed watching C–SPAN today, keep in mind that we are trying to help. We have tried and tried and tried. This has been going on for months now. On this particular legislation, we tried again after the Christmas break, starting January 23. This is the third week we have been on this. It is never quite right. There just isn't anything we can quite do to get to finality.

Under the Senate rules, it is not like the House of Representatives. If you have one more than a majority over there, you can ram anything through. It is like the British Parliament. When you are in the majority in the British Parliament, you march down the road and get anything you want. But that is not the way it is in the Senate.

For 200-plus years, the Senate has had certain rules. They work well. But it does not make things easy in passing legislation. And you usually have to have 60 votes.

Senator DASCHLE thought he had 60 votes for everything that was done here. But, no, it is not quite the right time to do an economic stimulus package today. Maybe tomorrow. Maybe the next day.

But what we are faced with is a farm bill we would like to complete, we have election reform we would like to complete, and we have energy legislation we would like to work on prior to a week from this Friday. It leaves the majority leader with very few alternatives because it is obvious this is a slow walk—this has been a slow walk since January 23—because no matter what the leader does, it is not quite good enough.

So I respect the feelings, the passion that my friend from Arizona, Mr. KYL, has. He is very good at expressing how strongly he feels about that. I understand the strength of his feelings. My counterpart, Senator NICKLES, I understand the strength of his feelings in repealing the death tax. The manager of the bill today, Senator SESSIONS from Alabama, makes a very good point on why he feels as strongly as he does. And I appreciate that.

But I say to my friends—and all three are my friends—it is so obvious what is happening here. This stimulus bill, which we have been trying to pass since January 23, is going no place. Everyone can see that. We are going to have a cloture vote on it tomorrow to try to get 60 votes. It seems pretty clear to me the minority is not going to allow debate to stop on this legislation. That being the case, it is up to the majority leader how we will proceed. He is the only one who has that decisionmaking power.

We have other things we have to get to, such as the farm bill. Nevada is not really a State that depends heavily on agriculture. We grow garlic. We are the largest producer of white onions in America. We grow a few potatoes. We have many cows. We have some large dairies to supply some very thirsty people in Las Vegas. We even supply Carolina some milk. But we are not a State dependent on agriculture as are so many States.

But the farm bill is very important to many Senators. Of course, that is something we could not complete. We

could not stop the filibuster on that at year's end.

We thought we had a bipartisan agreement on election reform, and I think we do. There has been tremendous work done by Senator DODD, Senator BOND, and others—bipartisan legislation—so we don't have the problems we had in the last Presidential election.

I am not necessarily picking on Florida. I think if a lot of States had been looked at with a magnifying glass like Florida was looked at in the last election, we would all have problems. But this is a bipartisan effort to try to make that no longer the case—that we would have certain standards for elections and that the Federal Government would assist States in obtaining and then maintaining those standards. So we need to do that.

Of course, energy legislation is something for which there has been a hue and cry from the minority, and rightfully so. We need to get to that legislation. Senator DASCHLE, last year, made a commitment that we would get there before the Presidents' Day recess. The Presidents' Day recess starts next Friday, so that leaves very little time.

With all due respect to the fervency of the feelings of those who want to repeal and make permanent the death tax, keep in mind that at this stage it is only an effort to divert attention from what we are really trying to do; that is, pass a bill that will stimulate the economy, will be short term, will have no effect on the deficit, and be fiscally responsible—not legislation that, once again, has the unemployed getting zilch, zero, nothing, and the wealthy, again, getting the largest amount that we throw to them. And even though they deserve attention—and we have given them plenty—I think the time has come to help those people who need help: the unemployed, the underemployed, small business people, and helping States that are having difficult times because of the Medicaid matching funds.

Of course, as I have indicated earlier, we really need to do something to help small business. And in the process, we would be helping big business with this bonus depreciation.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I thank my colleague for his speech. I think we all share some frustration—obviously, from different viewpoints—about the stimulus bill. I would just like to suggest there is a solution to the problem; and that is, we could have a unanimous consent agreement where we would let our Democrat colleagues put together a stimulus package, we would put together a stimulus package, we would have a unanimous consent agreement to vote on both of them, and if they both got over 50 votes, then the one that got the highest number of votes we would take to conference with the House. And we would, therefore, be on our way to have a stimulus package.

Our Democrat colleagues are not going to accept that proposal because the problem is, we have a majority vote for a bipartisan agreement that was put together by Senator SNOWE and Senator BREAUX it has nice rhythm: SNOWE and BREAUX and it is supported by moderates on both sides of the aisle and has very strong support among Republicans in general.

I remind my colleagues the sad history of the stimulus package is that the President met with Democrats and met with Republicans, took some Democrat ideas, took some Republican ideas, and made a bipartisan proposal, which I believe the President earnestly thought, in the aftermath of September 11, we would adopt.

What happened—almost immediately—is that our Democrat colleagues said: We will take the half of the bill that is ours, but not the half of the bill that came from the White House and from Republicans.

We can go back and forth and make our arguments. We have clever people on both sides of the aisle. We can argue we don't see any stimulus in the Democrat package. Obviously, they can make the same argument. I don't know who would be convinced on either side.

But when that effort failed, Democrats and Republicans in the Senate got together and put forth the only bipartisan proposal for a stimulus package that has been put forward in the Senate. At that point, we clearly had more than 51 votes for a stimulus package. This was way back before Congress adjourned in December.

In an extraordinary action, the President said: Take that bipartisan compromise. Let's agree on it. I will sign it into law. He asked the House of Representatives to take a bill written by the Senate, to introduce the bill in the House, and pass it, and send it to the Senate.

At that point, as the session drew to a close last year, the majority leader, Senator DASCHLE, knew that the bill that had been passed by the House, and had come over here, and was waiting at the desk, that there were a majority of the Members of the Senate—Democrats and Republicans—who would vote for that bipartisan proposal if it were brought to the floor of the Senate.

No one can dispute those facts.

What did the majority leader do? He refused to bring it to the floor of the Senate.

When we came back into session, the majority leader took three provisions from the President's proposal—some in a slightly different form than the President had put in his proposal—because Democrats had proposed them, threw the rest of the package out, and then made up a fourth proposal that no one had seen, and brought that forward as a stimulus package.

He has every right to do that. He is the majority leader. But we have a right to offer our amendments. We have offered amendments. Some have been adopted. Some have been rejected. We have had an orderly debate. We have been willing to set time limits on votes. And now the Democrat floor leader says that we are getting nowhere and that this is not a real effort.

We ought to have an opportunity to vote on a bipartisan proposal. I believe it would pass. It looks as if we are not going to do that.

We want an opportunity to vote on some things we believe will stimulate the economy. I will, before I address the amendment before us, sum up the point I made earlier.

The majority leader has some choices. He can bring up his bill and give us the right to try to improve it. That is what we are trying to do. He says now he is going to pull down the bill because we are trying to improve it. He has the right to do that.

A second alternative is to bring up the bipartisan bill and give Senator DASCHLE a chance to amend it. I think we can work out an agreement to do that, but I do not believe Senator DASCHLE is going to do that because the bipartisan bill will pass.

A final proposal, which I repeat in case anybody is interested in a compromise, is let the Democrats sit down and write the best bill they can write. We are going to take the bipartisan bill. It is not the best bill we can write, but it is a bill that has over 51 votes. It is not wonderful, but it would help the economy both in the short term and in the long term. We are going to take that bill. Let the Democrats bring forward their proposal as to how we stimulate the economy, and let us bring ours forward. We will vote on both of them, and the so-called ''king of the hill'' parliamentary procedure that we could put into place by unanimous consent is the one that gets the most votes will be deemed passed, and then we can go to conference with the House, and perhaps we might get a stimulus bill.

I do not see how anybody can say that is unfair. Senator DASCHLE could get a vote on his stimulus package. We could get a vote on the bipartisan one, and majority would rule.

I do not think that is going to happen because the Daschle package would get fewer votes. We all know it. The bipartisan bill would pass, and I believe that would be objected to.

What does this all boil down to? The one bill that can pass the Senate, the majority leader will not allow to be voted on.

You can say that is a good thing and you can say that is a bad thing, but it is a fact, and that is the impasse in which we find ourselves.

We now have a bill that very few people are for, and we just want to try to amend it.

We have an amendment before the Senate which is a very important amendment. When we passed the tax cut last year, we faced a parliamentary problem that most people do not understand; that is, we were operating under a process called reconciliation. That is a budget process. It means the things

you do under that process can extend no longer than the budget unless you can waive a point of order and get 60 votes.

Some will sadly remember that the tax cut received 58 votes in the Senate. We did not have the votes to waive this process so the tax cut could last only as long as the budget, and the budget was only 10 years long.

It produced this incredible situation that stuns the American people when we tell them. The tax cuts that we passed—eliminating the marriage penalty, eliminating the death tax, reducing tax rates dramatically—all of those provisions go away in 10 years.

Nothing is more destabilizing to the economy than having a temporary tax system. There is no doubt that we affect behavior when people do not know what the system is going to be in the future. This is especially true with regard to the so-called death tax.

As our dear colleague from Arizona has pointed out very clearly, we have this incredible anomaly that if you die, depending on in what year you die, between now and the 10th year of the tax cut, the taxes you pay will vary. If you die in the 10th year, your family will inherit your business or your farm or your assets tax free. If you die in the 11th year, they are going to have to sell your business or sell your farm, sell or mortgage your life's work to give the Government 55 percent of every dollar you accumulated worth of value on your farm, your business, your assets in your lifetime.

Needless to say, that is an absurd circumstance. I, quite frankly, am concerned that people who have some kind of serious illness might actually choose to end their lives in the 10th year. That is not beyond my imagination.

We had a strong consensus on repealing the death tax. I know our dear colleague talked about rich people, but, we had a consensus that if somebody works their whole life, they pay taxes on every penny they earn and they skimp, they save, and they sacrifice and they build up a family farm, it is not right that their children have to sell the family farm to give Government a double taxation by paying 55 cents out of every dollar they accumulate in their life back to the Government.

The same is true for small business. The National Federation of Independent Businesses, in surveying companies, found that the No. 1 reason small businesses do not survive into the second and third generation is death taxes.

I rejoice. I know some of my colleagues view the whole world as a class struggle. They believe all of existence is a conflict between the rich and the poor. I always get confused about who is who because it changes so often.

I liken the stimulus package to the coldest week of the year, it is snowing, it is sleeting, it is freezing, and a breeze comes along and blows a roof off an apartment building. Logical people say: Why don't we rebuild this roof?

We have colleagues who say: Wait, won't people make money rebuilding this roof? There will be a profit, and don't rich people tend to live on the higher floors of this apartment building? Won't they benefit more by having a roof than the poor people who live in the basement and on the first and second floors?

Really, wasn't that what the stimulus debate was all about? Honest to God, what we do, remarkable as it sounds, is we end up buying a bunch of blankets, stockpiling penicillin, we hire a bunch of doctors and nurses, and we spend a whole winter treating people for exposure rather than rebuilding the roof on the apartment building.

On the death tax—and I am sure my colleague from Arizona will concur—I have never spoken on this subject in my State to any audience no matter what their background, what their education, no matter what their income, no matter what their wealth that did not believe that it was fundamentally wrong to force a family to destroy their life's work in a business or a farm to pay taxes when somebody died. People fundamentally think it is wrong to tax death. You have to die anyway. That is never a happy event. Why should we compound it by rushing in and collecting a tax at that moment?

I have found in watching audiences, when I have spoken on this subject, it does not seem to matter whether it is a local banker or whether it is a guy who works at the filling station. Nobody believes, at least in my State, that it is right when somebody has paid taxes their whole lives, has built up a farm or a business, to take it away from their children when they die.

We reached a bipartisan consensus on that principle, but because of this fluke in the budget process the death tax comes back in 10 years. So we have 1 year where it is repealed. The Senator from Arizona, in an amendment I am proud to support, has proposed we make the repeal of the death tax permanent.

My guess is we are not going to get to vote on that this evening. I assume the Senator from Arizona would love to vote on it today. Our Democrat leader, our dear friend, has said there is a stall underway.

We would like to vote on this amendment now. At some point, the Senator from Arizona might ask unanimous consent that we have an opportunity to vote on this amendment this afternoon. What I am fearful is going to happen is we are going to have a vote on cloture—and nobody knows what that means except people in the Senate, but that means no more amendments can be voted on, the Daschle proposal has to be voted on by a yes or no. If that is defeated, as I believe, A, it should be and, B, it will be, then in listening to Senator REID it sounds to me as if the majority leader is saying he will pull down the bill and we will never get a chance on this bill to vote on making the death tax repeal permanent.

I think this is an important issue. I would like to vote on it. Perhaps if people want to get on with writing the bill, if we could make the death tax repeal permanent, as bad as I believe the Daschle proposal is, I believe it does absolutely nothing for the economy, I would have a hard time not voting for it if we were making the death tax repeal permanent.

Quite frankly, if Senator DASCHLE wanted to pass his bill he could probably pick up at least two votes by supporting our amendment. So, A, I hope we can vote on this today. B, I hope we can vote on it someday. C, I believe when the American people understand we did not really repeal the death tax unless you die 10 years from now and if you do not die in that year it comes back, I think they are going to demand it be repealed, and I believe it will be repealed. I do not have any doubt in my mind we will repeal the death tax.

I thank the Senator from Arizona. I urge him to talk to the majority leader about having a vote this afternoon. We would like to vote. Every Senator in the Chamber right now, except Senator REID, is convinced, and the Presiding Officer, and we are ready to vote. We would like to have a vote on this issue. Perhaps if we could adopt this amendment, we might be moving toward a stimulus package that would be truly bipartisan.

I thank my colleague for his leadership, and I yield the floor.

The PRESIDING OFFICER (Mr. DAYTON). The Senator from Arizona.

Mr. KYL. I thank the Senator from Texas very much for his great set of comments, and also for what he said personally. I agree, when the assistant majority leader says there is an attempt to slow walk this bill, that is simply not the case. In fact, I will not do it right now because he is preoccupied, but at some time when we have the Senator's full attention—he has had a chance perhaps to talk with others on his side—I will propound a unanimous consent to vote as soon as we can, to vote this hour, to vote next hour, to vote sometime this evening, to vote sometime before the cloture vote, on this amendment. If we could vote before 4:30, we would be prepared to do that. Or if there is an effort to get a little bit more debate before the vote, that is fine, too, but there is no effort to draw this out. I am ready to vote right now on this amendment and move on.

The Senator from Nevada made the point that this amendment offered by the Senator from Arizona shows how hard it has been for the majority leader, what he has had to put up with for many months; that it does not matter quite what he does, the bill is never quite right and amendments are offered.

There are three responses to that. First, there have not been that many amendments offered to this bill, certainly not that many which have been debated and voted on, only a handful.

Secondly, I think the Senator from Nevada must concur the bill is not quite right because he and I have an amendment which we both think is a pretty darn good amendment that would make the underlying bill a lot better. Senator REID himself proposed that amendment on our behalf. I believe it was yesterday. So, no, we do not think the bill is quite right either.

Of course, when Senators do not think it is quite right, then we have an opportunity to offer an amendment. Frankly, there are a lot of things I do not like about it. I would love to propose a lot of amendments, but I selected only two: this very important death tax repeal because of the effect it will have in stimulating the economy, and the other is the amendment that Senator REID and I sponsored, which also would have a direct stimulative effect on the economy because it helps the precise industry that was most dramatically affected, the air travel industry. We can relate it to the travel industry generally after September 11.

So, no, there is no effort to slow walk this bill or to prevent it from ever being considered or voted on. We are simply trying to do what Senator REID himself has tried to do, and that is make it better.

I dare say the amendment I have offered would make the bill a whole lot better. As the Senator from Texas said, even though I am not much in favor of the underlying bill, if we were able to adopt this death tax repeal and make that permanent, I would be sorely tempted to vote for the majority leader's bill.

The other point I wanted to make with respect to this business of slow walking is exactly what the Senator from Texas said. We could vote on the Centrist Coalition proposal right now. I think everybody recognizes that would pass. We could be out of here by 5 tonight by allowing the bipartisan Centrist Coalition bill, which President Bush has endorsed, to come to the floor. It is, in fact, the only bill that can pass this body.

So if we are talking about getting something passed and getting it to conference so we can actually have a stimulus package bill, we all know the formula for that. It does not have to take but another few minutes and we could be done with it. We offered to do that. I offered to be sorely tempted to vote for the underlying bill if my death tax amendment is adopted, and I probably would. We can get all this done very quickly.

One other thing I wanted to respond to that my friend from Nevada argued, and it is the same old argument that was made when we considered the death tax repeal the first time around—it was wrong then and it is wrong now—is that the death tax only applies to the top 1 ° percent and therefore it is a tax on the rich, and who would care about the rich?

Well, there are really three responses to that. The first is that it is just not true. As I noted before in my earlier comments, Dr. Wilbur Steger, who is a Ph.D. and president of CONSAD Research Corporation, and a professor, has noted this argument that it only applies to the top 1 ° or 2 percent is wrong.

He says that, in fact, in a typical year, the total number of taxable estates that consist largely of family owned businesses likely exceeds 10,000.

What does that number really mean? First of all, that is 10,000 businesses. Multiply by that the number of employees who work in each business. Pick any number. One certainly has to say the people who work for those businesses are directly affected. If the business goes out of business because the death tax has to be paid, that directly affects every employee in that business, times the number of family members with each one of those employees, times the number of stores that they buy things from and all the rest of it.

A lot more people are affected by the death tax than just the number of people who happen to die each year who end up paying the tax, in addition to which everybody who might have to pay the tax has to be worried every year about the estate planning. They, too, are directly affected.

As I pointed out before, they end up paying at least $23 billion a year, and the lawyers, accountants, estate planners, insurance, and other expenses of estate planning that enable them to deal with this future contingency. They may not die this year, but they are having to shell out a lot of money this year in order to deal with their potential future estate liability.

It turns out a lot of people are affected by the existence of the death tax. What the Senator from Texas pointed out a while ago is the clincher. There is nothing more destabilizing to an economy than having a temporary tax, especially one which no one can predict with any degree of certainty is going to apply in the future. I refer specifically to the estate tax. We phase it down a little bit over the next 8 years. Then we repeal it altogether. Then it goes right back into existence as it was last year with a 60-percent rate. How can I plan against that if I don't know when I am going to die? Do I plan for it in the eighth year, in the seventh year, or maybe in the year that it is repealed altogether? That would be great if I died that year; at least my heirs would not be burdened. But if I live an extra year, they have big problems. What about beyond that? Nobody knows.

As the Senator from Alabama argued earlier, you do not know whether to invest in the plant equipment or put the money away because you have to pay the estate tax with it. It is very destabilizing. In the meantime, you keep shelling out that money to the estate planning folks rather than investing it in your business. That is why it belongs on this bill.

We know it will create jobs, 240,000 jobs in 7 years. Americans would have $25 billion in additional disposable personal income. This is from a report of the Joint Economic Committee, not my numbers. We have other estimates that back up this point. As a matter of fact, Dr. Steger, who I quoted earlier, indicates an immediate death tax repeal would provide a $40 billion automatic stimulus to the economy. That is because of the pent-up capital that citizens do not deal with because of the potential tax liability that exists; a $40 billion automatic stimulus to the economy at virtually no cost to the Treasury. Talk about getting the bang for the buck, I don't think there is anything we can do that would have a greater immediate impact on our economy than the repeal of the death tax.

We talk about extending unemployment benefits for 13 weeks. Does that stimulate the economy in any way? No. Does that create any jobs? No. But it is a central feature of the stimulus bill that is before the Senate.

We may want to extend unemployment benefits for the people currently out of work. But I don't think anyone can argue that stimulates the economy. To anyone who says, Senator KYL, how come you are offering the death tax repeal on the stimulus bill? I say, how come you are offering or supporting the unemployment extension? That does not create a single job. I know people would rather have a paycheck than an unemployment check. Let's do something that would stimulate the economy, create jobs, provide that investment, take the $40 billion in pent-up capital, and get it into our economy, create the 240,000 jobs.

I have heard the arguments in response. I cannot imagine the Senate, which passed the death tax repeal before, would not want to finish the job of making that permanent, given the fact that it does not do a whole lot of good, except if you die in the 10th year, to do the partial repeal, the temporary repeal, the confusing and destabilizing repeal that we effected last year, without going into the final step and making it permanent. It seems to me to make so much sense.

The Senator from Texas made a comment; he thought maybe the effort would be to deny a vote. I certainly hope that is not the case. I think the American public deserves to know where their Senators stand on this issue. Do you believe in making the death tax repeal permanent or not? Do you believe it can help stimulate the economy and create jobs or not?

There are those who are going to differ on this. That is what the Senate is all about. That is fine. Take the vote. Stand where you want to stand on the issue. But we can do that quickly. We can move on to the next amendment. We can consider a whole number of amendments before we have the vote on cloture sometime tomorrow. That would be my proposal.

As Senator GRAMM said, perhaps what we should do, and I will wait until the assistant majority leader is

on the floor, perhaps we should ask unanimous consent, and I will indicate at the appropriate time when someone from the other side is here to respond other than the Senator from Minnesota, who just walked on the floor, we will ask unanimous consent to be able to vote for this at a time of their choosing prior to the cloture vote.

The Senator from Minnesota has arrived. If he wishes to speak to this, I am happy to defer to him.

Mr. WELLSTONE. I thank my colleague. I say to the Senator from Arizona, I thank him for his graciousness.

I do not know what the dynamic is here. I know there is an amendment I want to do again with Senator DURBIN and Senator DAYTON. My understanding is we may not be able to do that so there may be some problems in terms of what amendments we are able to vote on before cloture tomorrow.

However, I want to make it clear, and I assume this would make the Senator from Arizona feel better, I do want to go on record as to where I stand whether there is a vote or not. I am in very strong opposition to the amendment of the Senator from Arizona.

The good news is that in the short run, just a complete repeal of the estate tax would be over the first 10 years about $55 billion. The bad news is, over the second 10 years, when many will be 65 years of age and over, and we will all be looking to see what is in the Social Security trust fund and what is in Medicare, this amendment will cost $800 billion.

I say to the presiding Chair, I had interesting discussions with business people in Minnesota who say I am wrong. They need some help for when we pass our business to our children. I said: How about up to $5 million? And they say that would be reasonable.

But that is not what we are talking about. We are talking about an amendment that does away with all of the estate tax. I have a figure that actually 636 Minnesotans paid the estate tax in 1999.

When we hear about small farmers and small businesspeople, we are talking about the top, of the top, of the top, of the top of the population. For example, I don't pick on Bill Gates. I think he just did a good thing, talking about where is the United States and other countries in terms of our commitment to developing nations. But I don't think the Gates family really needs any help. And I think it is a little outrageous to take $800 billion out of the Social Security trust fund at the very time that many of the baby boom generation are going to be turning 65 years of age and over. That is exactly what we got in the President's budget.

I say to my colleague from Arizona, whether there is a vote or not, I am on record opposed to this, and pleased to be opposed to it. I find absolutely incredible the situation now. We have a budget that comes out from the President. We find we are going to eliminate the empowerment zones in our city. In Minneapolis, they are extremely important. The budget will actually eliminate the grants to the empowerment zones. What is supposed to be for additional child care or affordable housing will not be there, and the budget will cut the 7(a) program in the State of Minnesota. Since 1996, we leveraged $1 billion to small businesses in the State of Minnesota. We will cut the 7(a) program in half. That is $1 billion of capital we have been able to leverage to small business. It will cut the 7(a) program by 50 percent.

I hear Secretary Paige say in order to figure out how to make up for potential cuts in the Pell Program, because we keep the maximum at $4,000 a year, we will take away from true north in Minnesota. It also affects telework, people trying to find jobs and develop businesses at a time when our steelworkers are losing their jobs. Then we will go after child care. Then we go after homeless votes. Then we will cut counselors and there is no additional money for affordable child care, no additional money for Head Start. My gosh.

I hear this administration; they love the children. They are all for the small children. I am sorry to be cynical, but in the words of Fannie Lou Hamer, who once said, ''I am sick and tired of being sick and tired,'' I am sick and tired of this symbolism.

Then, I say to the Presiding Officer, we are still waiting. The Senate did a good job; Republicans did a good job—bipartisan. We were going to make the program for children, for special education, mandatory over 6 years, full funding. It would have helped our State $45 million this year, $2 billion, I say to Senator DAYTON, over the next 10 years. None of that is in the budget. But now what we have is a proposal that over the next 10 years—I mean the first 10 years, $55 billion—is bad enough. The next 10 years, when we are not going to have money because the administration has taken the money out of the Social Security and Medicare trust funds, put us into deficit, and then by the Kyl amendment, over the second 10 years, it is $800 billion. This is simply unacceptable, and I want to make clear how strongly I am in opposition.

Mr. REID. Will the Senator yield for a question?

Mr. WELLSTONE. I am pleased to.

Mr. REID. My good friend from the State of Arizona, Senator KYL, said that unemployment insurance extension does not create a single job to stimulate the economy.

Does the Senator from Minnesota, who has spent a lifetime dealing with those who are not privileged, including the unemployed—would the Senator agree with that statement? Or would the Senator agree with the statement from Joseph Stiglitz, Nobel Prize winner in economics, who says:

> . . . we should extend the duration and magnitude of the benefits we provide to our unemployed. This is not only the fairest proposal, but also the most effective. People who become unemployed cut back on their expenditures. Giving them money will directly increase expenditures.

Would the Senator agree with that statement or the one from our friend from Arizona, Senator KYL, who said unemployment extension does not create a single job to stimulate the economy?

Mr. WELLSTONE. Mr. President, I say to my colleague from Nevada, the truth is—first of all, even if I did think extending unemployment insurance was not a stimulus to the economy, I would be for it because we ought to help people who are flat on their backs through no fault of their own.

Second of all, Joseph Stiglitz, who was with the World Bank, a fine economist, is exactly right. It is not just him, it is just about every economist you talk with, much less people back in Minnesota, talking to people in their homes and coffee shops, who all know, by definition, if you are going to extend unemployment insurance to people and put some additional dollars in their pockets, they have to go out and buy necessities for their families. They are living month to month trying to pay their bills, so of course they are going to use that money to consume, and of course it is going to stimulate the economy as opposed to—here is the interesting question, I say to my colleague—ending all of the estate tax, which, by the way, again, 636 Minnesotans pay; you have to be super, super wealthy, rich. What we are going to do instead is end that for everyone—not target it, not $5 million or $6 million, just end it for Bill Gates, who is doing good work right now, again dealing with the developing world. We are going to give it to him, and that is somehow going to stimulate the economy. But extending unemployment insurance for people who are out of work, that is not going to stimulate the economy? I think that argument is profoundly mistaken.

Mr. REID. Will the Senator respond to one more question? The minority all afternoon has said they want to vote on the package that came from the House. They said it can get more than 50 votes.

Is the Senator from Minnesota aware that just in recent days we, over here, many times have gotten more than 50 votes? On the farm bill, 53 to 45, 54 to 43, 54 to 43; unemployment insurance, we got 56 votes on that; on the Social Security lockbox, we got 53; on the Durbin unemployment insurance amendment, we got 56 or 57 votes; on the Baucus farm amendment, 57 votes.

The Senator from Minnesota and I have been in the Senate a number of years. It is very frustrating to recognize you need 60 votes to pass things here, but that is how much it takes, doesn't it, generally speaking?

Mr. WELLSTONE. That is correct.

Mr. REID. If we used the logic of the minority, we would have passed several Democratic amendments by this point

because they received 50 plus votes. I ask my friend, is the minority's argument sound, when we have had a tradition of more than 200 years that you need more than 50 votes; in fact, you need 60 to get things going—is that a fair statement?

Mr. WELLSTONE. There are two points I would like to make for my colleague. I don't know if he would agree with the second point, but we could have a good colloquy about this.

First of all, the Senate is designed as a deliberative body. There is going to be debate. That is part of what makes the Senate unique. Sometimes it can drive you crazy, but what makes the Senate unique is the unlimited amendments and unlimited debate. So you have the 60-vote requirement, quite often, on all pieces of legislation. That is the Senate. That is the way the Senate operates.

But my second point is a little bit different, which is, frankly, I hate to say this, however many votes you get in the Senate, sometimes there is a disconnect between the Senate votes and the people we represent.

I have to tell you this. The House proposal that comes over here, that House proposal is a proposal that repeals the alternative minimum tax. That House proposal is a proposal that gives away money, gives tax breaks to companies such as Enron. It gives $1 billion General Electric, for this multinational corporation. By the way, that is in the President's budget proposal: $13 billion of tax breaks for the Enrons of this world, yet we don't have the money for children in education; we are cutting the Low Income Energy Assistance Program; we don't have the money for affordable housing.

I say to my colleague again, if you talked to the vast majority of people in the country, they would say: What in the world are you doing? If you are going to have an economic recovery package, at least extend unemployment insurance, at least help the people who need the help, at least get the money in the hands of people who will consume.

Yes, there is a 60-vote requirement, and then there is the substance. I am sorry to say this. I am well aware that up until very recently the Enrons of this world have had way too much influence here, and I am well aware of the fact that some of these other big multinationals are big givers, heavy hitters, investors, and have a lot of clout. But the truth is, the vast majority of people in Minnesota and the rest of the country cannot understand this at all. They don't know what in the world giving tax breaks and tax loopholes for these big multinational corporations has to do with fairness, or has to do with economic recovery, or has to do with helping people who are unemployed, or underemployed, or subemployed, or among the ranks of the working poor.

Mr. REID. Will the Senator indicate how many millions of people live in the State of Minnesota?

Mr. WELLSTONE. Close to 5.

Mr. REID. The Senator from Minnesota said that last year approximately 650 people paid estate tax?

Mr. WELLSTONE. It was 636.

Mr. REID. So 636 people paid estate tax. How many people would you estimate are now unemployed in the State of Minnesota?

Mr. WELLSTONE. We are up to about—the percentage is about 4.5 or 5 percent, I think, unemployment in Minnesota right now.

Mr. REID. So it is tens of thousands of people?

Mr. WELLSTONE. Oh, yes.

I think it is about 5-percent unemployment, which is quite high for our State. That is the official definition of unemployment. That doesn't include the people who quit looking for work because they are discouraged, or people who are working part time because they cannot find a full-time job, or people working way under the wages they would normally make in a better economy, or people who work but still have poverty wages.

There was a report last week indicating that almost a third of adult Minnesotans are working jobs at under $10 an hour.

Mr. REID. The last question I ask my friend is this: Doesn't it seem we should be spending time on the tens of thousands of people in Minnesota who are out of work, or are no longer looking for work, or those people who are underemployed? Wouldn't it be better if we were spending some time dealing with them rather than something that is going to happen 10 years from now for the wealthiest people in America?

Mr. WELLSTONE. Of course. The Senator's words are near and dear to my heart. The answer is yes. That is why I decided to come out on the floor. I was thinking to myself: We are trying to have a simple extension of unemployment insurance; are we not down to 13 additional weeks?

In my State of Minnesota, we are focused on what is going on with education, what is happening to our children, what is happening to our schools, and where the resources are. Why can't we get the money for special education? Why can't we do better making sure the kids come to kindergarten ready to learn? Why can't we do more with afterschool programs?

Look at this budget from the administration. What you find from what the President is proposing is all of these discussions about priorities and values. But we are not going to have the money for prescription drug benefits. We are going to say in Minnesota if you are an individual with an income of $13,000 or under, or a couple with an income of $17,000 or under, you are eligible, but the rest of you aren't. We have about over 600,000, and closer to 700,000, Medicare recipients. The income profile is not high. Many of them have incomes over this, but they cannot afford prescription drug benefits. They are out.

The small business 7(a) program is cut in half. They are out. One would eliminate homeless programs for veterans. That is out. One would eliminate true north economic development work on the Iron Range in Minnesota. That is out. One would eliminate help in funding for childcare in Minneapolis. That is out. They want to go after empowerment zones and enterprise zones in Minneapolis. That is now out. They want to go after affordable housing. That is out. Help for school counselors is out. Rural education is out—all for the sake of Robin-Hood-in-reverse tax cuts giving away money to the wealthiest citizens in the country.

These are distorted priorities. This is a no-brainer. I think I am going to make this point over and over again. Let me frame the issue differently.

What we have out here is an amendment that says eliminate the estate tax for the wealthiest citizens in the country—I mean the very wealthy. It is not targeted. I would be for actually targeting this. I wouldn't mind at all doing something that would help our family farms and small businesses. We should do that. That is not what this amendment does.

We have an amendment targeted to the wealthiest citizens in the United States of America which will deplete this economy over the next 10 years at the very time baby boomers are 65 years of age and over. I am one of them. This amendment further depletes the Social Security trust fund.

That is one of the issues that people have to understand. With the President's budget proposal, we are talking about over the next 10 years taking close to $1 trillion out of the Social Security trust fund, and now another $855 billion over the next 20 years, all for the sake of tax breaks for the very wealthy, the very powerful, and the very well connected.

My colleagues on the other side of the aisle don't want to move forward with—I don't even know what you call it anymore—lifeline legislation, some help for people who are out of work, some extension of unemployment benefits. They don't want to do that.

I would like to have included coverage for the working poor and part-time workers. I would like to have increased benefits. I would certainly like to have included some help for COBRA and health care coverage. Most of that is not in here. It is just a simple extension of unemployment insurance. It is hardly anything else.

They oppose that but instead come out here with a $855 billion program over the next 20 years with all of it going to the wealthiest of Americans. That is basically the choice we have.

I would love to do a poll in coffee shops in Minnesota and across the country as to what people think about these choices.

Judge me by what I do. Judge me by my budget—not by my words.

When you start to look at the details of this budget, it is breathtaking. I am

for homeland defense. I think we need to do a lot better. We need to do a lot better with our northern border control. We need to get the public health infrastructure out there. God forbid there is a terrorist attack. We need to be prepared. First of all, we need to try to prevent it. If it happens, we need to be prepared. I am for strong defense.

I hope Senators will carefully scrutinize this budget. We have before us—between the dramatic increase in the Pentagon budget and all of these tax cuts with about 40 or 50 percent going to the top 1 percent of the population—I am now talking about tax cuts that have already passed. Now we have this estate tax. With this House proposal, they want to repeal the alternative minimum tax. I don't think they want to reach back to the mid-1980s. That is too embarrassing. Ronald Reagan was for it. The whole idea in 1986 was not to make these multinational corporations pay any taxes when all the other people in the country were.

You have $13 billion in tax breaks for multinational corporations. You have Robin-Hood-in-reverse tax cuts with about 40 or 50 percent going to the top 1 percent of the population.

You have a $855 billion reckless proposal to do away with the estate tax for the richest and wealthiest Americans in the country while at the same time cutting homeless vets programs; cuts in small business programs; cuts in childcare; cuts in empowerment zone; cuts in economic development programs for the Iron Range; cuts in counselor programs; not live up to your commitment and promise on special education, helping our kids, helping our school districts, and helping our children; don't live up to your commitment on the Pell grant program; cuts in job training during a recession and during hard economic times when people in northeast Minnesota, or in greater Minnesota, or in metro Minnesota, many of them are going back to school, or trying to go into a job training program for skills development. They have been spit out of the economy. They are looking for training so they can get back to work—cut those programs.

My party needs to find its voice. Majority Leader DASCHLE has been out there and he has been vilified. I smile. I think sometimes it is an effort to make him out to be a Newt Gingrich of the left. It is outrageous. But this party, my party, the Democratic Party, is supposed to be the party of the people. If there ever were a time for us to find our voice and for us to speak out and for our country to have a real debate about these values, it is now. In the words of Rabbi Hillel: If not now, when?

Personally, I think the thing I feel worse about is the children in relation to the education piece. I am going to be one of these people, in not too many years, who is going to be over 65 years old. Lord, we have six grandchildren. I just took our granddaughter Cari to see ''Fiddler on the Roof.'' There is that song: ''Sunrise, Sunset.'' I don't know what has happened to the time.

I believe that ultimately the way we are judged is in relation to what we have done for our children, what we have done for our grandchildren. Have we made this country better and this world better for them? I think that is how we are judged. I think that is how we are judged as parents and I think that is how we are judged as adults. I think that is how we are judged as Senators. I think that is how we are judged as Representatives. I think that is how we are judged as a nation.

How have we done for our children? We are not doing very well. In this budget, we flat-lined affordable child care. I think only about 10 percent of low-income families are able to participate in affordable child care right now because that is all the funding there is.

We say we love the little children and are concerned about the development of the brain and that we want children to read better, but we have funded Early Head Start at about the 3- or 4-percent level.

We could be a real player for children prekindergarten. We could make a real difference. We could do so much more for our schools. We could live up to our commitment on special education. For title I—I am sorry, I have indignation—they make the claim we have added $1 billion and that this is great. In real dollar terms, there is no additional money because there are more children who are eligible for title I.

We are going to test these children, all in the name of rigor. So you go to a Bancroft Elementary School and, big surprise, 80, 90 percent of them are on a free or reduced school lunch program; 60 percent of them are in homes where English is the second language; and 20, 25 percent of them move several times during the year for lack of affordable housing. There is a key education program, and there is no more funding for that. In fact, they are cutting funding for affordable housing, and we are surprised these children do not do as well? And we do not give them any more help to do better.

I think this is a debate about values. Everybody wants to talk about family values. This is a family value. How are we doing for our children? How are we doing for our grandchildren? Are we making life better for them? Are we going to make it possible for them to be good leaders in the future?

I think we have some seriously distorted priorities out there. I hope my party will directly challenge them.

A reporter said to me: The President is very popular. Does that make it hard for Democrats to be critical?

I said: Look, it is good for people to do well. The President is doing well in terms of the polls. Fine. But the real issue is whether or not we are willing to speak up for what we think is right, for what we believe in, for what we think is best for States and best for the country.

That is what people want us to do. It is important, as Democrats, that we find our voice.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the Kyl second-degree amendment.

VISIT TO THE SENATE BY THE PRESIDENT OF MACEDONIA

Mr. HELMS. Mr. President, I wish to present the distinguished President of Macedonia, the Honorable Boris Trajkovski, who is a very fine gentleman with whom I have met and with whom the President has met.

RECESS

Mr. HELMS. Mr. President, I ask unanimous consent that the Senate stand in recess for 6 minutes.

There being no objection, the Senate, at 4:45 p.m., recessed until 4:51 p.m. and reassembled when called to order by the Presiding Officer (Mr. DAYTON).

ORDER OF BUSINESS

Mr. REID. Mr. President, the majority leader has asked me to announce to all Senators that there will be no more rollcall votes today.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate now proceed to a period for morning business, with Senators allowed to speak for up to 10 minutes each.

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

ECONOMIC STIMULUS

Mr. AKAKA. Mr. President, I rise in support of the compromise economic stimulus package we are now considering.

The slowdown of our Nation's economy has been a matter of increasing concern following the terrorist attacks on September 11th. Millions of Americans are dealing with the economic repercussions of the attacks on our Nation. Hundreds of thousands of workers have lost their jobs, and consumer and business confidence has eroded during this time of uncertainty. The decrease in economic activity is affecting companies ranging from small businesses to corporations, not to mention entire industries such as the airlines and the travel and hospitality industry.

The slowdown in our Nation's economy is reflected in the State of Hawaii, where as of January 26, 2002, 56,313 people have filed unemployment claims since September 11th. This is almost double the amount of claims filed for the same time period as last year. In

the weeks after the terrorist attacks most of those filing unemployment claims worked in the visitor industry. However, state labor department officials have advised me that claims are coming in from workers laid off from a wide range of industries and small businesses in Hawaii. In 2001, our visitor industry experienced a $1 billion decline from the previous year. After September 11th, domestic travel to Hawaii fell 30 percent and international travel dropped by 50 percent. The number of visitors to Hawaii declined by 600,000. Our Governor and State Legislature are considering ways to deal with a $300 million budget shortfall.

The economic stimulus proposal that we are currently considering includes important provisions such as extending unemployment insurance benefits for an additional 13 weeks for those individuals who have exhausted their regular, state-funded benefits. With the Hawaii State Department of Business, Economic Development, and Tourism predicting that a full recovery will not occur until the last half of 2003, it is imperative that we pass responsible economic stimulus legislation. Hawaii's economy and working families cannot afford another long and disastrous recovery, especially since the State was just beginning to recover from a nine-year economic recession.

Temporarily extending unemployment insurance benefits will help the American people and revitalize consumer confidence. As recent research has shown, the Unemployment Insurance system is eight times as effective as the entire tax system in mitigating the impact of a recession. In addition, the Unemployment Insurance system is able to target the very sector of society that needs the most economic stimulus. I would like to remind my colleagues that in every recession during the past 30 years, including the 1990–1991 recession, Unemployment Insurance benefits were extended.

There is no doubt that extended unemployment insurance benefits and the other elements that make up the core of this short-term economic stimulus package would help to boost Hawaii's and our Nation's weak economy. There are faint signs of recovery and resilience nationwide which underscore that we may, I repeat may, have seen the worst from the current recession. A well-defined, short-term stimulus package that is limited and specifically targeted for maximum effectiveness can play an important role in promoting economic recovery.

Clearly, there are contrasting views among Members of Congress as to what provisions should be included in a stimulus package to maximize the stimulative effect on the economy. I believe that the economic stimulus package should encourage increased spending as soon as possible to rejuvenate the economy, assist people who are most vulnerable during the economic slowdown, and restore business and consumer confidence. However, it is important that fiscal discipline over the long-term be maintained in order to ensure economic growth in the future.

I commend the majority leader for his efforts to fashion a bipartisan compromise and move this important legislation. In addition to extended unemployment benefits, the compromise package includes three components that both parties included in their stimulus bills last year, including tax rebates, bonus depreciation, and fiscal relief for states through a temporary increase in the Federal Medical Assistance Percentage, FMAP, rate.

Last month, I attended the opening of the Hawaii State Legislature and Governor Ben Cayetano's State of the State address. I am not exaggerating when I say that increased Federal Medicaid assistance to the states is critical to my State and States across the Nation that are facing tremendous revenue shortfalls because of the recession, the repercussions of September 11th, and Federal tax changes enacted last year.

I strongly support the component of the stimulus package that would temporarily increase the FMAP rate for States. Medicaid matching rates for fiscal year 2002 are based on State per capita income data from 1997, 1998, and 1999—years in which the national economy was strong. Consequently, matching rates are slated to be reduced for 29 States in 2002. The reduction in FMAP rates has worsened an already bleak fiscal outlook for many States. In August 2001, the Congressional Budget Office projected that Medicaid expenditures in 2002 would be 9 percent higher in 2002 than in 2001, while States projected that their revenues would rise just 2.4 percent.

Rising Medicaid expenditures have long been a serious concern to States. The repercussions of the terrorist attacks on September 11 are leading most analysts to expect even higher State Medicaid costs because the economic downturn will make more people eligible for Medicaid and lower State revenues. It is during difficult financial times that the Medicaid program becomes a primary target of state budget cuts. Yet, people need Medicaid during these times more than ever.

The Federal Government matches between 50 to 83 percent of the cost of Medicaid in each state. On average, the Federal Government pays 57 percent. The FMAP formula is based on the State's per capita income in the 3 calendar years that are most recently available. For years, Hawaii received the lowest Federal match—50 percent. Recognizing that increasing the FMAP rates would ease States' financial constraints, I have long worked to increase Hawaii's FMAP rate.

The temporary increase in the FMAP is an important component of our Nation's economic stimulus policy. Medicaid is the largest Federal grant-in-aid to States. Temporarily increasing the Federal matching rate could have broad positive ramifications for State budgets, the impact of which would be rapid and would not require additional Federal or State bureaucracy. These changes would provide much needed health care to people in need by providing States the resources to do so.

It is clear that an economic stimulus package is needed to support our economy during these uncertain times and to promote a rapid recovery. We saw the Federal Reserve Board cut interest rates 11 times in a row last year with limited economic effect. Congress has also taken actions to provide some of that stimulus through emergency spending for recovery efforts and to assist the airline industry. It is critical that Congress promptly pass an economic stimulus package that will rejuvenate our faltering economy while assisting households who have been especially hard hit by the downturn in the economy. I hope the Senate will complete action on this legislation this week so that the Congress can send a measure to the President by the Presidents' Day holiday.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

ESTATE TAX REPEAL

Mr. CORZINE. Mr. President, I rise today to talk about the stimulus package, one that I firmly believe we should have as a nation. It is clear to me that while we may have a stronger economy today than we had 3 months ago or 6 months ago, we still are in a period of very slow growth, if at all, and one where I think we need an insurance policy to make sure our economy does turn around, it does pick up, and does better in the new year. We have real needs of the unemployed to address and their loss of benefits in our society.

There are plenty of reasons to believe we ought to encourage business investment through a bonus depreciation plan, and we need to help our States that are running huge deficits with Medicaid matches and in other areas.

For the life of me, I do not understand why we would think that making permanent an estate tax cut 10 years in the future is going to do a doggone thing to stimulate the economy now. While I have great respect for the distinguished Senator from Arizona, I think this idea of calling for the permanent repeal of the estate tax is just a bad idea.

Last year, I did believe there was a need for some reform with respect to the estate tax. I thought it was onerous on many small family farmers and also for small businesses and some individuals who were trying to deal with relatively limited estates. I thought it was burdensome on these folks.

I strongly opposed before I was here and I strongly oppose now the complete repeal of the estate tax. Those Americans who have done well and have had the benefit of the American promise in its greatest format I think have a responsibility to give some contribution back to the country that gave them the opportunity to do so well. We are all a part of that community. It seems reasonable that an estate tax fits within that concept.

We can talk about the rates and about some elements of it, but it seems to me there is reason to believe those who have benefited so much have a responsibility to their community and society. Furthermore, it is a gift from one generation to the next, and if we are going to be consistent in how we treat various parts of our Tax Code, gifts are taxable and so, too, should be estates.

That is not the issue today. The issue is: Is this stimulative to the economy? Is it something that makes any sense in the short term to get America's economy moving again?

For the life of me, I just do not understand it. Whatever one might think, there is just no credible argument that would show it is going to do anything to stimulate the economy today.

So I firmly want to speak out against this particular amendment because we have limited resources in this country. We have a fiscal structure that is very dangerous with regard to our needs not only in this decade but certainly in succeeding decades when the estate tax will really have a bite, as opposed to in the short run coming in, in a 10-year time frame. We have a demographic bubble that is going to change the underlying demands on Social Security. The number of people drawing it down will bankrupt it, or at least the resources will not be available to pay the benefits at a time many folks would expect them to come forward with their Social Security payments.

To complicate that problem further by making permanent this estate tax repeal is difficult to understand, particularly since it is implausible to believe anybody is going to change one whit their spending patterns today based on an estate tax repeal that is going to get implemented 10 years from now. So it is an amendment that I think has no place on a stimulus package or a stimulus bill that we might be working on today.

Again, I question whether we need a repeal under any circumstances for in fact it provides a huge windfall for a very small number of estates at the expense of the greater population. The estates of fewer than 48,000 people had to pay any tax at all in 1998. That is less than 2 percent of all estates. The beneficiaries of that estate tax, those burdened with that estate tax, are some of the wealthiest folks in America.

I think it is fine to be wealthy, but the fact is we have great needs in this country. We are making choices about whether we are going to fund an additional 2 million new teachers so we can lower class sizes in this country. We have a Social Security system that everyone says is going to be stretched to meet its needs as we go through the 21st century. We have great demands on our homeland security, on national security. It does not make sense that we should be putting this in place right now.

Also, it is dangerous for something that is really important to all Americans, and that is our charitable and philanthropic efforts in this country. It is hard to imagine what kind of impact the repeal of the estate tax is going to have on so much of the roughly $6 billion worth of charitable contributions the Treasury Department estimates we would be receiving. I am concerned about our ability to continue to make sure we have the community-based support that is operated through our philanthropic efforts. If we have ever seen the value of that, we have seen it in the days that have followed the September 11 tragedy as Americans have reached out to help others. Certainly that has been benefited by the view that charitable contributions and estates provide a basis for a lot of the charitable giving.

So while this permanent repeal of the estate tax may cost $55 billion in 2011, and that is a lot of money, I think the real issue is we ought to worry about what it is going to cost in the second decade. I have an estimate that it may be over $800 billion in the second decade from 2012 to 2021. I find it hard to believe we want to take that bet at this point in time, when we have such a serious issue coming with baby boomers and the demographics that I spoke about before, and the real need to protect and provide security to Social Security and Medicare for our seniors. I guess that is before we have a prescription drug benefit for seniors and other things we have talked about.

I do not have a clue how we could put this together and call this significant stimulus. I think there are fundamental reasons to believe that it is not a good policy in the long run. So I strongly urge my colleagues to oppose the amendment. I think there will be reason for further debate about this as we go forward in the future.

KENNEDY PROPOSAL TO REPEAL LAST YEAR'S TAX CUTS

Mr. GRASSLEY. Mr. President, I would like to address a proposal by the Democrat leadership to repeal the future individual income tax reductions enacted in last year's historic tax cut bill.

At this time last year, the CBO reported that, as a percentage of GDP, Federal taxes took 20.6 percent of GDP, a record post World War II level.

Individual income taxes were at even more dramatic levels. CBO reported individual income taxes were at 10.2 percent of GDP.

Even after last year's tax cut is fully in effect, however, the CBO estimates that Federal taxes will still take between 19.2 percent and 19.9 percent of GDP over the next 10 years.

That is still way above historically average levels of Federal taxation. Just look at the chart behind me.

This chart shows total Federal tax receipts as a percentage of gross domestic product over that past 40 years, and it projects tax receipts over the next 10 years as a result of last year's tax cut.

As you can see, even after last year's tax cut, the level of taxation remains at historically high levels of GDP.

As this chart shows, tax receipts have fluctuated frequently since 1960, but have escalated significantly since 1993. They will remain at historically high levels for the next 10 years. Now look at the history on this chart.

The most shocking spike in tax receipts began in 1993. The CBO's January 2001 report to Congress shows that in 1992, total tax receipts were around 17.2 percent of GDP. Since that time, Federal receipts climbed rapidly.

By the year 2000, Federal receipts had exploded to an astronomical 20.6 percent of GDP.

The significance of this percentage can only be appreciated by historical comparison. In 1944, at the height of our buildup during World War II, taxes as a percentage of GDP were 20.9 percent—only ½ percent higher than they are today. By 1945, those taxes had dropped to 20.4 percent of GDP.

Even after last year's tax cut is fully phased in, taxes will still average around 19.4 percent over the next 10 years. As you can see from this chart, it is still higher than most of the levels over the past 40 years.

Taxes were higher during the years 1993 through 2000, which were attributable to the tax increases forced through by President Clinton in 1993.

Similarly, the increase in receipts from 1965 to 1969 was attributable to the Vietnam conflict. The runup in receipts from 1976 to 1981 was caused by ''bracket creep,'' which occurs when inflation causes wages to increase, forcing people into ever higher rates brackets. We corrected that problem years ago.

So as you can see, while the Democrats rail against last year's tax cut, it was actually rather modest. When compared to the levels of taxation imposed over the last 40 years, we still remain at historically high levels of taxation even after last year's tax cut.

We hear now a great hue and cry from some on the other side of the aisle that last year's tax cut should be repealed. But I ask: Are high taxes the only way to balance our budget?

One of the most ardent advocates of repealing last year's tax cut is my good friend Senator KENNEDY. I have been pleased to work with Senator KENNEDY on many bipartisan proposals and look forward to continuing those efforts.

Senator KENNEDY is an important leader. Whenever he speaks, I pay close attention because he's a serious and effective legislator who often reflects the

heart and soul of the Democratic caucus.

Last year's tax cut legislation carried the support of over one-fourth of the Democratic caucus. Although the tax relief has been defined by its harshest critics in terms of its budget effects, it's important to look behind the numbers and consider what this legislation means to the American people.

Before I get to that point, however, I want to make clear that those of us who support bipartisan tax relief and accelerating reduction of the 27 percent rate do not agree with a fundamental premise of Senator KENNEDY's proposal.

Senator KENNEDY and the Democrat leadership are arguing that the budget effects of the bipartisan tax relief deny the Congress and the President the resources to tackle other domestic priorities such as a prescription drug benefit for Medicare, Social Security reform, and education reform. This argument, however, is based on a couple of critical assumptions with which I disagree.

The first assumption is that the tax relief measures beyond 2004 will have no effect on the growth of our economy.

So, for instance, bringing the top tax rate for successful small businesses to a level equal to that of America's largest corporations at 35 percent is assumed to have no effect on the economy. That assumption flies in the face of economic theory and more importantly, the anecdotal evidence I gathered from some small business folks in Iowa. From my vantage point, the best way to bolster Federal revenues is to put policies in place to grow the economy.

The second assumption is that the only way to approach Federal budget policy is to maintain record levels of Federal taxation on the American people. That view is reflected in the chart behind me.

Senator KENNEDY's proposal assumes even higher taxes are necessary to address all of our priorities. So in facing budget choices, Federal spending goes unchecked.

The assumption is there are no savings to be made on the spending side of the ledger. Implicit in this assumption is growth in both federal revenue and Federal spending as a share of our economy is a desirable objective.

To a certain extent, the proposal that Senator KENNEDY and the Democratic leadership have put forward is a reversal of their previous support for significant tax relief.

Last year, Senate Democrats proposed a tax cut of about $1.26 trillion. That compares with a bipartisan tax cut that we enacted that came out at $1.35 trillion.

Their proposal was only about 6.7 percent less than the cut that was enacted. To hear the Democratic budget people describe it, however, you would believe it was a 67 percent difference.

Keep in mind that 48 of 49 Democrats, including Senator KENNEDY, supported their alternative.

Now, I know that despite votes for long-term tax relief, many of the opponents of the bipartisan tax relief now think that we should keep the rebate and repeal the long-term tax relief.

Nothing could be worse for a slumping economy.

Do we really want to send a signal to workers, investors, and business people that their taxes are going to go up? Even if the Democrats are talking about a repeal that takes effect in 2005, higher taxes in the future are higher taxes.

If the Democrats believe that the only way to solve our budget problems is to raise taxes, instead of reducing spending, what will they do to make up the difference?

Let's start with the basis for the rebate. That is, the new 10 percent bracket. The revenue loss for this part of the package is $421 billion over 10 years. It is the biggest tax cut in the bill, by the way. I can not believe or any other member of the Senate wants to dismantle that piece.

Where do we go next? The marginal tax rate cuts lose almost $421 billion over 10 years. It appears some folks think 35 percent is too low a top rate. Well, guess what. As I alluded to above, repealing the marginal rate cuts hits small business, the biggest job generator in our economy, the hardest.

According to the Treasury Department, small business gets about 80 percent of the benefits of the cut in the marginal rates. Do we want to raise the tax rates of small businesses in a slumping economy? Does that make any sense?

Where do we go next? Do the opponents want to repeal the proposal to double the child tax credit? Or how about the refundable piece that helps 16 million kids and their families? That proposal loses $172 billion over 10 years. Does the Democratic leadership really want to deny American families the increase in the child tax credit that kicks in, in 2005?

How about the death tax relief package? That package scores at $138 billion over 10 years. Most of the revenue loss is attributable to increasing the exemption amount and dropping the rate to 45 percent on already taxed property. Is it unreasonable to provide additional relief from the death tax?

Let's take a look at the marriage penalty piece. It is the first marriage penalty relief we've delivered in over 30 years. This proposal scores at $63 billion over 10 years. Again, I do not think many folks would want to raise taxes on folks because they decide to get married. Under Senator KENNEDY's proposal, most of the marriage tax relief would be eliminated.

Continuing on through the bipartisan tax relief package, let's take a look at the retirement security provisions. This package, which will help Americans save more for retirement, scores at $50 billion over 10 years. With the aging of the baby boomers, does anyone really believe we should reduce incentives for savings? Under Senator KENNEDY's proposal, workers who want to put an additional $1,000 in an IRA or section 401(k) plan would lose that right beginning in 2005.

Finally, let's talk about education. The bipartisan tax relief package includes $29 billion in tax incentives for higher education. In this era of rising higher education costs, should we gut tax benefits for families to send their kids off to college? Do the Democrats really want to cut back on these bipartisan investments in higher education?

Now, I have just gone through about $1.3 trillion of tax relief. It sounds like a lot in abstraction, but it provides relief to every American who pays income tax. I would ask any of those who want to ''adjust'' or ''restructure'' the bipartisan tax relief, including the Democrat leadership, why would you cut the tax relief package?

I think the American people would like an answer to that question.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CORZINE). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

STATUS OF ECONOMIC STIMULUS

Mr. GRASSLEY. Mr. President, I think sometime tomorrow we are going to have some cloture votes. Who knows what happens after you are involved with cloture votes? I suppose it depends on how the cloture vote turns out. But it also depends somewhat on what the majority leader decides to do. I did not hear him this morning or this afternoon. It was suggested that if we don't get cloture, then we may go on to other legislation.

I want to speak procedurally, not so much on the substance of the underlying bill as I have done a couple of times this afternoon but about where we are and some of the irony of our being here; particularly, some of the irony about how some things are said and other things are done by the leaders who decide the agenda for the Senate. I will take a few minutes to talk about where we are on the economic stimulus bill before tomorrow's cloture vote.

The good news is that there is bipartisan recognition of the need to help unemployed workers with an extension of unemployment compensation. There is bipartisan agreement that recognizes the need to provide taxpayers with a payroll tax rebate so we are able to help stimulate consumer spending and create jobs. There is bipartisan recognition of the need to provide bonus depreciation. I suppose there are some others as well.

Kind of summing up in regard to that, there is kind of bipartisan agreement on the part of the Republicans for

what Democrats want in this area, but in areas where Republicans want to add some things there is not bipartisan agreement on the other side for those things.

That brings us to the bad news as a result of that situation. We are, in fact, stuck in a procedural quagmire. Yesterday the distinguished majority leader claimed that Republicans were slowing down the stimulus bill through filing of many amendments. I think it is a bit ironic today that we have amendments pending on which the majority leader seemingly does not want to vote. If he wanted to move this process to conclusion with a bill that the President has said he would sign, that could be done very easily. We could have a vote on that. There is bipartisan support for it. That bill would be down to the White House I believe faster than you could say Jack Robinson. Instead, the only votes that it seems we are going to be able to get are votes on dueling cloture motions. One vote will be on the majority leader's amendment. That vote is a take-it-or-leave-it vote, I believe.

I call upon all of my colleagues, Democrats and Republicans, to pay close attention. A vote for cloture tomorrow means all amendments offered or filed that have not received a vote will not get a vote. That is a very important point. A vote for cloture on the underlying amendment filed by the majority leader means all of the following amendments will not receive a vote. I will go through those.

Senator BUNNING, a foster care amendment; Senator BAUCUS, emergency agriculture funding; a second-degree amendment to that amendment by Senator KYL for permanent repeal of estate tax; Senator HATCH's amendment for a longer net operating loss carryback provision; Senator REID's amendment on travel and tourism; a second-degree amendment to that by Senator DORGAN on travel industry stabilization; and Senator DOMENICI on a payroll tax holiday, which is probably the most stimulative idea that has been presented to the Senate. We will not have an opportunity to vote on that. Senator DURBIN has an unemployment insurance amendment; Senator ALLARD, a research and development amendment, what we call permanent R&D; Senator LINCOLN, Medicaid Upper Payment Limit payments to hospitals; Senator SMITH of New Hampshire, an active duty waiver of IRA withdrawal penalty; Senator SMITH again, ban on interstate commuter taxes; Senator SMITH again, income tax waiver on tip income; Senator SMITH again, above-the-line deduction for real property taxes; Senator SESSIONS, tax incentives in regard to unemployment compensation; Senator MCCAIN, sale of principal residence for uniformed services, something our military people would benefit from very much; Senator KYL again, a repeat of his second-degree amendment which would be a permanent repeal of the estate tax; Senator THOMAS, small issue bond provisions; and an amendment I have offered which will also have a cloture vote for the bipartisan White House-centrist package, the bill that I said has bipartisan support in the Senate. If we could get it up for a vote, we would have a bill down to the President and signed. It would be an enacted economic stimulus package faster than you can say Jack Robinson.

All of those amendments will not come to a vote if the cloture vote tomorrow on the Senate majority leader's motion carries.

We are in the mode of a lot of Senators trying to put together a bill that can get a majority vote in the Senate and go to conference. Some of these amendments have to be agreed to to get that kind of bipartisan support. If you do not get a chance to vote on them, how do you ever get to a bipartisan bill? It takes that sort of bipartisanship to get anything done in the Senate.

Let me make very clear that Members who vote for the cloture on that cloture motion, if they want to vote on these amendments, they will be foreclosed.

I said there is going to be another cloture vote tomorrow. It arose out of necessity—not a necessity that I like. But the majority leader forced a vote on the White House-centrist bipartisan amendment that I offered because of his own cloture motion.

The other cloture vote—in relation to the cloture motion I filed—will be on the White House-centrist agreement on stimulus. If cloture is invoked and that amendment passes, the President says that bill will be signed. The bill has already passed the House of Representatives.

That means, bottom line, the following things will happen when the President signs the bill—and there is little disagreement that these things ought to happen—workers will get unemployment checks. Low-income people, qualifying for rebates, will get rebates to spend money. Spending that money will create jobs. Middle-income taxpayers will get more income tax relief. Those who are unemployed for the first time will get help with their health care insurance. And business will get accelerated depreciation. By doing that—investing more, increasing productivity—it will increase the number of jobs.

That is what a stimulus package is all about—two things—one, responding to the needs and the anxiety of the unemployed workers through improved unemployment benefits and for the first time, health care benefits. Currently there are 800,000 of more workers who are unemployed because of September 11; and there is probably more unemployment to come. We are all encouraged that during January unemployment was flat, there was no an increase in the rate—and helping those dislocated workers with additional unemployment benefits and with health insurance is greatly needed. The second thing objective of the economic stimulus bill, in various ways, is to stimulate the economy to create jobs.

For those who say, ''Maybe the economy is turning around; we don't need it,'' we at least have an insurance policy against the usual downtick that comes after you have been a few quarters into a recovery.

But if we want a strong economy, and a certainty of that strong economy, we are going to have to get a stimulus bill passed. So I hope tomorrow we have an opportunity not to have cloture on the underlying Daschle amendment and that we are able to then move towards a vote on the White House-centrist bipartisan package that has passed the House, has bipartisan support in the Senate, and the President has said he will sign.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. NICKLES. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

PASSING A STIMULUS PACKAGE

Mr. NICKLES. Madam President, I regret to state to my colleagues it is pretty obvious the Democratic majority leader does not want to pass a stimulus package. We needed to amend the package. We have a lot of amendments that were pending and we have not had a vote all day. We had amendments this morning on which we were willing to vote, amendments this afternoon on which we were willing to vote. That was how we would work our way through and have a bill that would pass and go to conference.

Obviously, for some reason, the majority leader decided, no, he would file cloture, have cloture on his underlying proposal, which many Members believe falls far short of providing any stimulus. It provides a lot of spending. The majority leader's underlying proposal has spending for rebate, $14 billion for people who did not pay taxes. They certainly did not pay any income tax or they would have gotten a tax cut last year. They may have paid payroll taxes, but likely they are available for an earned-income tax credit, and in many cases three or four times the payroll tax they paid. So basically, $14 billion in welfare reform payments that many were trying to call a tax cut or rebate, but it was not a rebate.

There is another $5 billion for an entitlement program for States, supposedly to help pay for health care costs, but it was in the form of an entitlement. So it would not be $5 billion for 1 year, although it was sunsetted in 1 year, but in all likelihood will be continued indefinitely and probably cost more like $50 or $60 billion over 10 years.

He had unemployment compensation extension at about $8 billion. And I notice our colleagues on the Democratic side said: That is not good enough. We need to expand that and have that apply to temporary workers.

The Federal Government has never paid unemployment compensation for temporary workers. Some people, perhaps, want to take advantage of the fact there is a recession, so just expand Federal entitlements. That was going to cost about $16 billion.

Then the majority leader introduced the only stimulus piece, accelerated depreciation. That was 30 percent. Most people said for a year. We found out the commitment had to be made by September 10 of this year. That is not 12 months; that is more like 8 months from now.

So the stimulative side of his proposal is very small. The spending side was very big. I thought, well, I don't like starting with that. I would have preferred starting with the bipartisan bill on which Senator BREAUX and Senator COLLINS and Senator SNOWE and Senator GRASSLEY and others worked. That was a bill that most, if you count both sides, thought there was a majority vote for. That should be underlying, but we did not get that.

So we thought: We will amend the majority leader's proposal and improve it and come up with a bill worthy of passing to conference. We had several amendments. Some amendments that were adopted made the bill better. Some on our side would actually have stimulus impact. We had an expensing amendment that Senator BOND and Senator HUTCHINSON and Senator COLLINS passed. That would allow small business to expense immediately items up to $40,000. Right now the level is $24,000. That would have created jobs. That was a positive amendment.

Senator GORDON SMITH had an amendment dealing with accelerated depreciation, 30 percent for 3 years. The point of order was made and it was not successful. He came back with one that was 2 years at 30 percent. That passed and would have created jobs.

We had an amendment by Senator KYL to make the death tax repeal that we passed last year permanent. That would have been positive. You say: How could that make a difference? It makes a difference because there are farms and ranches in Missouri, Oklahoma, and all across the country that would not have to be broken up to pay the death tax. Maybe some small businesses would decide not to be so small because they could agree and know they could grow without the Federal Government getting half of it. A lot of businesses almost suffocate. Owners know if they grow the business any more, the Government will get so much, so why grow it? Why work and expand and build and create more jobs if Uncle Sam will come in and get half?

So if we passed the death tax repeal proposed by the Senator from Arizona, it would have had a positive stimulative impact on the economy.

Unfortunately, our colleagues on the Democratic side do not want to vote on that amendment. They wanted to have other amendments. They wanted amendments to increase agricultural emergency spending. Senator BAUCUS had that amendment. We defeated that amendment sometime last week. It was offered again. Senator KYL offered a second-degree amendment in addition to that to provide death tax repeal, permanent repeal. To me, that would have been positive for agriculture.

Unfortunately, our colleagues on the Democratic side did not want to vote on that amendment. They have not allowed a vote on the amendment. In other words, they are saying: We will vote on what we think is stimulative, but we don't want you to vote on your amendments. We will vote on spending increases.

They had an amendment to increase the Medicaid Federal share. I don't know what is stimulative about that, but it certainly increases Federal Government costs. Medicaid is a Federal-State program, presumably the idea of 50/50. But in many cases the Federal ratio is 70 percent, not 50 percent, and this amendment would increase the Federal ratio by another 3 percent and cost $10 billion for a couple years and in all likelihood be extended indefinitely. It would have cost $50 billion or $60 billion. That was an amendment by our colleagues on the Democratic side: Increase the Federal share on Medicaid, and instead of 70 percent, make it 73 percent; or 60 percent, make it 63 percent. The State would pay the balance.

Then they had an amendment to increase unemployment compensation, including temporary workers, and make that an entitlement. Maybe my daughter, who works part-time while she is a college student, if she changes jobs, could draw unemployment compensation. She might be appreciative, but that is an enormously expensive amendment. Every State has determined unemployment eligibility. Now we will say: States, you do or we will do it for you. And decide to do temporary workers. Some States do temporary workers; most States do not. Most States do not for a reason. But, no, we will do that.

I look at the amendments of our colleagues on the Democratic side, and I don't see anything stimulative. I see a lot of spending—agriculture, Medicaid, unemployment compensation, extend and expand entitlement programs, and do nothing to stimulate the economy, do nothing that would help create jobs.

On the other hand, on the Republican side we have more amendments that we want to offer to stimulate the economy. I mentioned Senator KYL's amendment. Senator DOMENICI has an amendment calling for a payroll tax holiday. Some Democrats say they like it. They are cosponsors of it. Guess what. We are not going to get a vote on it. The amendment offered by Senator DOMENICI might be a substitute for the entire package, it may well have a majority vote, but we are not going to get a vote on it. Why? Because cloture was filed. If we invoke cloture, this amendment falls.

There is an amendment Senator ALLARD has making R&D tax credits permanent to encourage investment in research and development. We are not going to get a vote on it.

There is a bipartisan package on which many Senators have worked. I mentioned earlier that Senator BREAUX and Senator COLLINS and Senator SNOWE and Senator GRASSLEY—several Senators worked on it, Democrats and Republicans. We are not going to get a vote on it, even though we had a majority vote in December, probably still have a majority vote for it, the President said he would sign it, it would become law, could become law this week if we pass the bill the House passed.

The House has actually passed a couple of stimulus packages. Let's pass the last one and let it become law.

No, some people do not want to pass that one either. So we are not even going to get a vote on it.

I think it is very disappointing, to use a word my colleague from South Dakota uses on occasion, to see that cloture was being called up so early. I can just see the plan. We will have a cloture vote on the Daschle underlying bill. It will not pass. It should not pass. I certainly hope it does not pass because I do not think the underlying bill is worth passing. And I do not think all these amendments I mentioned which would have a stimulative impact on our economy should be closed out. I do not think this side of the aisle should be foreclosed from offering amendments.

We did not object to having an amendment on the emergency agriculture bill of Senator BAUCUS—emergency spending. It was not really relevant to the underlying bill, but we did it. We made a point of order. They can make a point of order on Senator KYL's amendment.

I would much prefer to have an up-or-down vote but no, ''We don't want to vote on his amendment, we don't want to vote on Senator DOMENICI's amendment; we don't want a vote on the bipartisan stimulus package. No, we are going to file cloture and pull the whole bill down. If we don't get cloture, we are still going to pull the bill down. We'll give a cloture vote on the bipartisan substitute''—because we filed cloture on it just so we can get a vote. The idea being, we will vote on cloture twice, and if we don't get cloture, we will just pull the bill down.

I hope that is not the case.

I think our economy needs a little shot in the arm. It is not in great shape. We have a lot of people who are still hurting, and if we could craft a positive stimulus bill that would create jobs, we would do something positive for America.

I think what we have instead, we have the majority leader and unfortunately most Democrats—we will find

out tomorrow—who are going to say we want to have our own little package. We want to have it our way. We can't consider other amendments. We will have it our way or we will pull the bill down.

Tomorrow, when we vote on this—and I expect we will be voting on it at maybe 10:30 or 11:30 tomorrow—I urge our colleagues to vote no on the cloture vote and let us consider these amendments.

We are more than willing on this side to have a limitation on amendments. For anybody on the other side of the aisle to say Republicans are filibustering this bill is totally false. People are entitled to their own opinions, but they are not entitled to their own facts. We are willing to consider these amendments. We are willing to enter into time limits on these amendments. We are willing to pass this bill tomorrow night—tomorrow night. We are willing to finish this package. Let's just allow our colleagues to have votes on their amendments that they believe would stimulate the economy, and we will vote on amendments, as our Democrat friends have offered, to spend more money.

Let's vote on both. Let's vote on these amendments. Let's see how the votes come out and let's pass a bill. Let's pass a bill that would help the economy. Let's pass a bill that would create jobs. I hope we will.

I urge my colleagues to vote no on the cloture vote. Let's allow these amendments to have their fair day in the Senate. People worked hard on these amendments. They may well do some good.

I looked at several of these that were offered on the Republican side, some of which—several of which have Democrat cosponsors—that I think could help the economy. So I would love for our colleagues to get a chance to vote on these amendments.

We will be very cooperative working with the majority leader and others on the Democrat side to limit amendments, to try to see if we cannot get a stimulus bill that would actually help the economy.

I yield the floor.

JUDICIAL CONFIRMATIONS

Mr. HATCH. Madam President, earlier today I spoke with praise for the way in which the Chairman of the Judiciary Committee and the Democratic Leader have been handling judicial nominations in the past few weeks. One of the reasons I did so was that I detected, in a speech 11 days ago, the possibility that the Judiciary Committee may be headed in a new direction as we begin a new Session of Congress. I sensed a chance that, after eight months of Democratic control, the leaders were growing beyond their previous role of critics focused on the past. I perceived that the leaders might now understand the value of looking forward through the windshield rather than steering a course with their eyes glued to the rear-view mirror.

I have not given up this hope; it is still early enough to start this Session out on the right foot. But I now have some reason to question my optimism. Comments were made here on the floor earlier today that have put me in the position, once again, of having to set the record straight on a number of events that occurred between 84 and 14 months ago. I do not regard this recurring debate over the past as germane to the present or important to our course for the future. Nevertheless, I am compelled to make sure that the historical record is correct.

One comment that particularly surprised me was the attempt to blame the previous, Republican-controlled Senate for the creation of the current number of judicial vacancies. The fact is that the Republican Senate confirmed essentially the same number of judges for President Clinton, 377, as the Republican Senate did for President Reagan, 382, so there is simply no basis for the Democrat's allegations. Interestingly, the Democrats who controlled the Senate during the first President Bush's Administration left more judicial vacancies and allowed more nominees to go without Senate action when the first President Bush left office than the Republicans did when President Clinton left office. The bottom line is that, at the close of the 106th Congress, there were only 67 vacancies in the Federal judiciary. In the space of one Democratic-controlled congressional session, that number had shot up to nearly 100.

How did this happen? The answer is simple: The pace of hearings and confirmations under the Democratic-controlled Senate last year did not keep up with the pace of vacancies. We were moving so slowly that we were actually falling behind. When our friends across the aisle took control of the Senate on June 5 of last year, President Bush had already sent 18 judicial nominees to the Senate. All told for the year, President Bush nominated 66 highly qualified individuals to fill vacancies in the federal judiciary. But rather than focusing on the work ahead, our Democratic colleagues looked back at the year 1993 to mimic the old route taken then. After delaying their first nominations hearing by over a month, during which time they held numerous hearings on other matters, our Democratic colleagues confirmed precisely 28 judges, exactly one more federal judge than President Clinton saw confirmed during his first year in office. This transparent tit-for-tat exchange of confirmations is rear-view-mirror driving at its worst.

In the first 4 months of Democratic control of the Senate last year, only 6 federal judges were confirmed. At several hearings, the Judiciary Committee considered only one or two judges at a time. The Committee voted on only 6 of 29 Circuit Court nominees in 2001, a rate of 21 percent, leaving 23 of them without any action at all. Eight of the first eleven judges that President Bush nominated on May 9 of last year have still not even had a hearing. In contrast, there were only 2 Circuit Court nominees at the end of President Clinton's first year left in Committee.

If the Democratic leaders can take their eyes off the rear-view-mirror and take a look at what is ahead, they will see the rather obvious need to speed up the pace of hearings and votes on judicial nominees. We have lots of work to do. There are 98 vacancies in the federal judiciary, a vacancy rate of nearly 12 percent. We have 58 nominees pending in the Senate. Twenty-three of those nominees are slated to fill positions which have been declared judicial emergencies by the Administrative Office of the Courts. Of those, 13 are court of appeals nominees. Particularly important are those areas with a high concentration of judicial emergencies, such as the 4th Circuit Court of Appeals with 2 nominees; 5th Circuit Court of Appeals, where 2 nominees are pending; the 6th Circuit Court of Appeals with 7 nominees pending; and the District of Arizona, where 2 nominees are pending. Let's roll up our sleeves and get to work on these.

Another issue that was raised today was the role of the White House in this process. The fact is that the Bush administration has worked more closely with home State senators than any other administration since I have been in the Senate. Now, I know there were a couple of instances very early last year where communication could have been better, but that is bound to happen with a brand new administration. Since that time, the Bush White House has been making unusually great efforts to consult with home State senators prior to making nominations. I do not know exactly from where the complaints, if any, are coming, but I have a suspicion that some of my colleagues are forgetting the difference between the President's power to make nominations, and the Senate's role to provide advice and consent. Some Senators may wish they could exercise the President's constitutional role instead of their own, but there is no reason to blame the White House for sticking with the allocation of power established by the Framers. If there are any real problems, I invite my colleagues to let me know about them, and I pledge to do my utmost to assist in working through them.

Today's comments concerning the need for more ''consensus nominees'' from the White House are ironic in light of my colleague's discussion of several specific Clinton nominees for the districts in Texas. My colleague rhetorically asked why those nominees did not get a hearing, but he knows full well that at least a couple of the situations he mentioned were caused by serious problems created by the Clinton Administration's lack of consultation with, and failure to obtain the support of, home State senators.

In contrast, President Bush's nominees, with only a couple of early exceptions, as I noted, enjoy the full support of both home State senators. We should hold hearings and votes on those without delay. Let me mention one in particular that means a great deal to me: Michael McConnell, a nominee for the Tenth Circuit Court of Appeals.

Professor McConnell is a consensus pick not only between his home State Senators but also among many others who know his scholarship, his temperament, and his commitment to the rule of law. His nomination has been applauded by legal scholars and lawyers from across the political spectrum. Professors Laurence Tribe, Charles Fried, Cass Sunstein, Akhil Amar, Larry Lessig, Sanford Levinson, Douglas Laycock, and Dean John Sexton are among those who have praised McConnell's integrity, ability, and fairminded approach to legal issues. He enjoys broad support among the bar and the academy in his home State of Utah.

On a broader level, McConnell is regarded as fairminded and nonpartisan. He publicly opposed the impeachment of President Clinton, and wrote in support of the position taken by Justices Souter and Breyer in Bush v. Gore. He was part of the volunteer legal team that successfully defended Chicago Mayor Harold Washington, the city's first African American mayor, in a dispute with the Board of Aldermen. McConnell wrote an article in the Wall Street Journal suggesting the nomination of Stephen Breyer to the Supreme Court, and supported a number of Clinton judicial nominations. These facts are among the reasons that McConnell's appointment has been praised by a number of former Clinton administration officials, including Acting Solicitor General Walter Dellinger, Deputy White House Counsel William Marshall, Domestic Policy Advisors Bill Galston and Elena Kagan, and Associate Attorney General John Schmidt.

Professor McConnell is best known in academic circles for his scholarship in the area of Free Exercise. He has generally sided with the ''liberal'' wing of the Supreme Court on this issue, arguing for a vigorous protection for the rights of religious minorities. In one opinion, Supreme Court Justice Antonin Scalia described McConnell as ''the most prominent scholarly critic'' of Scalia's more limited view of Free Exercise rights. In the related area of Establishment of Religion, McConnell has argued that religious perspectives should be given equal—but not favored—treatment in the public sphere. Thus, he has testified against a School Prayer amendment, while supporting the rights of religious citizens and groups to receive access to public resources on an equal basis. This record indicates a thoughtful and principled approach that is worthy of great respect from all sides. Professor McConnell will be a careful, thoughtful and unquestionably fair judge when he is confirmed to the Tenth Circuit. We should have voted to confirm him last summer. There is certainly no reason to put off his hearing any further.

As I said at the beginning of my remarks, I am optimistic that the committee will continue the good start we have made in the past 2 weeks. There is no reason not to. We have plenty of work ahead of us. For those who look to the past for guidance, note that in 1994, the second year of President Clinton's first term, the Senate confirmed 100 judicial nominees. I am confident that Republicans and Democrats can work together to achieve, or even hopefully exceed, 100 confirmations in 2002—President Bush's second year in office. I look forward to working together with Chairman LEAHY and my colleagues on both sides of the aisle to accomplish this goal.

THE DISASTER IN NIGERIA

Mr. FEINGOLD. Madam President, I rise to express my concern regarding recent events in Nigeria. On January 27, an armory of the Nigerian military located within the massive city of Lagos erupted in a series of explosions, prompting desperate residents to flee the area. Reports indicate that more than 1,000 Nigerians were killed that night, many trampled to death or drowned in nearby canals as they tried to escape the disaster. Many of those who escaped with their lives lost their possessions and remain displaced. Disturbingly, reports quickly surfaced suggesting that child traffickers attempted to take advantage of the tragedy, raising questions about the fate of the missing. The entire episode, is horrifying, and my deepest sympathies go out to the families of the area.

But, I fear that this incident, whatever its precise cause, is only one more in a series of horrors visited on the Nigerian people. My colleagues have undoubtedly read about soaring levels of communal violence in this critically important African state. Such violence now grips parts of Lagos, adding to the sense of insecurity and fear in a city that just suffered such a terrible series of blasts. Yet sadly, reports of fighting in Lagos sound all too familiar, given recent history in Jos, in Kano, in Nasarawa, in Bauchi, and in the delta region.

In some cases, the government failed to act. For example, Human Rights Watch recently released a report indicating that the Nigerian authorities could have done more to prevent the massacres in Jos in September, where as many as a thousand Nigerians may have been killed in one week.

Yet in other cases, security forces have turned on civilians, as is alleged to have happened in Benue in October. Consistent and reliable reports indicated that many unarmed civilians were killed and a great deal of private property destroyed when members of the armed forces sought revenge for the murder of their fellow soldiers by a local militia group. The facts surrounding this incident are still in dispute, but coming in the wake of the 1999 incident in Odi, where the Nigerian military massacred hundreds of civilians, this incident calls into question the wisdom of continued engagement with the Nigerian military. If that force is truly committed to reform, those responsible for killing civilians in Benue must be held accountable for their actions.

In addition, the manner in which sharia, or Islamic law, is being implemented in parts of northern Nigeria calls into question the country's commitment to fundamental and universal human rights. The case, recently highlighted by the New York Times, of a woman sentenced to be stoned to death after having been found guilty of adultery, raises a number of important questions. In her case, her pregnancy was evidence of her guilt in the eyes of the court, although the alleged father of the baby was set free after the same court concluded it lacked sufficient evidence to prosecute him. The relationship between the court's decision, the sentence, and the protections contained in Nigeria's constitution is utterly unclear. The Nigerian government's silence on these pressing issues is baffling.

It is not my intention to encourage pessimism about Africa in this body. And no one wants Nigeria's democracy to succeed more than I do. But all is not well in Nigeria, and we do our Nigerian partners no favors when we pretend that the situation is better than it is. The Nigerian people want what all people want—a chance to improve their lives and the lives of their children. It is no surprise that many are dissatisfied, as it is hard to seize opportunities in a context of violence and corruption. Elections were an important first step in Nigeria's transition from the dark days of military rule. But for too many Nigerians, the days are still quite dark.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred in March 1996 in La Verne, CA. The president of a gay students' organization was attacked by two men. The assailants, Eric Britton, 20, and David Riffle, 19, were each charged with battery and civil rights violations in connection with the incident.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe

that by passing this legislation, we can change hearts and minds as well.

NATIONAL FARMERS UNION PRESIDENT LEE SWENSON

Mr. JOHNSON. Madam President, I rise today to honor an individual for his extraordinary leadership for family farmers and ranchers in South Dakota and across the entire country. Mr. Leland Swenson has been the president of the National Farmers Union (NFU) for the past fourteen years, and the president of the South Dakota Farmers Union (SDFU) for 7 years prior to that. For the past 20 years, Lee has been the leading voice for family farm agriculture in the country. During his tenure in these positions, Lee has provided immeasurable service, support, and leadership for family farmers and ranchers in efforts to maintain prosperity of rural communities.

A native of Minnesota, Lee was recruited to begin his career with South Dakota Farmers Union in 1971 as the Secretary/Treasurer. Lee was a very successful organizer, resulting in an increase in membership for 6 out of his 8 years at this post. Because of his talent, initiative, and ingenuity, Lee joined the National Farmers Union headquarters in Denver, CO as Field Services Coordinator. Lee's dedication to building a membership base and maintaining that base is something to be admired. Returning to South Dakota, Lee was elected the president of SDFU in 1981. During his swearing in ceremony, Mr. Swenson pledged to ''preserve, protect and defend the family farm system of agriculture.'' Lee has fulfilled that promise time and time again.

While farm prices were dropping and interest rates were rising in the 1980's, Lee rose to the challenge of preserving the family farm in his role as president. In response to a veto of an emergency credit bill by President Reagan in 1985, Lee organized over 8,000 farmers and ranchers to gather for a ''Farm Alliance Rally'' in Pierre, SD. This was the second largest farm rally ever to be held at the state capital. Two other organizations were involved in gathering attendants, resulting in 25 Jackrabbit Line busses bringing the farmers and ranchers to South Dakota's capital city. The overwhelming number of constituents rallying could not be ignored by the state legislators, therefore the state legislature appropriated funds to send the 105 member body plus the governor to Washington, DC to lobby Congress for the restructuring of farm and ranch debt at serviceable interest rates. This first rally served as a stepping stone for Lee to organize another rural rally 15 years later in Washington. In 2000, bus loads of farmers, ranchers, church leaders, labor organizations, and rural community leaders gathered at the nation's capital to rally for the sustainability of rural America. Without the experience, dedication, or conviction of Lee Swenson this rally would not have been a success.

For the last 100 years, the primary goal of National Farmers Union has been to sustain and strengthen family farm and ranch agriculture. The key to this goal has been Farmers Union's grassroots structure in which policy positions are initiated locally. National Farmers Union believes that good opportunities in production agriculture are the foundation of strong farm and ranch families and that strong farm and ranch families are the basis for thriving rural communities. In order for these goals and values to be carried out consistently, a well-respected, talented, and dedicated leader is vital. That is exactly what Lee Swenson provided to the organization.

Lee Swenson has achieved a number of other accomplishments during his tenure with the National Farmers Union. Bringing the states of Alaska, California, and Missouri into the organization, organizing the single largest farm rally in Washington, DC and expanding the government relations, communications and education departments of the NFU.

As National Farmers Union celebrates their 100th anniversary this year, and Lee steps down from his post as president, the delegation body can look back on prior accomplishments and be nothing but proud. Proud of their organization, proud of their commitment to family farmers and ranchers, and proud of their outgoing leader.

Finally, Lee has always been dedicated to family agriculture, and I know he will continue to contribute to not only the state of South Dakota, but family agriculture across the country. Therefore, I wish him all the best and I will continue to rely upon his valuable insight on the sustainability of rural America. On behalf of the people of South Dakota, I want to thank Lee for being a true public servant who has helped improve the quality of life for thousands of rural Americans.

ADDITIONAL STATEMENTS

AMERICAN ASSOCIATION ON MENTAL RETARDATION AWARD WINNERS

• Mr. DURBIN. Madam President, I am pleased today to join the Illinois chapter of the American Association on Mental Retardation in recognizing the recipients of the 2001 Direct Service Professional Award. These individuals are being honored for their outstanding devotion to the effort to enrich the lives of people with developmental disabilities in Illinois.

These recipients have displayed a strong sense of humanity and professionalism in their work with persons with disabilities. Their efforts have inspired the lives of those whom they care for, and they are an inspiration to me as well. They have set a fine example of community service for all Americans to follow.

These honorees spend more than 50 percent of their time in direct, personal involvement with their clients. They are not primarily managers or supervisors. They are direct service workers at the forefront of America's effort to care for people with special needs. They go to work every day with little recognition, providing much needed and greatly valued care and assistance.

It is my pleasure to acknowledge the contributions of the following Illinois direct service professionals: James Adams, Louise Adams, Sue Bailey, Chequel Banks, Sharon Brand, Gwen Condon, Dawn DeLeon, John Ferro, Jenny Hoffman, Orrin Holman, Chau Le, Veronica Mayweather, Paul McPherson, Herminia Ortiz, Isabelle Ptak, Kay Quinn, Sarah Redner, Dorothy Rendleman, Robin Roux, Edward Schultz, Jenny Schwartz, Barbara Stroud, and Sandy Verschoore.

I know my fellow Senators will join me in congratulating the winners of the 2001 Direct Service Professional Award. I applaud their dedication and thank them for their service.•

RETIREMENT OF ELEANOR S. TOWNS

• Mr. DOMENICI. Mr. President, today I recognize the retirement of a dedicated public servant and to thank her for her contributions to our Nation. Since 1998, Eleanor S. Towns has been the Regional Forester for the U.S. Forest Service's Southwest Region located in Albuquerque, NM, and in that capacity, has been responsible for the management of 22 million acres of National Forests in the Southwest.

Eleanor Towns brought to her work a rich and diversified educational background and varied work experiences. Born in Rockford, IL, she received her undergraduate education at the University of Illinois, graduating in 1965 with an A.B. in communications. She received her master's in guidance & counseling from the University of New Mexico in 1968, and her juris doctor from the University of Denver College of Law in 1982. She worked with the Bureau of Land Management before transferring to the Forest Service in 1978 as Director of Civil Rights in the Rocky Mountain Regional Office in Denver. She held progressively more responsible positions before becoming the Rocky Mountain Region's Director of Lands, Water, Soils and Minerals in 1994. In 1995, she was admitted to the Federal Senior Executive Service and assumed the position of Forest Service Director of Lands in Washington. In April 1998, she was promoted to Regional Forester for the Southwest Region.

My office has had the pleasure of working with Eleanor Towns since her arrival at regional headquarters in Albuquerque. Despite deteriorating facilities when she first arrived, a situation that has since been rectified, she remained attentive to the multiple issues

of concern to New Mexico and the Forest Service. Whatever the complex and contentious area of public land stewardship, I have found her to be professional, responsive and decisive. For example, she gave our office tremendous help during the creation of the Valles Caldera National Preserve and the development of what we called the ''Happy Forests'' legislation.

Throughout her Federal career, Eleanor Towns was an effective manager of critically important program areas, and was often called upon to tackle some of the more difficult problems of the Department of Agriculture and the Forest Service, including western water rights and employee discrimination cases. Her greatest assets have been her interpersonal skills. Known as ''Ellie'' to her friends and colleagues, she was a bridge builder—between management and employees, between the government and the public, and among divergent interest groups. Her qualities of good humor, common sense, adroit communication skills, coupled with technical expertise, have made her one of the most effective managers in the Federal Civil Service. Our Nation and its resources are the better because of Eleanor Towns, and the Forest Service is a more effective organization. On behalf of the Senate, I want to thank her for her service to the Nation and wish her and her family all the best in retirement.●

HONORING ELIZABETH BROWN CALLETON

● Mrs. BOXER. Madam President, I would like to take a moment to reflect on the tremendous accomplishments of Elizabeth Brown Calleton during her tenure at Planned Parenthood of Pasadena.

During the past 40 years, Ms. Calleton has made a major contribution to Planned Parenthood of Pasadena's 69-year history, ultimately serving as its President and CEO. A women's health care advocate, she established Planned Parenthood Community Orientation Luncheons and a community-wide research network to provide women with access to health care. Ms. Calleton served on the committee that created the North West Community Healthcare Alliance Program, a program geared to the needs of low-income, uninsured individuals. The Peer Educator Program more than doubled in size during Ms. Calleton's tenure.

In addition to her extraordinary work at Planned Parenthood, Ms. Calleton has served with a variety of community organizations including the League of Women Voters, the Pasadena Commission on the Status of Women and Women at Work. Awards she has received from the Magna Carta Business and Professional Women and the Young Women's Christian Association are a testament to her great dedication.

''Celebrating the Past, Looking Towards the Future'' pays a fine tribute to Ms. Calleton's legacy. Ms. Calleton has much to celebrate and, I know, looks forward to new challenges in her future endeavors. Her work will serve the community for generations to come.●

RECOGNITION OF SUCCESS BY 6 PARTNERSHIP

● Mr. BUNNING. Madam President, it is with great pleasure and honor that I rise today to duly recognize the Success By 6 Partnership initiative for its tireless work in the area of early childhood development for the community of Gainesway in Lexington, KY.

Less than a year ago, a unique partnership was formed between the United Way of the Bluegrass and LexLinc, which aimed to address the many educational and social needs of Kentucky children from birth to age 6. The Success By 6 initiative attempts to ready parents and children for school by the time the schools are ready for them by focusing on communication as the primary tool for problem solving. This initiative, adopted in more than 300 communities nationwide, does a phenomenal job of bringing together area leaders and families in order to properly identify the needs of parent, child, and teacher. Success By 6 has already helped organize a citywide safety seat giveaway program in Gainesway and has sparked awareness in the community of the importance of early childhood learning.

On January 8, 2002, President George W. Bush signed into law the No Child Left Behind Act, and I think initiatives such as this will work hand-in-hand with this Act to insure families that no child will be left without access to an education.

I would like to personally thank all of the participants and organizers of the Success By 6 initiative for their strong and diligent commitment to the future generations of the Commonwealth of Kentucky. Education can never be taken serious enough by either members of Congress or area leaders, and I sincerely applaud the progressive steps taken by this initiative program.

I believe that soon communities throughout Kentucky will see not only the educational advantages but also the social benefits of this program and begin measures to work this initiative into their educational agendas.●

TRIBUTE TO THOMAS STEPHEN COOK

● Mr. JEFFORDS. Madam President, today I rise to recognize and honor the life of Thomas Stephen Cook of West Enosburg, VT, who died Wednesday, November 21, after a 4-year fight with leukemia.

Thomas, who was only 12, inspired those who witnessed his strength and courage as he battled against his sickness. I have known Thomas since his birth, and as his cousin, I can honestly say he was one of the most extraordinary young people I've had the pleasure to meet. In April, as the 2001 Children's Miracle Network Champion from Vermont, Thomas visited my Washington office. He was on his way to meet President Bush, before heading to Walt Disney World to participate in the national Children's Miracle Network telethon. When you met Thomas, you could see that, even though he was young, he had been through a lot. More than that, Thomas was tough. Only his positive and optimistic attitude towards life was greater than his determination to fight his disease.

Thomas took his responsibilities with the Children's Miracle Network very seriously. He was also a fan of University of Vermont basketball. For four seasons, Thomas served the Catamounts as the ball boy for the men's basketball team. A column from the Burlington Free Press by Patrick Garrity about Thomas' role and influence on the team says:

> Thomas Cook would have been pleased with the effort.
>
> He would have loved T.J. Sorrentine's slashing drives. He would have loved Grant Anderson's blue-collar play underneath. He would have loved David Hehn's baseline-to-baseline energy and Trevor Gaines' work on the offensive boards.
>
> Thomas wasn't at Patrick Gymnasium to see the University of Vermont men's basketball team's near-upset of Cleveland State on Saturday. He lost a long fight with leukemia last week. He died at age 12.
>
> His customary position for Catamounts home games was down the team's bench near the baseline, where he served the past four seasons as a ball boy. As he battled his disease and endured the cruel roller coaster of hope and despair the disease became, Thomas fought alongside the Cats, too.
>
> He came to the sidelines four years ago soon after UVM coach Tom Brennan learned of the little boy from Enosburg Falls who had been diagnosed with a disease that kills 22,000 Americans each year. What began with a hospital visit from then-freshman guard Tony Orciari blossomed into a brotherhood between the two that seeped into the hearts of every player on the team.
>
> ''He was a lot stronger than all of us,'' said senior captain Corry McLaughlin. ''Our lives are cake compared to what his was. To see him battling every day, to come out here and be with us, let alone to make it through every day, he was just a really strong kid.
>
> ''From his attitude, you would have never known he was sick. He was happy every day, jovial and upbeat.''
>
> Here's hoping the next one goes in. For Thomas.

Thomas will be fondly remembered by everyone who was fortunate to have known him.●

TESTIMONY OF RICHARD J. SANTOS

● Mr. DOMENICI. Madam President, I ask that testimony inserted into the Budget Committee record from Richard J. Santos, the National Commander of the American Legion, be printed in the RECORD.

The testimony follows.

WRITTEN STATEMENT OF RICHARD J. SANTOS, NATIONAL COMMANDER, THE AMERICAN LEGION TO THE COMMITTEE ON THE BUDGET, U.S. SENATE CONCERNING THE FISCAL YEAR (FY) 2003 BUDGET RESOLUTION

Mr. Chairman and Members of the Budget Committee: The American Legion welcomes the opportunity to present its views on the FY 2003 Budget Resolution. As you and your colleagues consider the President's recent budget request, I share the views of the nation's largest wartime veterans' service organization.

The American Legion's reputation as an advocate for maintaining a strong national defense is well documented, dating back to its very beginning in 1919 in Paris, France. As veterans of the War to End All Wars, The American Legion founders established an organization:

To uphold and defend the Constitution of the United States of America;

To maintain law and order;

To foster and perpetuate a one-hundred percent Americanism;

To preserve the memories and incidents of our associations in the Great Wars;

To inculcate a sense of individual obligation to the community, state, and nation;

To combat autocracy of both the classes and the masses;

To make right the master of might;

To promote peace and good will on earth;

To safeguard and transmit to posterity the principles of justice, freedom and democracy;

To consecrate and sanctify our comradeship by our devotion to mutual helpfulness.

The only common bond of all Legionnaires is honorable military service during a period of armed conflict. Legionnaires are men and women that belong to an organization based upon comradeship. This group of veterans is devoted to fair and equitable treatment of their fellow veterans, especially the service-connected disabled. Another group of veterans honored by The American Legion is those fallen comrades that are killed in action (KIA), missing in action (MIA), or those held as prisoner of war (POW). These service members often leave spouses and children behind. For those who have paid the ultimate sacrifice for freedom, The American Legion will honor their service by making sure this nation fulfills its promises to their survivors. For those listed as MIA or POW, The American Legion will continue to demand the fullest possible accounting of each and every comrade.

NATIONAL SECURITY

The deep-rooted interest of The American Legion in the security of the nation was born in the hearts and minds of its founders and sustained by its current membership. The bitter experiences of seeing comrades wounded or killed through lack of proper training crystallized the determination of Legionnaires to fight for a strong, competent defense establishment capable of protecting the sovereignty of the United States. The tragic events of World War I, largely precipitated by unprepared military, were still vivid in the minds of combat veterans that founded The American Legion. After 22 years of repeated warnings by The American Legion, Pearl Harbor dramatically illustrated the cost of failed vigilance and complacency.

For over 83 years, The American Legion's drumbeat on defense issues has remained constant. With the evolution of space age technology and scientific advancement of conventional and nuclear weapons, The American Legion continues to insist on a well-equipped, fully manned, and a properly trained fighting force to deter aggressors. The events surrounding September 11, 2001 publicly exposed a soft underbelly of America to acts of terrorism, especially the vulnerability to nuclear, biological, and chemical (NBC) warfare.

America's armed forces must be well manned and equipped, not to pursue war, but to preserve the hard-earned peace. The American Legion is fully aware of what can happen when diplomacy and deterrence fail. Many military experts believe that the current national security is based on budgetary concerns rather than real threat levels to America and its allies. As the world's remaining superpower, America's armed forces need to be more fully structured, equipped, and budgeted.

Defense budget, military manpower, and force structure are currently improving over the FY 2001 levels. The current operational tempo of active-duty and Reserve and Guard forces remains extremely high and very demanding. The American Legion recommends:

Active-duty personnel level should not be less than 1.6 million.

The Army must maintain 12 fully manned, equipped, and trained combat divisions.

The Navy must maintain 12 aircraft carrier battle groups and a viable strategic transport capability.

The Air Force must maintain, at a minimum, 15 fighter wings, a strategic bombing capability, its Intercontinental Ballistic Missile capability and a global strategic transport capability.

Deployment of a national missile defense system.

The defense budget should equal 3–4 percent of the Gross Domestic Product.

The current active-duty personnel level is approximately 1.37 million. Military leaders are making up the difference by increasing the operations tempo and by over-utilizing the Reserve components. Currently, American military personnel are deployed to over 140 countries worldwide. Overseas deployments have increased well over 300 percent in the past decade. Many of these personnel continue to come from the Reserve and Guard components.

Cuts in force structure cannot be rapidly reconstituted without the costly expenditures of time, money, and human lives. Modernization of weapon systems is vital to properly equipping the armed forces, but are totally ineffective without adequate personnel to effectively operate the state-of-the-arts weaponry. The American Legion strongly recommends adequate funding for modernization of the services. America is losing its technological edge. No American soldier, sailor, airman, or Marine should be ordered into battle with obsolete weapons, supplies, and equipment. America stands to lose its service members on the battlefield and during training exercises due to aging equipment. The current practice of trading off force structures and active-duty personnel levels to recoup modernization resources must be discontinued.

The American Legion recommends restoring the force structure to meet the threat level and to increase active-duty personnel levels. Ensuring readiness also requires retaining the peacetime Selective Service System to register young men for possible military service in case of a national emergency. Military history repeatedly demonstrates that it is far better to err on the side of preserving robust forces to protect America's interest than to suffer the consequences of ill preparedness. America needs a more realistic strategy with an appropriate force structure, weaponry, equipment, and active-duty personnel leave to achieve its objectives.

A major national security concern is the enhancement of the quality-of-life issues for service members, Reservists, National Guard, military retirees, and their families. During the First Session, President Bush and Congress made marked improvements in an array of quality-of-life issues for military personnel and their families. These efforts are visual enhancements that must be sustained. The cost of freedom is on going, from generation to generation.

The President and Congress addressed improvements to the TRICARE system to meet the health care needs of the military beneficiaries; enhanced the Montgomery GI Bill educational benefits; and homelessness throughout the veterans community. For these actions, The American Legion applauds your strong leadership, dedication, and commitment. However, one issue still remains unresolved: the issue of concurrent receipt of full military retirement pay and VA disability compensation without the current dollar-for-dollar offset. The issue of concurrent receipt appeared in the FY 2002 budget resolution and the FY 2002 defense authorization act. Every day, new severely disabled military retirees are joining the ranks of American heroes being required, by law, to forfeit military retirement pay.

Recently, 14 soldiers and 2 airmen were awarded Purple Hearts from the War on Terrorism. These newest American heroes would be the latest victims of this injustice should their war wounds result in debilitating medical conditions. During the State of the Union Address, one such future recipient, SFC Ronnie Raikes, was sitting next to the First Lady. Concurrent receipt legislation in both chambers (S. 170 and H.R. 303) has overwhelming support by your colleagues. With the President's proposed $48 billion increase in defense spending, The American Legion believes now is the time to correct this terrible injustice. Enactment of corrective legislative and fully funding concurrent receipt are actions to properly reward heroism and courage under fire.

If America is to continue as the world's remaining superpower, it must operate from a position of strength. This strength can only be sustained through meaningful leadership and adequate funding of the armed forces.

VETERANS' HEALTH CARE

The American Legion believes that the primary mission of the Department of Veterans Affairs (VA) is to meet the health care needs of America's veterans. The American Legion believes that the VA should continue to receive appropriate funding in order to maximize its ability to provide world-class health care to the large number of aging veterans, while still maintaining services to a younger cohort of veterans who are using VA for the first time. The American Legion greatly appreciates the actions of all Members of Congress regarding the increase in VA Medical Care funding for FY 2002. Now, please focus your attention to the increases in FY 2003.

Just like the Medicare and Medicaid programs, the VA health care budget requires an annual increase to maintain its existing service level and to fund new mandates. For years, VA managers wee asked to do more with less. The recent funding increase now allows the Veterans Health Administration (VHA) to catch up with the growing demands placed upon the system and repair some of the problems related to long patient waiting times and limitations on access to care.

The American Legion felt that the President's budget request last year failed to accurately reflect VA's FY 2002 health care funding needs. VA's projections misrepresented the actual number of veterans seeking care. It appears that the President's budget request was based on a much lower number of patients projection (less than 3 percent) than the actual number of users (closer to 11 percent). Fortunately, Congress added over $300 million to the President's original request; however, VHA is now faced

with dealing with an inadequate FY 2002 budget. The American Legion believes that close to 5 million veterans will seek care in VHA medical facilities in FY 2003. Last year, The American Legion requested $21.6 billion in FY 2002; however, this year we recommend $23.1 billion for VA medical care.

Many factors are driving more veterans to use VHA as their primary health care provider:

Many Medicare+Choice health maintenance organizations (HMOs) withdrew from the program;

Many HMOs collapsed;

VHA has opened community based outpatient clinics;

Double-digit increase in health care premiums;

The dramatic fluctuations in the national economy make VHA a more cost-effective option for veterans; and

VHA's reputation for quality of care and patient safety is attracting new patients.

Where comparable data exist, VHA continues to outperform the private sector in all indicators in health promotion and disease prevention. The American Legion adamantly believes VHA is the best health care investment of tax dollars. The average cost per patient treated within VHA is unmatched by any other major health care delivery system, especially with comparable quality of care.

Mr. Chairman and Members of the Committee, the reason VHA medical care continues to increase annually is not because of uncontrollable cost increases nor poor cost estimations, but rather because thousands of veterans are voting with their feet. More and more veterans are choosing to use their earned benefit—access to VHA. However, enrollment in VHA is limited to existing discretionary appropriations. The American Legion urges Congress to evaluate several options that would assure every veteran that wants to enroll in VHA can enjoy that earned benefit. The key factor driving the increases in medical care funding requirements has not been uncontrolled cost increases, nor has it been poor cost estimation processes—it has been the unexpected and dramatic increase in demand for care from the VA system.

The overall guiding principle for VA must be improved services to veterans, their dependents, and survivors. This will require improving access and timeliness of veterans' health care; increasing quality and timeliness in the benefit claims process; and enhancing access to national and state cemeteries. Specific American Legion objectives for Congress include:

Sound VHA funding for long-term strategic planning and program performance measurement,

Additional revenue for staff and construction,

Medicare subvention,

Pilot programs for certain dependents of eligible veterans,

VA and DoD sharing,

Reduce the claims backlog,

Repeal bar to service-connection for tobacco-related illnesses,

Increase the rate of beneficiary travel reimbursement, and

Allow all third-party reimbursements collected by VA to supplement, rather than offset, the annual Federal discretionary appropriations.

The American Legion created the GI Bill of Health as a blueprint for meeting the current and future health care requirements of the nation's veterans and for supplementing VA's annual health care appropriation. The GI Bill of Health, once fully implemented, would expand VHA's patient base and increase its non-appropriated funding through new revenue sources.

As VHA continues to re-invent itself, change is not a defining event, but rather a series of small steps. Despite its recent successes, VHA still faces numerous future challenges.

The American Legion believes VHA's long-term future must be clearly defined to be responsive to those who have ''borne the battle.'' All individuals, who enter military service, should be assured that there is a health care system dedicated to serving their needs upon leaving the military. That concept is especially important to disabled veterans and to retired service members. The GI Bill of Health would ensure that all honorably discharged veterans would be eligible for VA health care, as they will fall into one of the core entitlement categories and into a health insurance or buy-in category. A unique feature of the GI Bill of Health is that it will also permit certain dependents of veterans to enroll in the VA health care system.

The American Legion commends VA for the changes made within VHA over the past few years. These changes include eligibility reform, enrollment, the reorganization of the 172 medical centers into 22 integrated operating units, the elimination of certain fiscal inefficiencies, and the expansion of community based outpatient clinics. In some cases, The American Legion believes VA has gone too far in attempting to improve fiscal efficiency. Veterans should not have to increase their travel time for the benefit of the Department. Rather, VHA needs to improve its cooperation with other Federal, state, and private health care providers to improve the quality and timeliness of care for veterans and their families. The American Legion encourages VHA to continue to provide health care that is the highest quality to all veterans at the most reasonable cost.

Two additional significant steps required to re-engineer VHA are Medicare subvention and permitting certain dependents of veterans to utilize the system.

Unlike in the private sector, Medicare-eligible veterans cannot use their Medicare benefits in a VHA facility for treatment of nonservice-connected conditions. When Medicare-eligible veterans receive health care treatment for any medical condition in the private sector, the federal government reimburses the health care provider for a portion of that service. When Medicare-eligible veterans receive health care treatment for the same medical conditions (nonservice-connected) within VHA, the federal government will not reimburse VHA for any portion of that service. This equates to a restriction on a veteran's right to access health care of his or her choice and using his or her Medicare benefit. The American Legion believes that Medicare subvention will result in more accessible, quality health care for all Medicare-eligible veterans. Furthermore, Medicare subvention should greatly reduce incidents of fraud, waste, and abuse in billing because it will occur between two Federal agencies with congressional oversight. Today's fiscal realities requires VHA to seek other revenue streams to supplement the growing demand for service and not simply rely on saving more dollars to serve more veterans. The American Legion strongly recommends allowing Medicare subvention for Priority Group 7 Medicare-eligible veterans enrolled in VHA.

Allowing certain veterans' dependents access to health care within VHA will also help develop new revenue streams and will ultimately improve recruitment and retention within the armed forces. Service members need to know that their dependents have access to quality health care while serving on active duty. The American Legion believes that VHA can and should play a larger role in the provision of this care to active duty service members. Additionally, when service members leave active duty, this health care coverage should continue. VHA has the capacity and the capability to play a much larger role in the provision of health care to the beneficiaries of DoD health care system.

VHA has six strategic goals through the year 2006:

Put quality first.

Provide easy access to medical knowledge, expertise and care.

Enhance, preserve and restore patient function.

Exceed customers' expectations.

Save more dollars to serve more veterans.

Build healthy communities.

Unfortunately, nowhere in the list of VHA priorities are the goals of Medicare-subvention, the treatment of veterans' dependents, expanding the non-appropriated funding revenue base, and greater cooperation with the private sector and with DoD health care system.

VETERANS' BENEFITS

Given the number of veterans and other claimants who file claims each year and with an annual expenditure of over $25 billion in compensation and pension payments, it is imperative that Congress maintain strong oversight of the operations of Veterans Benefit Administration's (VBA's) Compensation and Pension Service.

Over the last several years, the backlog of pending claims and appeals has increased dramatically and now exceeds over 660,000 cases. It routinely takes six months to a year or more to process disability compensation claims. In addition, annually, some 60,000 to 70,000 new appeals are initiated. After a wait of over two years for an appeal to reach the Board of Veterans Appeals (BVA or the Board), more than 20 percent will be allowed and more than 22 percent will be sent back to the regional office for further required development and readjudication. Remanded cases may be pending for another year or two, in the regional office before returning to the Board. Sometimes, cases are remanded two and three times because the specified corrective action had not been completed, which adds several more years to the appeal.

Unfortunately, there is a pattern of recurring issues, which continue to have a direct and adverse effect on the quality and timeliness of regional office claims adjudication. They relate to budget, staffing, training, quality assurance, accountability, and attitude. These findings confirm our long-held view that quality must be VBA's highest priority. Without guaranteed quality, thousands of claims will continue to process unnecessarily through the system: much of VBA's valuable financial and personnel resources will be wasted; and veterans will not receive the benefits and services they are entitled to and that Congress intended they should have.

The American Legion believes VBA is committed to bringing about much needed change to the claims adjudication system with the overall goal of providing quality, timely service to veterans and its other stakeholders. In recent years, VBA's strategic plans have made many promises and we have, in fact, seen the implementation of a variety of programmatic and procedural changes. However, it is obvious that progress toward major improvements in service continues to be slow and that much remains to be done. The overall quality of regional office decision making remains problematic.

Secretary Principi has identified many problems and is working diligently to find solutions that will provide improved service to veterans and their families. There are a

spectrum of ongoing and planned initiatives, such as the Pre-Discharge Examinations, Personnel Information Exchange System (PIES), Electronic Burial Claims, Virtual VBA, Decision Review Officer (DRO) Program, and personal hearing teleconferencing, just to name a few. In addition, VBA has begun implementing the recent recommendations of the Secretary's Claims Processing Task Force focusing on improving the operating efficiency of the process and procedures by which claims are adjudicated. These involve special initiatives to better manage the claims and appeals. There will be an emphasis on better training for the newly hired adjudicators. Performance standards are being implemented that provide for personal and organization accountability. VBA is continuing the development of its information technology program.

While we support these much-needed changes, we are concerned that they only indirectly address the core problem of continued poor quality decision making. Without a vigorous, comprehensive quality assurance program, thousands of claims will continue to process needlessly through the regional offices, the Board of Veterans Appeals, and the courts wasting time, effort and taxpayers' money. Veterans have a right to a fair, proper, and timely decision. They should not have to endure financial hardship and delay before receiving the benefits to which they are entitled by law.

The workload and budgetary requirements of National Cemetery Administration (NCA) will continue to grow over the next 15–20 years. The death rate of World War II veterans will peak in 2008, but the annual death rate of veterans will not return to 1995 levels under 2020. The death rates of Korean and Vietnam Era veterans will greatly accelerate thereafter. The American Legion continues to fully support the further development of the State Cemetery Grants Program.

The Veterans Millennium Health Care and Benefits Act (Public Law 106–117) requires VA to provide long-term nursing care to veterans rated 70 percent disabled or greater. The new law also requires VA to provide long-term nursing care to all other veterans for service-connected disabilities and to those willing to make a co-payment to offset the cost of care. Further, it requires VA to provide veterans' greater access to alternative community-based long-term care programs. These long-term care provisions will place greater demand on VA and on the State Veterans Home Program for years to come.

The American Legion believes that it makes economic sense for VA to look to States governments to help fully implement the provisions of PL 106–117. VA spends on average $225 per day to care for each of their nursing care patients and pays private-sector contract facilities an average per diem of $149 per contract veteran. The national average daily cost of care for a State Veterans Home nursing care resident is about $140. VA reimburses State Veterans Homes a per diem of $40 per nursing care resident. Over the long term, VA saves millions of dollars through the State Veterans Home Program.

The American Legion supports the State Veterans Home Program and believes the federal government must provide sufficient construction funding to allow for the expected increase in long-term care veteran patients.

On September 11, 2001, I was about to present testimony before a Joint Session of the Veterans' Affairs Committees, when we were directed to evacuate the Cannon House Office Building. Like Americans around the world, I was shocked by the barbaric, terrorist actions taken against innocent airline passengers, those in the World Trade Towers, and those in the Pentagon. My heart swelled with pride as fearless rescue workers, fellow service members, and private citizens rushed to assist the victims, only to experience the heartache as the Twin Towers collapsed turning heroes into victims in a matter of seconds. At that specific moment, the importance of that testimony paled in comparison. The American Legion's efforts, like the rest of America, shifted to what we do best—helping at the community, state, and national level.

SUMMARY

Since I was unable to formally present my testimony, I did submit The American Legion's recommendations for the VA budget for FY 2003 for the record. Today, it is important that I share that information to this Committee:

Program	P.L. 106–377	P.L. 107–73	Legion's FY 2003 request
Medical Care	$20.2 billion	$21.3 billion	$23.1 billion.
Medical and Prosthetics Research	350 million	371 million	420 million.
Construction:			
Major	66 million	183 million	310 million.
Minor	170 million	211 million	219 million.
State Veterans' Home	100 million	100 million	110 million.
State Veterans' Cemeteries	25 million	25 million	30 million.
NCA	110 million	121 million	140 million.
General Administration	1 billion	1.2 billion	1.3 billion.

The American Legion believes that the true character of any democracy is best reflected in the way it treats its veterans of the armed forces—the true preservers and defenders of liberty.

Mr. Chairman, and Members of the Committee, that concludes my written statement.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL MESSAGES

The following presidential messages were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

PM–69. A message from the President of the United States, transmitting, pursuant to law, the Economic Report of the President along with the Annual Report of the Council of Economic Advisers for 2002; to the Joint Economic Committee.

ECONOMIC REPORT OF THE PRESIDENT

To the Congress of the United States:

Since the summer of 2000, economic growth has been unacceptably slow. This past year the inherited trend of deteriorating growth was fed by the events, the most momentous of which was the terrorist attacks of September 11, 2001. The painful upshot has been the first recession in a decade. This is cause for compassion—and for action.

Our first priority was to help those Americans who were hurt most by the recession and the attacks on September 11. In the immediate aftermath of the attacks, my Administration sought to stabilize our air transportation system to keep Americans flying. Working with the Congress, we provided assistance and aid to the affected areas in New York and Virginia. We sought to provide a stronger safety net for displaced workers, and we will continue these efforts. Our economic recovery plan must be based on creating jobs in the private sector. My Administration has urged the Congress to accelerate tax relief for working Americans to speed economic growth and create jobs.

We are engaged in a war against terrorism that places new demands on our economy, and we must seek our every opportunity to build an economic foundation that will support this challenge. I am confident that Americans have proved they will rise to meet this challenge.

We must have an agenda not only for physical security, but also for economic security. Our strategy builds upon the charter of Americans: removing economic barriers to their success, combining our workers and their skills with new technologies, and creating an environment where entrepreneurs and businesses large and small can grow and create jobs. Our vision must extend beyond America, engaging other countries in the virtuous cycle of free trade, raising the potential for global growth, and securing the gains from worldwide markets in goods and capital. We must ensure that this effort builds economic bonds that encompass every American.

America faces a unique moment in history: our Nation is at war, our homeland was attacked, and our economy is in recession. In meeting these great challenges, we must draw strength from the enduring power of free markets and a free people. We

must also look forward and work toward a stronger economy that will buttress the United States against an uncertain world and lift the fortunes of others worldwide.

GEORGE W. BUSH.

THE WHITE HOUSE, *February 2002*.

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–5292. A communication from the Secretary of State, transmitting, pursuant to Section 1006(b) of the USA PATRIOT Act, P.L. No. 107–56, a report relative to a worldwide watchlist of known or suspected money launderers, for the purpose of enforcing the new money-laundering inadmissibility; to the Committee on Foreign Relations.

EC–5293. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the Agency's Report on the Implementation and Enforcement of the Combined Sewer Overflow (CSO) Control Policy; to the Committee on Environment and Public Works.

EC–5294. A communication from the Legislative and Regulatory Activities Division, Comptroller of the Currency, Administrator of National Banks, transmitting, pursuant to law, the report of a rule entitled ''International Banking Activities: Capital Equivalency Deposits'' (12 CFR Part 28) received on January 28, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC–5295. A communication from the Legislative and Regulatory Activities Division, Comptroller of the Currency, Administrator of National Banks, transmitting, pursuant to law, the report of a rule entitled ''Capital; Leverage and Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Nonfinancial Equity Investments'' (12 CFR Part 3); to the Committee on Banking, Housing, and Urban Affairs.

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. HOLLINGS (for himself and Mr. THURMOND):

S. 1910. A bill to suspend temporarily the duty on certain extruders, castings, TDO Tenders, Transport/winders, and slitters; to the Committee on Finance.

By Mr. INHOFE (for himself and Mr. CLELAND):

S. 1911. A bill to amend the Community Services Block Grant Act to reauthorize national and regional programs designed to provide instructional activities for low-income youth; to the Committee on Health, Education, Labor, and Pensions.

By Mr. SMITH of Oregon:

S. 1912. A bill to amend the Endangered Species Act of 1973 to require the Secretary of the Interior and the Secretary of Commerce to give greater weights to scientific or commercial data that is empirical or has been field-tested or peer-reviewed, and for other purposes; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DEWINE (for himself, Mr. CHAFEE, Mr. DODD, Mr. KERRY, Mr. LOTT, Mr. DORGAN, Mr. HAGEL, Mr. DAYTON, Mr. SARBANES, and Mr. BINGAMAN):

S. Res. 204. A resolution expressing the sense of the Senate regarding the importance of United States foreign assistance programs as a diplomatic tool for fighting global terrorism and promoting United States security interests; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 358

At the request of Mr. FRIST, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 358, a bill to amend the Social Security Act to establish a Medicare Prescription Drug and Supplemental Benefit Program and for other purposes.

S. 682

At the request of Mr. MCCAIN, the name of the Senator from Colorado (Mr. CAMPBELL) was added as a cosponsor of S. 682, a bill to amend title II of the Social Security Act to restore the link between the maximum amount of earnings by blind individuals permitted without demonstrating ability to engage in substantial gainful activity and the exempt amount permitted in determining excess earnings under the earnings test.

S. 686

At the request of Mrs. LINCOLN, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 686, a bill to amend the Internal Revenue Code of 1986 to provide a credit against tax for energy efficient appliances.

S. 866

At the request of Mr. REID, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 866, a bill to amend the Public Health Service Act to provide for a national media campaign to reduce and prevent underage drinking in the United States.

S. 1062

At the request of Mr. DURBIN, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 1062, a bill to amend the Public Health Service Act to promote organ donation and facilitate interstate linkage and 24-hour access to State donor registries, and for other purposes.

S. 1209

At the request of Mr. BINGAMAN, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1209, a bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

S. 1456

At the request of Mr. BENNETT, the names of the Senator from Arkansas (Mr. HUTCHINSON) and the Senator from Virginia (Mr. ALLEN) were added as cosponsors of S. 1456, a bill to facilitate the security of the critical infrastructure of the United States, to encourage the secure disclosure and protected exchange of critical infrastructure information, to enhance the analysis, prevention, and detection of attacks on critical infrastructure, to enhance the recovery from such attacks, and for other purposes.

S. 1478

At the request of Mr. SANTORUM, the names of the Senator from Oregon (Mr. WYDEN) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. 1478, a bill to amend the Animal Welfare Act to improve the treatment of certain animals, and for other purposes.

S. 1558

At the request of Mr. SANTORUM, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 1558, a bill to provide for the issuance of certificates to social security beneficiaries guaranteeing their right to receive social security benefits under title II of the Social Security Act in full with an accurate annual cost-of-living adjustment.

S. 1675

At the request of Mr. BROWNBACK, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 1675, a bill to authorize the President to reduce or suspend duties on textiles and textile products made in Pakistan until December 31, 2004.

S. 1678

At the request of Mr. MCCAIN, the name of the Senator from Maryland (Mr. SARBANES) 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. 1680

At the request of Mr. WELLSTONE, the names of the Senator from Illinois (Mr. DURBIN), the Senator from Delaware (Mr. BIDEN), the Senator from Delaware (Mr. CARPER), the Senator from Nevada (Mr. REID), the Senator from New York (Mr. SCHUMER), the Senator from South Dakota (Mr. JOHNSON), the Senator from Missouri (Mr. BOND), and the Senator from New York (Mrs. CLINTON) were added as cosponsors of S. 1680, a bill to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to provide that duty of the National Guard mobilized by a State in support of Operation Enduring Freedom or otherwise at the request of the President shall qualify as military service under that Act.

S. 1712

At the request of Mr. GRASSLEY, the names of the Senator from Alabama (Mr. SESSIONS) and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 1712, a bill to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes.

S. 1749

At the request of Mr. KENNEDY, the names of the Senator from New Jersey (Mr. TORRICELLI) and the Senator from Utah (Mr. BENNETT) were added as cosponsors of S. 1749, a bill to enhance the border security of the United States, and for other purposes.

S. 1897

At the request of Mrs. CARNAHAN, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of 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.

S. 1899

At the request of Mr. BROWNBACK, the names of the Senator from Louisiana (Ms. LANDRIEU) and the Senator from Iowa (Mr. GRASSLEY) were added as cosponsors of S. 1899, a bill to amend title 18, United States Code, to prohibit human cloning.

AMENDMENT NO. 2722

At the request of Mr. ALLARD, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of amendment No. 2722 proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENT NO. 2728

At the request of Mr. THOMAS, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of amendment No. 2728 proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENT NO. 2740

At the request of Mr. GRAMM, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of amendment No. 2740 intended to be proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENT NO. 2749

At the request of Mr. GRAMM, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of amendment No. 2749.

AMENDMENT NO. 2763

At the request of Mr. ENZI, the name of the Senator from Texas (Mr. GRAMM) was added as a cosponsor of amendment No. 2763 intended to be proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENT NO. 2764

At the request of Mr. JOHNSON, his name was added as a cosponsor of amendment No. 2764.

At the request of Mr. REID, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of amendment No. 2764 supra.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 1910. A bill to suspend temporarily the duty on certain extruders, castings, TDO Tenders, Transport/winders, and slitters; to the Committee on Finance.

Mr. HOLLINGS. Madam President, today, I, along with Senator THURMOND, introduce duty suspension legislation designed to permit imports of machinery into the United States duty free. This machinery is not made in the United States. Therefore, their importation will not displace domestic sourcing. Moreover, because of the nature of the products at issue, they will assist in the creation of additional jobs in the United States.

I believe that this is the most appropriate use of such legislation. The imported product will not displace any that is manufactured in the United States. Moreover, the imported product will assist in enhancing American productive capacity. I am therefore hopeful that this new capacity can be used to supply both domestic and foreign needs and will increase employment in the United States.

By Mr. INHOFE (for himself and Mr. CLELAND):

S. 1911. A bill to amend the Community Services block Grant Act to reauthorize national and regional programs designed to provide instruction activities for low-income youth; to the Committee on Health, Education, Labor, and Pensions.

Mr. INHOFE. Madam President, every summer since 1968 the National Youth Sports Program, NYSP, has enabled thousands of children, ages ten to sixteen, the opportunity to develop their athletic, academic and leadership skills in a character-building environment. Utilizing both private and public resources, the NYSP successfully partners with the National Collegiate Athletic Association, NCAA, the U.S. Department of Health and Human Services, HHS, the U.S. Department of Housing and Urban Development, HUD, and 200 institutions of higher learning across the country to provide an enriching summer experience for kids from disadvantaged backgrounds.

Each participant in the National Youth Sports Program engages with a caring, dedicated adult volunteer while being exposed to the skills, discipline, and self-esteem that organized sports provide. Each student also receives academic enrichment in the classroom, instruction on healthy living and drug and alcohol abuse prevention, leadership training, and a comprehensive medical exam. Collegiate athletes and others from the community volunteer for the five-week program to nurture kids and promote their development of body and mind. The improvement of physical fitness through a variety of daily activities from swimming to soccer is a key component of the program. Using the vehicle of high-energy sports, each student is able to learn valuable life lessons. The academic portion of the National Youth Sports Program has evolved since its beginnings to include special enrichment for math and science and useful computer training. To encourage life-long health and physical fitness, substance abuse prevention training is incorporated at several program sites, and every child receives a thorough medical exam by a local doctor. Quality medical attention is a luxury that many of these children do not otherwise have.

President Bush has encouraged our Nation to come together to build communities of character. The National Youth Sports Program is truly a nation-wide community effort. In forty-nine states, the District of Columbia, and Puerto Rico, volunteers give their time to help young people strive for their best, develop body and mind, and build strong character.

In support of the continued success and vision of the National Youth Sports Program, today I am introducing the K.I.D.S. Act: Keeping Inspiration and Development Strong. This bill amends the Community Services Block Grant Act to reauthorize appropriations for the National Youth Sports Program at $20 million for Fiscal Year 2003 and provides for its authorization through Fiscal Year 2008. I urge my colleagues to join me in support of this legislation and to make the development of our Nation's greatest resource, children, a national priority.

I ask unanimous consent that the bill be printed in the RECORD.

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

S. 1911

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 ''Keep Inspiration and Development Strong Act'' or the ''KIDS Act''.

SEC. 2. FINDINGS.

Congress finds that—

(1) since 1968, when the National Youth Sports Program (referred to in this Act as the 'Program') began, the Program has provided a character-building environment for low-income children to develop athletic, educational, and leadership skills;

(2)(A) the Program utilizes community resources, private funding, and public funding to carry out the Program's goals; and

(B) for every $1 in Federal funds appropriated for the Program, the Program receives nearly $3 from private sources, through cash contributions or services provided at Program sites;

(3)(A) the continued investment of Federal resources in the Program is in the Nation's best interest, especially given a recent increase in child obesity in the United States; and

(B) the Surgeon General's report to the President, published in the fall of 2000 and

entitled ''Promoting Better Health for Young People Through Physical Activity and Sports'', indicated that child obesity had doubled in the preceding 20 years;

(4)(A) the Program enhances the health of children by providing quality medical care; and

(B) in 2001, 77,106 medical examinations were administered at Program sites for children who might otherwise not have visited a doctor;

(5) the Program encourages educational growth in children by exposing the children to a collegiate atmosphere at an early age and establishing higher education as a natural life goal for the children;

(6) the Program is truly a national program, expanding in 2001 to college and university campuses in 49 States, the District of Columbia, and the Commonwealth of Puerto Rico; and

(7) the Nation can best prepare the children of the United States to embrace their future by encouraging healthy bodies and healthy minds.

SEC. 3. REAUTHORIZATION.

Section 682(g) of the Community Services Block Grant Act (42 U.S.C. 9923(g)) is amended to read as follows:

''(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $20,000,000 for fiscal year 2003 and such sums as may be necessary for each of fiscal years 2004 through 2008.''.

Mr. CLELAND. Madam President, the National Youth Sports Program, NYSP, is an educational partnership that has worked successfully for 33 years. It provides at-risk children, ages 10–16, a 5-week summer program offering sports and academic enrichment at U.S. colleges and universities nationwide. Begun in 1969 as a sports enrichment program, the NYSP now reaches beyond athletics to offer academic instruction, substance abuse prevention, and character education. Originally offered at two higher ed institutions, last year the program served over 73,000 participants at 196 host colleges and universities in 49 States, the District of Columbia, and Puerto Rico. For many of these young people, it was their first opportunity to experience a college or university campus from the inside.

In order to enhance the educational commitment of the NYSP, selected programs at 123 sites across the Nation now include special emphasis on math and science skills. In addition, NYSP programs serving older participants, those from ages 13–16, help them enhance their computer skills and academic performance through reading and writing activities that offer mentoring opportunities to younger NYSP participants.

For over three decades the National Youth Sports Program has been a model of what a successful collaboration should be. The U.S. Department of Health and Human Services, the U.S. Department of Housing and urban Development, HUD, the U.S. Department of Agriculture, USDA, which provides a hot, USDA-approved meal to NYSP students each day, and the National Collegiate Athletic Association, NCAA, have worked together to provide a wholesome summer experience to over 1.7 million participants who have passed through the program since its inception. And over time, local medical communities have joined in. In 2000, over 74,300 medical examinations were administered free of charge or at a reduced rate. If a health problem is found, as is the case in approximately one-third of the examinations, the child is referred for adequate follow-up treatment. During the summer session, children who are injured or become ill during NYSP activities are covered by health insurance and treated by a certified medical professional.

The National Youth Sports Program is a vital and effective investment in our youth. This program has successfully leveraged Federal funding to secure substantial matching community investments. For every one dollar provided by the Federal Government, two dollars are provided by participating colleges and universities, local public and private businesses, the National Collegiate Athletic Association, the National Youth Sports Program Fund and other National Governing Bodies of amateur sport.

Today I join my distinguished colleague from Oklahoma, Senator INHOFE, in introducing legislation to reauthorize the National Youth Sports Program and to increase its funding authorization to $20 million. This increase in funding will allow 4,500 additional at-risk youth to participate in this effective program and 15 new program sites to serve communities where disadvantaged youth are in need of nurturing and support. In addition, a $3 million increase in NYSP funding will increase the number of program sites offering math and science instruction as well as expand the NYSP's highly successful senior program, which emphasizes and encourages leadership skills and character education.

The NYSP is a program which, year after year, has provided our Nation's youth with the opportunity to utilize the best resources our colleges and universities have to offer and to develop the skills necessary to succeed. At a time when President Bush has called for a renewed commitment to national service, the NYSP, with almost 1500 volunteers, is an outstanding example of what community service is all about. For three decades the National Youth Sports Program has provided a positive and enriching experience and a safe haven for some of this Nation's most vulnerable youth. This highly effective and successful program is deserving of Congress's support.

By Mr. SMITH of Oregon:

S. 1912. A bill to amend the Endangered Species Act of 1973 to require the Secretary of the Interior and the Secretary of Commerce to give greater weights to scientific or commercia data that is empirical or has been field-tested or peer-reviewed, and for other purposes; to the Committee on Environment and Public Works.

Mr. SMITH of Oregon. Madam President, today I am introducing legislation that, if enacted, could prevent another tragic situation like the farmers and ranchers of the Klamath Basin experienced last year. The Act, the ''Sound Science for Endangered Species Decisionmaking Act of 2002,'' would require independent scientific peer review of certain actions taken by the regulatory agencies under the Endangered Species Act. In addition, it would require the Secretary of the Interior and the Secretary of Commerce to give greater weight to scientific or commercial data that is empirical or has been field-tested or peer-reviewed.

As many of you may recall, I have come to the floor of the Senate on many occasions over the last year to plead the case of the farmers and ranchers in the Klamath Basin. Last year, field-level biologists with the U.S. Fish and Wildlife Service and the National Marine Fisheries Service developed two separate biological opinions on the operation of the Klamath Project, as it related to suckers and coho salmon, respectively.

Taken together, these two biological opinions sought to both raise the lake level of Upper Klamath Lake and increase flows in the Klamath River, at the time the Basin was experiencing a severe drought. On April 6, the Bureau of Reclamation announced that the agency would deliver no water to most of the agricultural lands that had received irrigation water from the Federal project for almost one hundred years.

I cannot begin to describe for you the human toll that these biological opinions exacted on the farmers and ranchers in the Klamath Basin. Suicides and foreclosures have both occurred. Those who still have their farms lost most of their farm income last year, many depleting their life savings to hold onto their land. Ranchers were forced to sell off livestock herds. Stable farm worker communities were decimated as families moved to find work.

The real tragedy is that none of this had to occur.

Just this week, the National Research Council found that key decisions regarding the operation of the federal Klamath Project had no clear scientific or technical support. In fact, the Council went so far as to say that, ''the committee concludes that there is no substantial scientific foundation at this time for changing the operation of the Klamath Project to maintain higher water levels in Upper Klamath Lake for the endangered sucker populations or higher minimum flows in the Klamath River mainstem for the threatened coho population.''

In other words, the two key decisions that deprived farmers of their water were not justified by the science.

This situation should never be repeated. Decisions of this magnitude under the Endangered Species Act must be peer reviewed, and some standard for the science used in these decisions must be established.

I was in Klamath Falls the day after the decision was made to cut off water

to the farmers. I will never forget the anguish on the faces of the people I met with that day. Many were World War II veterans who received homesteads in this Basin after the war.

Our constituents deserve better from their government. They will get it if this bill is enacted. I urge my colleagues to join me in cosponsoring this bill. I've submitted for the RECORD an editorial from today's Oregonian newspaper that describes this situation, and expresses support for the House companion bill. I ask unanimous consent that the article be printed in the RECORD.

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

VICTORY FOR KLAMATH FARMERS

Scientists find no basis for decision to withhold water from farms for threatened fish during historic drought

Klamath Basin farmers insisted throughout last year's bitter drought and intense environmental battle that the government had no good reason to hold back their irrigation water for federally protected fish.

Now it seems they were right. A panel of top scientists convened by the National Academy of Sciences has concluded in an interim report that there was ''no sound scientific basis'' for withholding irrigation water from more than 1,000 farmers last summer.

The report by the independent panel of 12 scientists changes dramatically the national debate over the Klamath Basin. Suddenly, the farmers are on the high ground, having endured a summer of emotional stress and financial loss due to the federal government's decision to keep extra water in Klamath Lake for endangered suckers and in the Klamath River for threatened coho salmon.

The scientists said there is no evidence that to protect the suckers it was necessary to hold back irrigation water and keep the level of Klamath Lake relatively high. Further, they said a second decision to send warm lake water downriver, rather than to irrigators, may have actually harmed coho by increasing the river's temperature.

These findings aren't a green light to open wide the irrigation headgates, in good water years and bad ones. However, President George W. Bush vowed in an appearance in Portland last month that he would get more water to farmers—and now he's got a stronger hand to do so.

The scientists suggested that in the short term that lake and river levels be held to standards in place from 1990 to 1999. They also emphasized that the U.S. Bureau of Reclamation, which recently proposed a farmer-first, fish-and-wildlife-second water plan for the Klamath Basin, should not draw down the lake and river below levels of the last decade.

Now the burden of recovering fish shifts from the farmers to where it really belongs—to a broad effort to improve fish habitat and water quality throughout the Klamath Basin, restore wetlands that naturally filter the water and install screens to protect fish from getting sucked into canals.

The report also should help persuade Congress to approve pending bills to fund Klamath projects and provide more relief to farmers. Too, it may provide impetus for a bill proposed by Rep. Greg Walden, R-Ore., to require independent scientific review of all government decisions to protect endangered species.

The federal biologist who ordered the withholding of Klamath water said last summer they were required by law to err on the side of imperiled species. While that's true, what happened in the Klamath last summer is beginning to look like an awful and avoidable error.

The decision to keep extra water in Klamath Lake and Klamath River cost the regional economy $134 million, according to a report from Oregon State university and University of California at Berkeley. It wiped out thousands of jobs, shoved farms into bankruptcy and foreclosure, and caused tremendous stress and uncertainty in families throughout the Klamath country.

For these farmers and their families, it must be small consolation to be told now that they were right all along.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 204—EXPRESSING THE SENSE OF THE SENATE REGARDING THE IMPORTANCE OF UNITED STATES FOREIGN ASSISTANCE PROGRAMS AS A DIPLOMATIC TOOL FOR FIGHTING GLOBAL TERRORISM AND PROMOTING UNITED STATES SECURITY INTERESTS

Mr. DEWINE (for himself, Mr. CHAFEE, Mr. DODD, Mr. KERRY, Mr. LOTT, Mr. DORGAN, Mr. HAGEL, Mr. DAYTON, Mr. SARBANES, and Mr. BINGAMAN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 204

Whereas the international community faces a continuing epidemic of ethnic, sectarian, and criminal violence;

Whereas poverty, hunger, political uncertainty, and social instability are the principal causes of violence and conflict around the world;

Whereas broad-based, equitable economic growth and agriculture development facilitates political stability, food security, democracy, and rule of law;

Whereas democratic governments are more likely to advocate and observe international laws, protect civil and human rights, pursue free market economies, and avoid external conflicts;

Whereas the United States Agency for International Development has provided critical democracy and governance assistance to a majority of the nations that successfully made the transition to democratic governments during the past two decades;

Whereas 43 of the top 50 consumer nations of American agricultural products were once United States foreign aid recipients;

Whereas in the past 50 years, infant child death rates in the developing world have been reduced by 50 percent, and health conditions around the world have improved more during this period than in any other period;

Whereas the United States Agency for International Development child survival programs have significantly contributed to a 10 percent reduction in infant mortality rates worldwide in just the past eight years;

Whereas investments by the United States and other donors in better seeds and agricultural techniques over the past two decades have helped make it possible to feed an additional 1,000,000,000 people in the world;

Whereas, despite this progress approximately 1,200,000,000 people, one-quarter of the world's population, live on less than $1 per day, and approximately 3,000,000,000 people live on only $2 per day;

Whereas 95 percent of new births occur in developing countries, including the world's poorest countries; and

Whereas only one-half of one percent of the Federal budget is dedicated to international economic and humanitarian assistance: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) United States foreign assistance programs should play an increased role in the global fight against terrorism to complement the national security objectives of the United States;

(2) the United States should lead coordinated international efforts to provide increased financial assistance to countries with impoverished and disadvantaged populations that are the breeding grounds for terrorism;

(3) consistent with United States foreign policy, economic incentives should be used to end state support or tolerance of terrorism; and

(4) the United States Agency for International Development and the Department of Agriculture should substantially increase humanitarian, economic development, and agricultural assistance to foster international peace and stability, and the promotion of human rights.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2779. Mr. KERRY 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.

SA 2780. Mr. BROWNBACK 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 2781. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 2764 proposed by Mr. REID to the amendment SA 2698 submitted by Mr. REID and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2782. Mr. WYDEN 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 2783. Mr. TORRICELLI 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 2784. Mr. THOMAS (for himself and Mr. ENZI) 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 2785. Mr. HARKIN 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 2786. Mr. DORGAN (for himself and Mr. KERRY) 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 2787. Mr. MCCONNELL 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 2788. Mr. HATCH (for himself and Mr. BENNETT) 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 2789. Mr. HATCH (for himself and Mr. BENNETT) 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 2790. Mr. NICKLES (for 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, Mr. COCHRAN, and Mr. SARBANES)) 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 2791. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2792. Mr. LUGAR (for himself and Mr. LEAHY) 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 2793. Mr. GRAMM (for himself and Mrs. HUTCHISON) 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 2794. Mr. DURBIN 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 2795. Mr. BOND 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 2796. Mr. BUNNING 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 2797. Mr. BOND 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 2798. Mr. GRAHAM 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 2799. Mr. GRAHAM 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 2800. Mr. FRIST 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 2801. Mr. SCHUMER (for himself and Mrs. CLINTON) 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 2802. Mr. CRAIG 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 2803. Mr. THURMOND 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 2804. Mr. SESSIONS 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 2805. Mr. SESSIONS 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 2806. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2807. Mr. SESSIONS (for Mr. KYL (for himself, Mr. NICKLES, and Mr. SESSIONS)) proposed an amendment to amendment SA 2721 submitted by Mr. REID and intended to be proposed to the amendment SA 2698 proposed by Mr. DASCHLE to the bill (H.R. 622) supra.

SA 2808. Mr. DORGAN (for himself, Mr. REID, Mr. INOUYE, and Mr. CONRAD) proposed an amendment to amendment SA 2764 submitted by Mr. REID and intended to be proposed to the amendment SA 2698 proposed by Mr. DASCHLE to the bill (H.R. 622) supra.

SA 2809. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2810. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2811. Mr. NICKLES (for 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, Mr. COCHRAN, and Mr. SARBANES)) submitted an amendment intended to be proposed to amendment SA 2700 submitted by Mr. MCCAIN and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2812. Mr. NICKLES (for 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, Mr. COCHRAN, and Mr. SARBANES)) submitted an amendment intended to be proposed to amendment SA 2790 submitted by Mr. NICKLES and intended to be proposed to the amendment SA 2698 proposed by Mr. DASCHLE to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2813. Mr. BOND 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 2779. Mr. KERRY 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:

At the end, insert the following:

TITLE VI—SMALL BUSINESS EMERGENCY RELIEF

SEC. 601. SHORT TITLE.

This title may be cited as the ''American Small Business Emergency Relief and Recovery Act of 2001''.

SEC. 602. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) the Nation's 25,000,000 small businesses employ more than 58 percent of the private workforce, and create 75 percent of all net new jobs;

(2) as a result of the terrorist attacks perpetrated against the United States on September 11, 2001, many small businesses nationwide suffered—

(A) directly because—

(i) they are, or were as of September 11, 2001, located in or near the World Trade Center or the Pentagon, or in a disaster area declared by the President or the Administrator of the Small Business Administration;

(ii) they were closed or their business was suspended for National security purposes at the mandate of the Federal Government; or

(iii) they are, or were as of September 11, 2001, located in an airport that has been closed; and

(B) indirectly because—

(i) they supplied or provided services to businesses that were located in or near the World Trade Center or the Pentagon;

(ii) they are, or were as of September 11, 2001, a supplier, service provider, or complementary industry to any business or industry adversely affected by the terrorist attacks perpetrated against the United States on September 11, 2001, in particular, the financial, hospitality, and travel industries; or

(iii) they are, or were as of September 11, 2001, integral to or dependent upon a business or business sector closed or suspended for national security purposes by mandate of the Federal Government; and

(3) small business owners adversely affected by the terrorist attacks are finding it difficult or impossible—

(A) to make loan payments on existing debts;

(B) to pay their employees;

(C) to pay their vendors;

(D) to purchase materials, supplies, or inventory;

(E) to pay their rent, mortgage, or other operating expenses; or

(F) to secure financing for their businesses.

(b) PURPOSE.—The purpose of this title is to strengthen the loan, investment, procurement assistance, and management education programs of the Small Business Administration, in order to help small businesses meet their existing obligations, finance their businesses, and maintain and create jobs, thereby providing stability to the national economy.

SEC. 603. DEFINITIONS RELATING TO TERRORIST ATTACKS.

Section 3 of the Small Business Act (15 U.S.C. 632) is amended by adding at the end the following:

''(r) DEFINITIONS RELATING TO TERRORISM RELIEF.—In this Act, the following definitions shall apply with respect to the provision of assistance under this Act in response to the terrorist attacks perpetrated against the United States on September 11, 2001, pursuant to the American Small Business Emergency Relief and Recovery Act of 2001:

''(1) DIRECTLY AFFECTED.—A small business concern is directly affected by the terrorist attacks perpetrated against the United States on September 11, 2001, if it—

''(A) is, or was as of September 11, 2001, located in or near the World Trade Center or the Pentagon, or in a disaster area declared by the President or the Administrator related to those terrorist attacks;

''(B) was closed or its business was suspended for national security purposes at the mandate of the Federal Government; or

''(C) is, or was as of September 11, 2001, located in an airport that has been closed.

''(2) INDIRECTLY AFFECTED.—A small business concern is indirectly affected by the terrorist attacks perpetrated against the United States on September 11, 2001, if it—

''(A) supplied or provided services to any business that was located in or near the World Trade Center or the Pentagon, or in a disaster area declared by the President or the Administrator related to those terrorist attacks;

''(B) is, or was as of September 11, 2001, a supplier, service provider, or complementary industry to any business or industry adversely affected by the terrorist acts perpetrated against the United States on September 11, 2001, in particular, the financial, hospitality, and travel industries; or

''(C) it is, or was as of September 11, 2001, integral to or dependent upon a business or business sector closed or suspended for national security purposes by mandate of the Federal Government.

''(3) ADVERSELY AFFECTED.—The term 'adversely affected' means having suffered economic harm to or disruption of the business operations of a small business concern as a direct or indirect result of the terrorist attacks perpetrated against the United States on September 11, 2001.

''(4) SUBSTANTIAL ECONOMIC INJURY.—As used in section 7(b)(4), the term 'substantial economic injury' means an economic harm to a small business concern that results in the inability of the small business concern—

''(A) to meet its obligations on an ongoing basis;

''(B) to pay its ordinary and necessary operating expenses; or

''(C) to market, produce, or provide a product or service ordinarily marketed, produced, or provided by the small business concern.''.

SEC. 604. DISASTER LOANS AFTER TERRORIST ATTACKS.

(a) IN GENERAL.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately before the undesignated material following paragraph (3) the following:

''(4) DISASTER LOANS AFTER TERRORIST ATTACKS OF SEPTEMBER 11, 2001.—

''(A) LOAN AUTHORITY.—In addition to any other loan authorized by this section, the Administration may make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) to a small business concern that has been directly affected and suffered, or that is likely to suffer, substantial economic injury as the result of the terrorist attacks on September 11, 2001, including due to the closure or suspension of its business for National security purposes at the mandate of the Federal Government.

''(B) DEFERMENT OF LOAN PAYMENTS.—

''(i) IN GENERAL.—Notwithstanding any other provision of law, payments of principal and interest on a loan made under this paragraph (other than a refinancing under subparagraph (D)) or paragraph (1) as a result of the terrorist attacks on September 11, 2001, shall be deferred, and no interest shall accrue with respect to such loan, during the 2-year period following the date of issuance of such loan.

''(ii) RESUMPTION OF PAYMENTS.—At the end of the 2-year period described in clause (i), the payment of periodic installments of principal and interest shall be required with respect to such loan, in the same manner and subject to the same terms and conditions as would otherwise be applicable to any other loan made under this subsection.

''(C) REFINANCING DISASTER LOANS.—

''(i) IN GENERAL.—Any loan made under this subsection that was outstanding as to principal or interest on September 11, 2001, may be refinanced by a small business concern that is also eligible to receive a loan under this paragraph, and the refinanced amount shall be considered to be part of the new loan for purposes of this clause.

''(ii) NO EFFECT ON ELIGIBILITY.—A refinancing under clause (i) by a small business concern shall be in addition to any other loan eligibility for that small business concern under this Act.

''(D) REFINANCING BUSINESS DEBT.—

''(i) IN GENERAL.—Any business debt of a small business concern that was outstanding as to principal or interest on September 11, 2001, may be refinanced by the small business concern if it is also eligible to receive a loan under this paragraph. With respect to a refinancing under this clause, payments of principal shall be deferred, and interest may accrue notwithstanding subparagraph (B), during the 1-year period following the date of refinancing.

''(ii) RESUMPTION OF PAYMENTS.—At the end of the 1-year period described in clause (i), the payment of periodic installments of principal and interest shall be required with respect to such loan, in the same manner and subject to the same terms and conditions as would otherwise be applicable to any other loan made under this subsection.

''(E) TERMS.—A loan under this paragraph shall be made at the same interest rate as economic injury loans under paragraph (2). Any reasonable doubt concerning the repayment ability of an applicant under this paragraph shall be resolved in favor of the applicant.

''(F) NO DISASTER DECLARATION REQUIRED.—For purposes of assistance under this paragraph, no declaration of a disaster area is required for those small business concerns directly affected by the terrorist attacks on September 11, 2001.

''(G) SIZE STANDARD ADJUSTMENTS.—Notwithstanding any other provision of law, for purposes of providing assistance under this paragraph to businesses located in areas of New York, Virginia, and the contiguous areas designated by the President or the Administrator as a disaster area following the terrorist attacks on September 11, 2001, a business shall be considered to be a 'small business concern' if it meets otherwise applicable size regulations promulgated by the Administration, and, with respect to the applicable size standard, it is—

''(i) a restaurant having not more than $8,000,000 in annual receipts;

''(ii) a law firm having not more than $8,000,000 in annual receipts;

''(iii) a certified public accounting business having not more than $8,000,000 in annual receipts;

''(iv) a performing arts business having not more than $8,000,000 in annual receipts;

''(v) a warehousing or storage business having not more than $25,000,000 in annual receipts;

''(vi) a contracting business having a size standard under the North American Industry Classification System, Subsector 235, and having not more than $15,000,000 in annual receipts;

''(vii) a food manufacturing business having not more than 1,000 employees;

''(viii) an apparel manufacturing business having not more than 1,000 employees; or

''(ix) a travel agency having not more than $2,500,000 in annual receipts.

''(5) AUTHORITY TO INCREASE OR WAIVE SIZE STANDARDS AND SIZE REGULATIONS.—

''(A) IN GENERAL.—At the discretion of the Administrator, the Administrator may increase or waive otherwise applicable size standards or size regulations with respect to businesses applying for assistance under this Act in response to the terrorist attacks on September 11, 2001.

''(B) EXEMPTION FROM ADMINISTRATIVE PROCEDURES.—The provisions of subchapter II of chapter 5, of title 5, United States Code, shall not apply to any increase or waiver by the Administrator under subparagraph (A).

''(6) INCREASED LOAN CAPS.—

''(A) AGGREGATE LOAN AMOUNTS.—Except as provided in subparagraph (B), and in addition to amounts otherwise authorized by this Act, the loan amount outstanding and committed to a borrower may not exceed—

''(i) with respect to a small business concern located in the areas of New York, Virginia, or the contiguous areas designated by the President or the Administrator as a disaster area following the terrorist attacks on September 11, 2001—

''(I) $6,000,000 in total obligations under paragraph (1); and

''(II) $6,000,000 in total obligations under paragraph (4); and

''(ii) with respect to a small business concern that is not located in an area described in clause (i) and that is eligible for assistance under paragraph (4), $5,000,000 in total obligations under paragraph (4).

''(B) WAIVER AUTHORITY.—The Administrator may, at the discretion of the Administrator, waive the aggregate loan amounts established under subparagraph (A).

''(7) EXTENDED APPLICATION PERIOD.—Notwithstanding any other provision of law, the Administrator shall accept applications for assistance under paragraphs (1) and (4) until September 10, 2002, with respect to applicants for such assistance as a result of the terrorist attacks on September 11, 2001.

''(8) LIMITATION ON SALES OF LOANS.—No loan under paragraph (1) or (4), made as a result of the terrorist attacks on September 11, 2001, shall be sold until 4 years after the date of the final loan disbursement.''.

(b) CLERICAL AMENDMENTS.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended in the undesignated matter at the end—

(1) by striking '', (2), and (4)'' and inserting ''and (2)''; and

(2) by striking '', (2), or (4)'' and inserting ''(2)''.

SEC. 605. EMERGENCY RELIEF LOAN PROGRAM.

(a) LOAN PROGRAM.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following:

''(31) TEMPORARY LOAN AUTHORITY FOLLOWING TERRORIST ATTACKS.—

''(A) IN GENERAL.—During the 1-year period beginning on the date of enactment of this paragraph, the Administration may make loans under this subsection to a small business concern that has been, or that is likely to be directly or indirectly adversely affected.

''(B) LOAN TERMS.—With respect to a loan under this paragraph—

''(i) for purposes of paragraph (2)(A), participation by the Administration shall be equal to 85 percent of the balance of the financing outstanding at the time of disbursement of the loan;

''(ii) the Administrator shall collect an annual fee in an amount equal to 0.25 percent of the outstanding balance of the deferred participation share of the loan, notwithstanding paragraph (23)(A);

''(iii) no fee may be collected or charged under paragraph (18);

''(iv) the applicable rate of interest shall not exceed a rate that is 2 percentage points above the prime lending rate;

''(v) no such loan shall be made if the total amount outstanding and committed (by participation or otherwise) to the borrower under this paragraph—

''(I) would exceed $1,000,000; or

''(II) at the discretion of the Administrator, and upon notice to the Congress, would exceed $2,000,000, as necessary to provide relief in high-cost areas or to high-cost industries that have been adversely affected; or

''(vi) no such loan shall be made if the gross amount of the loan would exceed $3,000,000;

''(vii) upon request of the borrower, repayment of principal due on a loan made under this paragraph may be deferred during the 1-year period beginning on the date of issuance of the loan; and

''(viii) any reasonable doubt concerning the repayment ability of an applicant for a loan under this paragraph shall be resolved in favor of the applicant.

''(C) APPLICABILITY.—The loan terms described in subparagraph (B) shall apply to a loan under this paragraph notwithstanding any other provision of this subsection, and except as specifically provided in this paragraph, a loan under this paragraph shall otherwise be subject to the same terms and conditions as any other loan under this subsection.

''(D) TRAVEL AGENCIES.—For purposes of loans made under this paragraph, the size standard for a travel agency shall be $2,500,000 in annual receipts.''.

(b) CONFORMING AMENDMENT.—Section 7(a)(23)(A) of the Small Business Act (15 U.S.C. 636(a)(23)(A)) is amended by inserting ''other than a loan under paragraph (31) or a loan described in paragraph (2)(E),'' after ''this subsection,''.

SEC. 606. BUSINESS LOAN ASSISTANCE FOLLOWING TERRORIST ATTACKS.

(a) ONE-YEAR WAIVER OF SECTION 7(a) FEES.—Section 7(a)(18) of the Small Business Act (15 U.S.C. 636(a)(18)) is amended by adding at the end the following:

''(C) ONE-YEAR WAIVER OF FEES FOLLOWING TERRORIST ATTACKS.—For loans approved during the 1-year period following the date of enactment of the American Small Business Emergency Relief and Recovery Act of 2001, a fee equal to not more than one half of the amount otherwise required by this paragraph shall be collected or charged under this paragraph.''.

(b) ONE-YEAR INCREASE IN PARTICIPATION LEVELS.—Section 7(a)(2) of the Small Business Act (15 U.S.C. 636(a)(2)) is amended—

(1) in subparagraph (A), by striking ''subparagraph (B)'' and inserting ''subparagraphs (B) and (E)''; and

(2) by adding at the end the following:

''(E) TEMPORARY PARTICIPATION LEVELS FOLLOWING TERRORIST ATTACKS.—For loans under this subsection, other than paragraph (31), that are approved during the 1-year period following the date of enactment of the American Small Business Emergency Relief and Recovery Act of 2001—

''(i) the guarantee percentage specified by clause (i) of subparagraph (A) shall be increased to 85 percent (except with respect to loans approved under the SBA Express Pilot Program); and

''(ii) the Administrator shall collect an annual fee in an amount equal to 0.25 percent of the outstanding balance of the deferred participation share of the loan, notwithstanding paragraph (23)(A).''.

(c) REDUCTION OF SECTION 504 FEES.—

(1) IN GENERAL.—Section 503 of the Small Business Investment Act of 1958 (15 U.S.C. 697) is amended—

(A) in subsection (b)(7)(A)—

(i) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and moving the margins 2 ems to the right;

(ii) by striking ''not exceed the lesser'' and inserting ''not exceed—

''(i) the lesser''; and

(iii) by adding at the end the following:

''(ii) 50 percent of the amount established under clause (i) in the case of a loan made during the 1-year period following the date of enactment of the American Small Business Emergency Relief and Recovery Act of 2001, for the life of the loan; and''; and

(B) by adding at the end the following:

''(i) ONE-YEAR WAIVER OF FEES FOLLOWING TERRORIST ATTACKS.—The Administration may not assess or collect any up front guarantee fee with respect to loans made under this title during the 1-year period following the date of enactment of the American Small Business Emergency Relief and Recovery Act of 2001.''.

(2) USE OF FUNDS FOR SECTION 504 PROGRAM.—The provisions of subsections (b)(7)(A), (d)(2), and (i) of section 503 of the Small Business Investment Act of 1958, as amended by this subsection, shall be effective only to the extent that funds are made available under appropriations Acts, which funds shall be utilized to offset the cost (as such term is defined in section 502 of the Federal Credit Reform Act of 1990) to the Administration of making guarantees under those amended provisions.

(d) BUDGETARY TREATMENT OF LOANS AND FINANCINGS.—Assistance made available under any loan made or approved by the Small Business Administration under section 7(a) or 7(b)(4) of the Small Business Act (15 U.S.C. 636(a)) or financings made under title III or V of the Small Business Investment Act of 1958 (15 U.S.C. 697a), during the 1-year period beginning on the date of enactment of this Act, shall be treated as separate programs of the Small Business Administration for purposes of the Federal Credit Reform Act of 1990 only.

(e) USE OF FUNDS FOR 7(a) AND 7(a) EMERGENCY RELIEF LOAN PROGRAMS.—The provisions of paragraphs (2), (18), and (31) of section 7(a) of the Small Business Act, as amended by this title, shall be effective only to the extent that funds are made available under appropriations Acts, which funds shall be utilized to offset the cost (as such term is defined in section 502 of the Federal Credit Reform Act of 1990) to the Administration of making guarantees under those amended provisions.

SEC. 607. APPROVAL PROCESS.

Notwithstanding any other provision of law, the Administrator of the Small Business Administration may adopt such approval processes as the Administrator determines, after consultation with the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives, to be appropriate in order to make assistance under this title and the amendments made by this title available to all eligible small business concerns.

SEC. 608. OTHER SPECIALIZED ASSISTANCE AND MONITORING AUTHORIZED.

(a) ADDITIONAL SBDC AUTHORITY.—

(1) IN GENERAL.—Section 21(c)(3) of the Small Business Act (15 U.S.C. 648(c)(3)) is amended—

(A) in subparagraph (S), by striking ''and'' at the end;

(B) in subparagraph (T), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(U) providing individualized assistance with respect to financing, refinancing of existing debt, and business counseling to small business concerns adversely affected, directly or indirectly, by the terrorist attacks on September 11, 2001.''.

(2) WAIVER OF MATCHING REQUIREMENTS.—Section 21(a)(4) of the Small Business Act (15 U.S.C. 648(a)(4)) is amended by inserting before the period the following: '', except that the matching requirements of this paragraph do not apply with respect to any assistance provided under subsection (c)(3)(U)''.

(b) ADDITIONAL SCORE AUTHORITY.—Section 8(b)(1)(B) of the Small Business Act (15 U.S.C. 637(b)(1)(B) is amended—

(1) by inserting ''(i)'' after ''(B)''; and

(2) by adding at the end the following:

''(ii) The functions of the Service Corps of Retired Executives (SCORE) shall include the provision of individualized assistance with respect to financing, refinancing of existing debt, and business counseling to small business concerns adversely affected by the terrorist attacks on September 11, 2001.''.

(c) ADDITIONAL MICROLOAN PROGRAM AUTHORITY.—Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended by adding at the end the following:

''(14) ASSISTANCE AFTER TERRORIST ATTACKS OF SEPTEMBER 11, 2001.—Amounts made available under this subsection may be used by intermediaries to provide individualized assistance with respect to financing, refinancing of existing debt, and business counseling to small business concerns adversely affected by the terrorist attacks on September 11, 2001.''.

(d) ADDITIONAL WOMEN'S BUSINESS DEVELOPMENT CENTER AUTHORITY.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended—

(1) in subsection (b)—

(A) in paragraph (2), by striking ''and'' at the end;

(B) in paragraph (3), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(4) individualized assistance with respect to financing, refinancing of existing debt, and business counseling to small business concerns owned and controlled by women that were adversely affected by the terrorist attacks on September 11, 2001.''; and

(2) in subsection (c), by adding at the end the following:

''(5) WAIVER OF MATCHING REQUIREMENTS.—A recipient organization shall not be subject to the non-Federal funding requirements of paragraph (1) with respect to assistance provided under subsection (b)(4).''.

(e) ADDITIONAL SBIC AUTHORITY.—Section 303 of the Small Business Investment Act of 1958 (15 U.S.C. 683) is amended by adding at the end the following:

''(k) AUTHORITY AFTER TERRORIST ATTACKS OF SEPTEMBER 11, 2001.—Small business investment companies are authorized and encouraged to provide equity capital and to make loans to small business concerns pursuant to sections 304(a) and 305(a) of the Small Business Investment Act of 1958, respectively, for the purpose of providing assistance to small business concerns adversely affected by the terrorist attacks on September 11, 2001.''.

SEC. 609. STUDY AND REPORT ON EFFECTS ON SMALL BUSINESS CONCERNS.

(a) STUDY.—

(1) IN GENERAL.—The Office of Advocacy of the Small Business Administration shall conduct annual studies for a 5-year period on the impact of the terrorist attacks perpetrated against the United States on September 11, 2001, on small business concerns, and the effects of assistance provided under this title on such small business concerns.

(2) CONTENTS.—The study conducted under paragraph (1) shall include information regarding—

(A) bankruptcies and business failures that occurred as a result of the events of September 11, 2001, as compared to those that occurred in 1999 and 2000;

(B) the loss of jobs, revenue, and profits in small business concerns as a result of those events, as compared to those that occurred in 1999 and 2000;

(C) the impact of assistance provided under this title to small business concerns adversely affected by those attacks, including information regarding whether—

(i) small business concerns that received such assistance would have remained in business without such assistance;

(ii) jobs were saved due to such assistance; and

(iii) small business concerns that remained in business had increases in employment and sales since receiving assistance.

(b) REPORT.—The Office of Advocacy shall submit a report to Congress on the studies required by subsection (a)(1), specifically addressing the requirements of subsection (a)(2) in September of each of fiscal years 2002 through 2006.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $500,000 for each of fiscal years 2002 through 2006.

SEC. 610. EMERGENCY EQUITABLE RELIEF FOR FEDERAL CONTRACTORS.

(a) GUIDANCE REQUIRED.—

(1) IN GENERAL.—Under guidance issued by the Administrator for Federal Procurement Policy in conjunction with the Administrator of the Small Business Administration, the head of a contracting agency of the United States may increase the price of a contract entered into by the agency that is performed by a small business concern (as defined in section 3 of the Small Business Act) to the extent determined equitable under this section on the basis of loss resulting from security measures taken by the Federal Government at Federal facilities as a result of the terrorist attacks on September 11, 2001.

(2) EXPEDITED ISSUANCE.—Guidance required by paragraph (1) shall be issued under expedited procedures, not later than 20 days after the date of enactment of this Act.

(b) EXPEDITED PROCEDURES.—

(1) IN GENERAL.— The Administrator for Federal Procurement Policy shall prescribe expedited procedures for considering whether to grant an equitable adjustment in the case of a contract of an agency under subsection (a).

(2) REQUIREMENTS.—The procedures required by paragraph (1) shall provide for—

(A) an initial review of the merits of a contractor's request by the contracting officer concerned with the contract;

(B) a final determination of the merits of the contractor's request, including the value of any price adjustment, by the Head of the Contracting Agency, in consultation with the Administrator of the Small Business Administration, taking into consideration the initial review under subparagraph (A); and

(C) payment from the fund established under subsection (d) for the contract's price adjustment.

(3) TIMING.—The procedures required by paragraph (1) shall require completion of action on a contractor's request for adjustment not later than 30 days after the date on which the contractor submits the request to the contracting officer concerned.

(c) AUTHORIZED REMEDIES.—In addition to making a price adjustment under subsection (a), the time for performance of a contract may be extended under this section.

(d) PAYMENT OF ADJUSTED PRICE.—

(1) FUND ESTABLISHED.—The Administrator of the Small Business Administration shall establish a fund for the payment of contract price adjustments under this section. Payments of amounts for price adjustments shall be made out of the fund.

(2) AVAILABILITY.—Notwithstanding any other provision of law, amounts in the fund under this subsection shall remain available until expended.

(e) TERMINATION OF AUTHORITY.—

(1) REQUESTS.—No request for adjustment under this section may be accepted more than 330 days after the date of enactment of this Act.

(2) TERMINATION.—The authority under this section shall terminate 1 year after the date of enactment of this Act.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Small Business Administration to carry out this section, $100,000,000, including funds for administrative expenses and costs. Any funds remaining in the fund established under subsection (d) 1 year after the date of enactment of this Act shall be transferred to the disaster loan account of the United States Small Business Administration.

SEC. 611. REPORTS TO CONGRESS.

(a) REPORTS REQUIRED.—The Administrator of the Small Business Administration shall submit regular reports to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives regarding the implementation of this title and the amendments made by this title, including program delivery, staffing, and administrative expenses related to such implementation.

(b) FREQUENCY OF REPORTS.—The reports required by subsection (a) shall be submitted 20 days after the date of enactment of this Act and monthly thereafter until 1 year after the date of enactment of this Act, at which time the reports shall be submitted on a quarterly basis through December 31, 2003.

SEC. 612. EXPEDITED ISSUANCE OF IMPLEMENTING GUIDELINES.

Not later than 20 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall issue interim final rules and guidelines to implement this title and the amendments made by this title.

SEC. 613. SPECIAL AUTHORIZATIONS OF APPROPRIATIONS.

Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by adding at the end the following:

''(j) SPECIAL AUTHORIZATIONS OF APPROPRIATIONS FOLLOWING TERRORIST ATTACKS.—In addition to any other amounts authorized by this Act for any fiscal year, there are authorized to be appropriated to the Administration, to remain available until expended—

''(1) for fiscal year 2002 and each fiscal year thereafter, such sums as may be necessary to carry out paragraph (4) of section 7(b), including necessary loan capital and funds for administrative expenses related to making and servicing loans pursuant to that paragraph;

''(2) for fiscal year 2002, $25,000,000, to be used for activities of small business development centers pursuant to section 21(c)(3)(U)—

''(A) $2,500,000 of which shall be used to assist small business concerns (as that term is defined for purposes of section 7(b)(4)) located in the areas of New York and the contiguous areas designated by the President as a disaster area following the terrorist attacks on September 11, 2001; and

''(B) $1,500,000 of which shall be used to assist small business concerns located in areas of Virginia and the contiguous areas designated by the President as a disaster area following those terrorist attacks;

''(3) for fiscal year 2002, $2,000,000, to be used under the Service Corps of Retired Executives program authorized by section 8(b)(1) for the activities described in section 8(b)(1)(B)(ii);

''(4) for fiscal year 2002, $5,000,000 for microloan technical assistance authorized under section 7(m)(14);

''(5) for fiscal year 2002, $2,000,000 to be used for activities of women's business centers authorized by section 29(b)(4);

''(6) for fiscal year 2002 and each fiscal year thereafter, such sums as may be necessary to carry out paragraphs (2)(E), (18)(C), and (31) of section 7(a), including any funds necessary to offset fees and amounts waived or reduced under those provisions, necessary loan capital, and funds for administrative expenses; and

''(7) for fiscal year 2002, and each fiscal year thereafter, such sums as may be necessary to carry out the 1-year suspension of fees under subsections (b)(7)(A), (d)(2), and (i) of section 503 of the Small Business Investment Act of 1958, in response to the terrorist attacks on September 11, 2001, including any funds necessary to offset fees and amounts waived under those provisions and including funds for administrative expenses.''.

SA 2780. Mr. BROWNBACK 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:

Strike clause (iii) of section 168(k)(2)(B) of the Internal Revenue Code of 1986, as added by section 201(a), and insert the following:

''(iii) TRANSPORTATION PROPERTY.—For purposes of this subparagraph, the term 'transportation property' means tangible property used in the transportation of persons or property in the ordinary course of business.

SA 2781. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 2764 proposed by Mr. REID to the amendment SA 2698 submitted by Mr. REID 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:

At the end, add the following:

TITLE _____—TRAVEL INDUSTRY STABILIZATION

SECTION _01. SHORT TITLE.

This title may be cited as the ''American Travel Industry Stabilization Act''.

SEC. _02. TRAVEL INDUSTRY DISASTER RELIEF.

(a) IN GENERAL.—Notwithstanding any other provision of law, the President shall take the actions described in subsection (b) to compensate eligible travel-related businesses.

(b) ACTIONS DESCRIBED.—

(1) IN GENERAL.—Subject to such terms and conditions as the President deems necessary, and upon application, the President is authorized to issue Federal credit instruments to eligible travel-related businesses described in subsection (c) that do not, in the aggregate, exceed $2,000,000,000 and provide the subsidy amounts necessary for such instruments in accordance with the provisions of the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(2) TIME FOR APPLICATION.—An application for a Federal credit instrument shall be filed by an eligible travel-related business not later than 1 year after the promulgation of regulations.

(3) TERMS OF CREDIT INSTRUMENTS.—A loan guaranteed under this title may be used exclusively for the purpose of meeting obligations and expenses to the extent that an applicant demonstrates—

(A) business operations were directly and adversely affected by the events of September 11, 2001;

(B) the loan guarantee is necessary to meet such obligations;

(C) the inability of the applicant to meet such obligations or expenses is directly attributable to the impact of September 11, 2001; and

(D) the applicant has the ability to repay the loan.

(c) DEFINITIONS.—In this title:

(1) BOARD.—The term ''Board'' means the Air Transportation Stabilization Board established under the Air Transportation Safety and System Stabilization Act (49 U.S.C. 40101 note; P.L. 107–42).

(2) ELIGIBLE TRAVEL-RELATED BUSINESS.—The term ''eligible travel-related business'' means a business that was injured by the Government shutdown of the airline industry following the terrorist attacks on the United States that occurred on September 11, 2001, and that on such date—

(A) had a contractual arrangement with an air carrier to provide goods or services, including those with a contractual relationship with the Airline Reporting Corporation; or

(B) was a nonaeronautical for-profit business operating at an airport engaged in the sale of consumer goods or services to the public under an arrangement with the airport or the airport's governing body.

(3) FEDERAL CREDIT INSTRUMENT.—The term ''Federal credit instrument'' means any guarantee or other pledge by the Board issued under section __02(b) to pledge the full faith and credit of the United States to pay all or part of any of the principal of and interest on a loan or other debt obligation issued by an obligor and funded by a lender.

(4) FINANCIAL OBLIGATION.—The term ''financial obligation'' means any note, bond, debenture, or other debt obligation issued by an obligor in connection with financing under this section and section __02(b).

(5) LENDER.—The term ''lender'' means any non-Federal qualified institutional buyer (as defined by section 230.144A(a) of title 17, Code of Federal Regulations (or any successor regulatory) known as rule 144A(a) of the Securities and Exchange Commission and issued under the Securities Act of 1933), including—

(A) a qualified retirement plan (as defined in section 4974(c) of the Internal Revenue Code of 1986 (26 U.S.C. 4974(c))) that is a qualified institutional buyer; and

(B) a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986 (26 U.S.C. 414(d))) that is a qualified institutional buyer.

(6) OBLIGOR.—The term ''obligor'' means a party primarily liable for payment of the principal of, or interest on, a Federal credit instrument, which party may be a corporation, partnership, joint venture, trust, or governmental entity, agency, or instrumentality.

(d) EMERGENCY DESIGNATION.—Congress designates the amount of new budget authority and outlays in all fiscal years resulting from this title as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(e)). Such amount shall be available only to the extent that a request, that includes designation of such amount as an emergency requirement as defined in such Act, is transmitted by the President to Congress.

SEC. __03. ADDITIONAL FUNCTIONS FOR THE AIRLINE STABILIZATION BOARD.

(a) ADDITIONAL FUNCTIONS TO STABILIZE THE TRAVEL INDUSTRY.—The Board shall review and make recommendations to the President with respect to applications for Federal credit instruments submitted under section __02(b).

(b) FEDERAL CREDIT INSTRUMENTS.—

(1) IN GENERAL.—The Board may enter into agreements with 1 or more obligors to issue Federal credit instruments under section __02(b) if the Board determines, in its discretion, that—

(A) the obligor is an entity in a travel-related business for which credit is not reasonably available at the time of the transaction;

(B) the intended obligation by the obligor is prudently incurred; and

(C) such agreement is a necessary part of maintaining a safe, efficient, and viable travel industry in the United States.

(2) TERMS AND LIMITATIONS.—

(A) FORMS, TERMS, AND CONDITIONS.—A Federal credit instrument shall be issued under section __02(b) in such form and such terms and conditions and contain such covenants, representatives, warranties, and requirements (including requirements for audits) as the Board determines appropriate, provided that—

(i) a loan shall be repaid over a period not to exceed 5 years from the date that the loan is guaranteed under this title;

(ii) the Government guarantee shall cover not less than 80 percent of the value of the loan;

(iii) loan guarantees under this title shall be extended based upon the ability of the eligible travel-related business to repay the loan without regard to collateral; and

(iv) any loan origination fee may not exceed 1 percent of the loan value.

(B) PROCEDURES.—Not later than 14 days after the date of enactment of this title, the Director of the Office of Management and Budget, in consultation with the Board, shall issue regulations setting forth procedures for application and minimum requirements.

(c) FINANCIAL PROTECTION OF GOVERNMENT.—

(1) IN GENERAL.—To the extent feasible and practicable, as provided in paragraphs (2) and (3), the Board shall ensure that the Government is compensated for the risk assumed in making guarantees under this title.

(2) GOVERNMENT PARTICIPATION IN GAINS.—To the extent to which any participating corporation accepts financial assistance, in the form of accepting the proceeds of any loans guaranteed by the Government under this title, the Board is authorized to enter into contracts under which the Government, contingent on the financial success of the participating corporation, would participate in the gains of the participating corporation or its security holders through the use of such instruments as warrants, stock options, common or preferred stock, or other appropriate equity instruments.

(3) DEPOSIT IN TREASURY.—All amounts collected by the Secretary of the Treasury under this subsection shall be deposited in the Treasury as miscellaneous receipts.

(e) AUTHORIZATION OF FUNDS.—Congress authorizes and hereby appropriates such sums as are necessary to carry out the purposes of this title.

SA 2782. Mr. WYDEN 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 PAYMENTS UNDER EMERGENCY SUPPLEMENTAL ACT, 2000.

(a) IN GENERAL.—Chapter 2 of title II of the Emergency Supplemental Act, 2000 (Public Law 106–246; 114 Stat. 547) is amended by adding at the end the following new section:

''SEC. 2205. TREATMENT OF CERTAIN PAYMENTS. (a) PAYMENTS EXCLUDED FROM GROSS INCOME.—

''(1) IN GENERAL.—For purposes of the Internal Revenue Code of 1986, gross income shall not include any amount of any payment under this chapter with respect to west coast groundfish fishery not otherwise excludable from gross income under such Code.

''(2) DENIAL OF DOUBLE BENEFIT.—Paragraph (1) shall not apply to any amount if under such Code—

''(A) a deduction or credit is allowed with respect to such amount, or

''(B) an increase in the adjusted basis of any property results from such amount.

''(b) PAYMENTS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.—Any payment described in subsection (a)(1) shall not be taken into account as income or receipts for purposes of determining the eligibility of such individual or any other individual for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactment of the Emergency Supplemental Act, 2000.

SA 2783. Mr. TORRICELLI 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:

TITLE VI—EXTENSIONS OF CERTAIN EXPIRING PROVISIONS

Subtitle A—Extensions

SEC. 601. ALLOWANCE OF NONREFUNDABLE PERSONAL CREDITS AGAINST REGULAR AND MINIMUM TAX LIABILITY.

(a) IN GENERAL.—Paragraph (2) of section 26(a) is amended—

(1) by striking ''RULE FOR 2000 AND 2001.—'' and inserting ''RULE FOR 2000, 2001, AND 2002.—'', and

(2) by striking ''during 2000 or 2001,'' and inserting ''during 2000, 2001, or 2002,''.

(b) CONFORMING AMENDMENTS.—

(1) Section 904(h) is amended by striking ''during 2000 or 2001'' and inserting ''during 2000, 2001, or 2002''.

(2) The amendments made by sections 201(b), 202(f), and 618(b) of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to taxable years beginning during 2002.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 602. CREDIT FOR QUALIFIED ELECTRIC VEHICLES.

(a) IN GENERAL.—Section 30 is amended—

(1) in subsection (b)(2)—

(A) by striking ''December 31, 2001,'' and inserting ''December 31, 2002,'', and

(B) in subparagraphs (A), (B), and (C), by striking ''2002'', ''2003'', and ''2004'', respectively, and inserting ''2003'', ''2004'', and ''2005'', respectively, and

(2) in subsection (e), by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 280F(a)(1) is amended by adding at the end the following new clause

''(iii) APPLICATION OF SUBPARAGRAPH.—This subparagraph shall apply to property placed in service after August 5, 1997, and before January 1, 2006.''

(2) Subsection (b) of section 971 of the Taxpayer Relief Act of 1997 is amended by striking ''and before January 1, 2005''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to property placed in service after December 31, 2001.

SEC. 603. CREDIT FOR ELECTRICITY PRODUCED FROM RENEWABLE RESOURCES.

(a) IN GENERAL.—Subparagraphs (A), (B), and (C) of section 45(c)(3) are each amended by striking ''2002'' and inserting ''2003''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to property placed in service after December 31, 2001.

SEC. 604. WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 51(c)(4) is amended by striking ''2001'' and inserting ''2002''.

(b) INCREASE IN AGE CEILING FOR QUALIFIED FOOD STAMP RECIPIENTS.—Section 51(d)((8)(A)(i) (defining qualified food stamp recipient) is amended by striking ''age 25'' and inserting ''age 51''.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2001.

SEC. 605. WELFARE-TO-WORK CREDIT.

(a) IN GENERAL.—Subsection (f) of section 51A is amended by striking ''2001'' and inserting ''2002''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2001.

SEC. 606. DEDUCTION FOR CLEAN-FUEL VEHICLES AND CERTAIN REFUELING PROPERTY.

(a) IN GENERAL.—Section 179A is amended—

(1) in subsection (b)(1)(B)—

(A) by striking ''December 31, 2001,'' and inserting ''December 31, 2002,'', and

(B) in clauses (i), (ii), and (iii), by striking ''2002'', ''2003'', and ''2004'', respectively, and inserting ''2003'', ''2004'', and ''2005'', respectively, and

(2) in subsection (f), by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to property placed in service after December 31, 2001.

SEC. 607. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) IN GENERAL.—Subparagraph (H) of section 613A(c)(6) is amended by striking ''2002'' and inserting ''2003''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001.

SEC. 608. QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Paragraph (1) of section 1397E(e) is amended by striking ''2000, and 2001'' and inserting ''2000, 2001, and 2002''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 609. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended by striking ''January 1, 2002'' and inserting ''January 1, 2003''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to articles brought into the United States after December 31, 2001.

SEC. 610. PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) IN GENERAL.—Subsection (f) of section 9812, as amended by the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002, is amended to read as follows:

''(f) APPLICATION OF SECTION.—This section shall not apply to benefits for services furnished—

''(1) on or after September 30, 2001, and before January 1, 2002, and

''(2) after December 31, 2002.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to plan years beginning after December 31, 2000.

SEC. 611. TEMPORARY SPECIAL RULES FOR TAXATION OF LIFE INSURANCE COMPANIES.

(a) REDUCTION IN MUTUAL LIFE INSURANCE COMPANY DEDUCTIONS NOT TO APPLY IN CERTAIN YEARS.—Section 809 (relating to reduction in certain deductions of material life insurance companies) is amended by adding at the end the following:

''(j) DIFFERENTIAL EARNINGS RATE TREATED AS ZERO FOR CERTAIN YEARS.—Notwithstanding subsection (c) or (f), the differential earnings rate shall be treated as zero for purposes of computing both the differential earnings amount and the recomputed differential earnings amount for a mutual life insurance company's taxable years beginning in 2001 or 2002.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 612. AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) IN GENERAL.—Paragraphs (2) and (3)(B) of section 220(i) (defining cut-off year) are each amended by striking ''2002'' each place it appears and inserting ''2003''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 220(j) is amended by striking ''1998, 1999, or 2001'' each place it appears and inserting ''1998, 1999, 2001, or 2002''.

(2) Subparagraph (A) of section 220(j)(4) is amended by striking ''and 2001'' and inserting ''2001, and 2002''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 613. SUBPART F EXEMPTION FOR ACTIVE FINANCING.

(a) IN GENERAL.—

(1) Section 953(e)(10) is amended—

(A) by striking ''January 1, 2002'' and inserting ''January 1, 2003'', and

(B) by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(2) Section 954(h)(9) is amended by striking ''January 1, 2002'' and inserting ''January 1, 2003''.

(b) LIFE INSURANCE AND ANNUITY CONTRACTS.—

(1) IN GENERAL.—Subparagraph (B) of section 954(i)(4) is amended to read as follows:

''(B) LIFE INSURANCE AND ANNUITY CONTRACTS.—

''(i) IN GENERAL.—Except as provided in clause (ii), the amount of the reserve of a qualifying insurance company or qualifying insurance company branch for any life insurance or annuity contract shall be equal to the greater of—

''(I) the net surrender value of such contract (as defined in section 807(e)(1)(A)), or

''(II) the reserve determined under paragraph (5).

''(ii) RULING REQUEST, ETC.—The amount of the reserve under clause (i) shall be the foreign statement reserve for the contract (less any catastrophe, deficiency, equalization, or similar reserves), if, pursuant to a ruling request submitted by the taxpayer or as provided in published guidance, the Secretary determines that the factors taken into account in determining the foreign statement reserve provide an appropriate means of measuring income.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 614. REPEAL OF REQUIREMENT FOR APPROVED DIESEL OR KEROSENE TERMINALS.

(a) IN GENERAL.—Subsection (e) of section 4101 is hereby repealed.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 2002.

Subtitle B—Temporary Assistance for Needy Families

SEC. 621. REAUTHORIZATION OF TANF SUPPLEMENTAL GRANTS FOR POPULATION INCREASES FOR FISCAL YEAR 2002.

Section 403(a)(3) of the Social Security Act (42 U.S.C. 603(a)(3)) is amended by adding at the end the following:

''(H) REAUTHORIZATION OF GRANTS FOR FISCAL YEAR 2002.—Notwithstanding any other provision of this paragraph—

''(i) any State that was a qualifying State under this paragraph for fiscal year 2001 or any prior fiscal year shall be entitled to receive from the Secretary for fiscal year 2002 a grant in an amount equal to the amount required to be paid to the State under this paragraph for the most recent fiscal year in which the State was a qualifying State;

''(ii) subparagraph (G) shall be applied as if '2002' were substituted for '2001'; and

''(iii) out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal year 2002 such sums as are necessary for grants under this subparagraph.''.

SEC. 622. 1-YEAR EXTENSION OF CONTINGENCY FUND UNDER THE TANF PROGRAM.

Section 403(b) of the Social Security Act (42 U.S.C. 603(b)) is amended—

(1) in paragraph (2), by striking ''and 2001'' and inserting ''2001, and 2002''; and

(2) in paragraph (3)(C)(ii), by striking ''2001'' and inserting ''2002''.

SA 2784. Mr. THOMAS (for himself and Mr. ENZI) 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. ___. INVOLUNTARY CONVERSION RELIEF FOR PRODUCERS FORCED TO SELL LIVESTOCK DUE TO WEATHER-RELATED CONDITIONS OR FEDERAL LAND MANAGEMENT AGENCY POLICY OR ACTION.

(a) INCOME INCLUSION RULES.—Subsection (e) of section 451 of the Internal Revenue Code of 1986 (relating to general rule for taxable year of inclusion) is amended to read as follows:

''(e) SPECIAL RULE FOR PROCEEDS FROM LIVESTOCK SOLD ON ACCOUNT OF WEATHER-RELATED CONDITIONS OR FEDERAL LAND MANAGEMENT AGENCY POLICY OR ACTION.—

''(1) IN GENERAL.—In the case of income derived from the sale or exchange of livestock in excess of the number the taxpayer would sell if he followed his usual business practices, a taxpayer may elect to include such income for the taxable year following two full taxable years in which the weather-related conditions or forced sales caused by

Federal land management agency policy or action which resulted in such sale or exchange do not exist if such taxpayer establishes that, under his usual business practices, the sale or exchange would not have occurred in the taxable year in which it occurred if it were not for—

''(A) the weather-related conditions that resulted in the area being designated as eligible for assistance by the Federal Government, or

''(B) forced sales resulting from Federal land management agency policy or action.

''(2) LIMITATION.—Paragraph (1) shall apply only to a taxpayer whose principal trade or business is farming (within the meaning of section 6420(c)(3)).

''(3) SPECIAL RULES FOR DROUGHT DESIGNATIONS.—For purposes of this subsection, areas may be designated as eligible for drought condition assistance—

''(A) by Federal Government declaration, or

''(B) through Farm Service Agency flash reports as verified and approved by the Farm Service Agency director of the State in which such condition exists.''.

(b) RULES FOR REPLACEMENT OF INVOLUNTARILY CONVERTED LIVESTOCK.—

(1) IN GENERAL.—Section 1033(a)(2)(B) of the Internal Revenue Code of 1986 (relating to period within which property must be replaced) is amended by redesignating clause (ii) as clause (iii) and by inserting after clause (i) the following new clause:

''(ii) in the case of an involuntary conversion described in subsection (e), 2 years after the close of the taxable year following the year in which any part of the gain upon the conversion is realized and in which weather-related conditions or forced sales resulting from Federal land management agency policy or action have ended, or''.

(2) INVOLUNTARY CONVERSION DESCRIBED.—Subsection (e) of section 1033 of such Code (relating to involuntary conversions) is amended to read as follows:

''(e) LIVESTOCK SOLD ON ACCOUNT OF WEATHER-RELATED CONDITIONS OR FEDERAL LAND MANAGEMENT AGENCY POLICY OR ACTION.—For purposes of this subtitle, the sale or exchange of livestock (other than poultry) held by a taxpayer in excess of the number the taxpayer would sell if he followed usual business practices, shall be treated as an involuntary conversion to which this section applies if such livestock are sold or exchanged by the taxpayer solely on account of weather-related conditions or forced sales caused by Federal land management agency policy or action.''.

(3) CONVERSION BY HEIRS.—Section 1033(a)(2) of such Code is amended by adding at the end the following new subparagraph:

''(F) CONVERSION OF CERTAIN PROPERTY BY HEIRS.—In the case of an involuntary conversion of property described in subsection (e), if the taxpayer dies during the period specified in subparagraph (B), the requirements of subparagraph (A) shall be satisfied if the decedent's—

''(i) personal representative,

''(ii) the beneficiary of the converted property, if no personal representative exists, or

''(iii) the trustee in the case of a trust,

replaces the property within such period.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to sales or exchanges after the date of the enactment of this Act.

SA 2785. Mr. HARKIN 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:

Strike section 101(e) of the amendment and all that follows through title III and insert the following:

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) TECHNICALS.—The amendments made by subsection (b) shall take effect as if included in the amendment made by section 101(b)(1) of the Economic Growth and Tax Relief Reconciliation Act of 2001.

TITLE II—TEMPORARY BUSINESS RELIEF PROVISIONS

SEC. 201. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.

(a) IN GENERAL.—Section 168 (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 DECEMBER 31, 2001, AND BEFORE JANUARY 1, 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,

''(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,

''(III) which is qualified leasehold improvement property, or

''(IV) which is eligible for depreciation under section 167(g),

''(ii) the original use of which commences with the taxpayer after December 31, 2001,

''(iii) which is—

''(I) acquired by the taxpayer after December 31, 2001, and before January 1, 2004, but only if no written binding contract for the acquisition was in effect before January 1, 2002, or

''(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after December 31, 2001, and before January 1, 2004, and

''(iv) which is placed in service by the taxpayer before January 1, 2004, or, in the case of property described in subparagraph (B), before January 1, 2005.

''(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-JANUARY 1, 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 January 1, 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.

''(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 December 31, 2001, and before January 1, 2004.

''(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(ii), if property—

''(I) is originally placed in service after December 31, 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).

''(3) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified leasehold improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

''(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

''(I) by the lessee (or any sublessee) of such portion, or

''(II) by the lessor of such portion,

''(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

''(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

''(B) CERTAIN IMPROVEMENTS NOT INCLUDED.—Such term shall not include any improvement for which the expenditure is attributable to—

''(i) the enlargement of the building,

''(ii) any elevator or escalator,

''(iii) any structural component benefiting a common area, and

''(iv) the internal structural framework of the building.

''(C) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

''(i) BINDING COMMITMENT TO LEASE TREATED AS LEASE.—A binding commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively.

''(ii) RELATED PERSONS.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term 'related persons' means—

''(I) members of an affiliated group (as defined in section 1504), and

''(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase '80 percent or more' shall be substituted for the phrase 'more than 50 percent' each place it appears in such subsection.

''(D) IMPROVEMENTS MADE BY LESSOR.—In the case of an improvement made by the person who was the lessor of such improvement when such improvement was placed in service, such improvement shall be qualified leasehold improvement property (if at all) only so long as such improvement is held by such person.''.

(b) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Section 56(a)(1)(A) (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 DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.—The deduction under section 168(k) shall be allowed.''

(2) CONFORMING AMENDMENT.—Clause (i) of section 56(a)(1)(A) 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 December 31, 2001, in taxable years ending after such date.

TITLE III—ASSISTANCE FOR MEDICAID COVERAGE

SEC. 301. TEMPORARY INCREASES OF MEDICAID FMAP FOR FISCAL YEARS 2002 AND 2003.

(a) PERMITTING MAINTENANCE OF FISCAL YEAR 2001 FMAP FOR FISCAL YEAR 2002.—Notwithstanding any other provision of law, but subject to subsection (f), 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) PERMITTING MAINTENANCE OF FISCAL YEAR 2002 FMAP FOR FISCAL YEAR 2003.—Notwithstanding any other provision of law, but subject to subsection (f), if the FMAP determined without regard to this section for a State for fiscal year 2003 is less than the FMAP as so determined for fiscal year 2002, the FMAP for the State for fiscal year 2002 shall be substituted for the State's FMAP for each calendar quarter of fiscal year 2003, before the application of this section.

(c) GENERAL 3 PERCENTAGE POINTS INCREASE.—Notwithstanding any other provision of law, but subject to subsections (f) and (g), for each State for each calendar quarter in fiscal years 2002 and 2003, the FMAP (taking into account the application of subsections (a) and (b)) shall be increased by 3 percentage points.

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

(1) IN GENERAL.—Notwithstanding any other provision of law, but subject to subsections (f) and (g), the FMAP for a high unemployment State for a calendar quarter in fiscal year 2002 or fiscal year 2003 (and any subsequent such calendar quarters after the first such calendar quarter for which the State is a high unemployment State regardless of whether the State continues to be a high unemployment State for the subsequent such calendar quarters) shall be increased (after the application of subsections (a), (b), and (c)) 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

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

(e) 1-YEAR INCREASE IN CAP ON MEDICAID PAYMENTS TO TERRITORIES.—Notwithstanding any other provision of law, with respect to fiscal years 2002 and 2003, 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.

(f) 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); or

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

(g) STATE ELIGIBILITY.—A State is eligible for an increase in its FMAP under subsection (c) or (d) or an increase in a cap amount under subsection (e) 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.

(h) 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.).

(i) IMPLEMENTATION.—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) and shall increase payments to States under such title for each calendar quarter of fiscal year 2003 to take into account the increases in the FMAP provided for in this section for fiscal year 2003.

SA 2786. Mr. DORGAN (for himself and Mr. KERRY) 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. ___. EXCEPTION FROM TAX ON RECOGNIZED BUILT-IN GAIN OF S CORPORATIONS.

(a) IN GENERAL.—Section 1374 of the Internal Revenue Code of 1986 (relating to tax imposed on certain built-in gains) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

''(e) EXCEPTION FOR REINVESTED AMOUNTS.—

''(1) IN GENERAL.—If an existing S corporation has a net recognized built-in gain for any taxable year in the recognition period and elects the application of this subsection—

''(A) the tax (if any) imposed by subsection (a) on such gain shall not be imposed until the second succeeding taxable year, and

''(B) the amount of such gain on which tax is imposed by subsection (a) for such second succeeding taxable year shall not exceed the amount equal to the excess of—

''(i) the amount realized on the disposition of those assets that resulted in such gain, over

''(ii) the excess of—

''(I) the aggregate qualified expenditures made by the S corporation during the nonrecognition period, over

''(II) the portion (if any) of such expenditures previously taken into account under this subsection.

''(2) QUALIFIED EXPENDITURES.—For purposes of this subsection, the term 'qualified expenditures' means—

''(A) amounts chargeable to capital account for property used in a trade or business of the S corporation,

''(B) payments of principal and interest on pre-effective date debt of the S corporation, and

''(C) amounts distributed to shareholders to the extent such amounts do not exceed the aggregate of such shareholders' tax imposed by this chapter (and State and local taxes) on amounts attributable to the disposition of those assets that resulted in such net recognized built-in gain.

Payments of principal as part of a refinancing of pre-effective date debt shall not be taken into account under subparagraph (B).

''(3) NONRECOGNITION PERIOD.—For purposes of this subsection, the term 'nonrecognition period' means, with respect to a taxable year for which an S corporation has a net recognized built-in gain, such taxable year and the first and second succeeding taxable years.

''(4) PRE-EFFECTIVE DATE DEBT.—For purposes of paragraph (2)(B), the term 'pre-effective date debt' means—

''(A) debt incurred before the date of the enactment of this paragraph, and

''(B) debt incurred on or after such date to refinance debt described in subparagraph (A) (or refinanced indebtedness meeting the requirements of this subparagraph) to the extent that (immediately after the refinancing) the principal amount of the indebtedness resulting from the refinancing does

not exceed the principal amount of the refinanced indebtedness (immediately before the refinancing).

''(5) ANTI-ABUSE RULE.—Solely for purposes of determining the treatment of distributions to shareholders under section 1368 during the recognition period—

''(A) any increase in the accumulated adjustment account and shareholder basis by reason of the disposition of those assets that resulted in the net recognized built-in gain shall not exceed the amounts described in paragraph (2)(C), and

''(B) any increase in such account and shareholder basis which is not permitted under subparagraph (A) shall occur immediately after the recognition period.

''(6) EXISTING S CORPORATION.—The term 'existing S corporation' means any S corporation for which an election under section 1362 is filed before October 12, 2001.''.

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

SA 2787. Mr. MCCONNELL 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. . INCLUSION OF KENTUCKY IN LIST OF STATES PERMITTED TO OPERATE A SEPARATE RETIREMENT SYSTEM.

Section 218(d)(6)(C) of the Social Security Act (42 U.S.C. 418(d)(6)(C)) is amended by inserting ''Kentucky,'' after ''Illinois,''.

SA 2788. Mr. HATCH (for himself and Mr. BENNETT) 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:

At the end, add the following:

SEC. ___. CARRYBACK OF CERTAIN NET OPERATING LOSSES ALLOWED FOR 7 YEARS.

(a) IN GENERAL.—Paragraph (1) of section 172(b) of the Internal Revenue Code of 1986 (relating to years to which loss may be carried) is amended by adding at the end the following new subparagraph:

''(H) SPECIAL RULE FOR CERTAIN LOSSES.—

''(i) IN GENERAL.—In the case of a taxpayer which has a net operating loss for any taxable year ending during 2000, 2001, or 2002, subparagraph (A)(i) shall be applied by substituting '7' for '2' and subparagraph (F) shall not apply.

''(ii) PER YEAR LIMITATION.—For purposes of the 6th and 7th taxable year preceeding the taxable year of such loss, the amount of net operating losses to which clause (i) may apply for any taxable year shall not exceed $50,000,000.''

(b) ELECTION TO DISREGARD 7-YEAR CARRYBACK.—Section 172 of the Internal Revenue Code of 1986 (relating to net operating loss deduction) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

''(j) ELECTION TO DISREGARD 7-YEAR CARRYBACK FOR CERTAIN NET OPERATING LOSSES.—Any taxpayer entitled to a 7-year carryback under subsection (b)(1)(H) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(H). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.''

(c) TEMPORARY SUSPENSION OF 90 PERCENT LIMIT ON CERTAIN NOL CARRYBACKS.—

(1) IN GENERAL.—Subparagraph (A) of section 56(d)(1) of the Internal Revenue Code of 1986 (relating to general rule defining alternative tax net operating loss deduction) is amended to read as follows:

''(A) the amount of such deduction shall not exceed the sum of—

''(i) the lesser of—

''(I) the amount of such deduction attributable to net operating losses (other than the deduction attributable to carrybacks described in clause (ii)(I)), or

''(II) 90 percent of alternative minimum taxable income determined without regard to such deduction, plus

''(ii) the lesser of—

''(I) the amount of such deduction attributable to carrybacks of net operating losses for taxable years ending during 2000, 2001, or 2002, or

''(II) alternative minimum taxable income determined without regard to such deduction reduced by the amount determined under clause (i), and''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning before January 1, 2003.

(d) EFFECTIVE DATE.—Except as provided in subsection (c), the amendments made by this section shall apply to net operating losses for taxable years ending after December 31, 1999.

SA 2789. Mr. HATCH (for himself, and Mr. BENNETT) 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:

At the end, add the following:

SEC. ___. CARRYBACK OF CERTAIN NET OPERATING LOSSES ALLOWED FOR 7 YEARS.

(a) IN GENERAL.—Paragraph (1) of section 172(b) of the Internal Revenue Code of 1986 (relating to years to which loss may be carried) is amended by adding at the end the following new subparagraph:

''(H) SPECIAL RULE FOR CERTAIN LOSSES.—

''(i) IN GENERAL.—In the case of a taxpayer which has a net operating loss for any taxable year ending during 2000, 2001, or 2002, subparagraph (A)(i) shall be applied by substituting '7' for '2' and subparagraph (F) shall not apply.

''(ii) PER YEAR LIMITATION.—For purposes of the 6th and 7th taxable year preceeding the taxable year of such loss, the amount of net operating losses to which clause (i) may apply for any taxable year shall not exceed $50,000,000.''

(b) ELECTION TO DISREGARD 7-YEAR CARRYBACK.—Section 172 of the Internal Revenue Code of 1986 (relating to net operating loss deduction) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

''(j) ELECTION TO DISREGARD 7-YEAR CARRYBACK FOR CERTAIN NET OPERATING LOSSES.—Any taxpayer entitled to a 7-year carryback under subsection (b)(1)(H) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(H). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.''

(c) TEMPORARY SUSPENSION OF 90 PERCENT LIMIT ON CERTAIN NOL CARRYBACKS.—

(1) IN GENERAL.—Subparagraph (A) of section 56(d)(1) of the Internal Revenue Code of 1986 (relating to general rule defining alternative tax net operating loss deduction) is amended to read as follows:

''(A) the amount of such deduction shall not exceed the sum of—

''(i) the lesser of—

''(I) the amount of such deduction attributable to net operating losses (other than the deduction attributable to carrybacks described in clause (ii)(I)), or

''(II) 90 percent of alternative minimum taxable income determined without regard to such deduction, plus

''(ii) the lesser of—

''(I) the amount of such deduction attributable to carrybacks of net operating losses for taxable years ending during 2000, 2001, or 2002, or

''(II) alternative minimum taxable income determined without regard to such deduction reduced by the amount determined under clause (i), and''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning before January 1, 2003.

(d) TEMPORARY FOREIGN TAX CREDIT CLARIFICATION.—

(1) IN GENERAL.—Section 904(c) (relating to carryback and carryover of excess tax paid) is amended by striking ''Any amount'' and by inserting ''(1) GENERAL RULE.—Any amount'' and by adding new paragraph (2) to read as follows:

''(2) TEMPORARY RULE FOR CARRYBACK AND CARRYFORWARD OF EXCESS FOREIGN TAXES.—For purposes of any taxable year ending in 2000, 2001 or 2002 and any of the preceeding 7 taxable years, the provisions of paragraph (1) shall apply, except that the carryforward period shall extend to the tenth succeeding taxable year instead of the fifth succeeding taxable year.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply upon enactment.

(e) EFFECTIVE DATE.—Except as provided in subsections (c) and (d), the amendments made by this section shall apply to net operating losses for taxable years ending after December 31, 1999.

SA 2790. Mr. NICKLES (for 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, Mr. COCHRAN, and Mr. SARBANES)) 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:

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.

SA 2791. Mrs. HUTCHISON submitted an amendment intended to be proposed by her 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:

SECTION 1. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT ACCOUNTS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subsection (d) of section 408 of the Internal Revenue Code of 1986 (relating to individual retirement accounts) is amended by adding at the end the following new paragraph:

''(8) DISTRIBUTIONS FOR CHARITABLE PURPOSES.—

''(A) IN GENERAL.—No amount shall be includible in gross income by reason of a qualified charitable distribution from an individual retirement account to an organization described in section 170(c).

''(B) SPECIAL RULES RELATING TO CHARITABLE REMAINDER TRUSTS, POOLED INCOME FUNDS, AND CHARITABLE GIFT ANNUITIES.—

''(i) IN GENERAL.—No amount shall be includible in gross income by reason of a qualified charitable distribution from an individual retirement account—

''(I) to a charitable remainder annuity trust or a charitable remainder unitrust (as such terms are defined in section 664(d)),

''(II) to a pooled income fund (as defined in section 642(c)(5)), or

''(III) for the issuance of a charitable gift annuity (as defined in section 501(m)(5)).

The preceding sentence shall apply only if no person holds an income interest in the amounts in the trust, fund, or annuity attributable to such distribution other than one or more of the following: the individual for whose benefit such account is maintained, the spouse of such individual, or any organization described in section 170(c).

''(ii) DETERMINATION OF INCLUSION OF AMOUNTS DISTRIBUTED.—In determining the amount includible in the gross income of any person by reason of a payment or distribution from a trust referred to in clause (i)(I) or a charitable gift annuity (as so defined), the portion of any qualified charitable distribution to such trust or for such annuity which would (but for this subparagraph) have been includible in gross income—

''(I) shall be treated as income described in section 664(b)(1), and

''(II) shall not be treated as an investment in the contract.

''(iii) NO INCLUSION FOR DISTRIBUTION TO POOLED INCOME FUND.—No amount shall be includible in the gross income of a pooled income fund (as so defined) by reason of a qualified charitable distribution to such fund.

''(C) QUALIFIED CHARITABLE DISTRIBUTION.—For purposes of this paragraph, the term 'qualified charitable distribution' means any distribution from an individual retirement account—

''(i) which is made on or after the date that the individual for whose benefit the account is maintained has attained age 59½, and

''(ii) which is made directly from the account to—

''(I) an organization described in section 170(c), or

''(II) a trust, fund, or annuity referred to in subparagraph (B).

''(D) DENIAL OF DEDUCTION.—The amount allowable as a deduction under section 170 to the taxpayer for the taxable year shall be reduced (but not below zero) by the sum of the amounts of the qualified charitable distributions during such year which would be includible in the gross income of the taxpayer for such year but for this paragraph.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001, and before January 1, 2004.

SA 2792. Mr. LUGAR (for himself and Mr. LEAHY) 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. ___. CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD.

(a) IN GENERAL.—Subsection (e) of section 170 of the Internal Revenue Code of 1986 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following new paragraph:

''(7) SPECIAL RULE FOR CONTRIBUTIONS OF FOOD INVENTORY.—For purposes of this section—

''(A) IN GENERAL.—In the case of a charitable contribution of apparently wholesome food by a taxpayer—

''(i) paragraph (3)(A) shall be applied without regard to whether or not the contribution is made by a C corporation, and

''(ii) in the case of a taxpayer other than a C corporation, the total deductions under subsection (a) with respect to such contributions for any taxable year shall not exceed the percentage specified in subsection (b)(2) of the taxpayer's net income from the trade or business, computed without regard to this section.

''(B) LIMIT ON REDUCTION.—In the case of a charitable contribution of apparently wholesome food which is a qualified contribution (within the meaning of paragraph (3)(A), as modified by subparagraph (A) of this paragraph), the amount of the reduction determined under paragraph (3)(B) shall not exceed the amount determined under clause (ii) thereof.

''(C) DETERMINATION OF BASIS.—For purposes of this paragraph, if a taxpayer—

''(i) does not account for inventories under section 471, and

''(ii) is not required to capitalize indirect costs under section 263A,

the taxpayer may elect, solely for purposes of paragraph (3)(B)(ii), to treat the basis of any qualified contribution of such taxpayer as being equal to 25 percent of the fair market value of such contribution.

''(D) DETERMINATION OF FAIR MARKET VALUE.—In the case of a charitable contribution of apparently wholesome food which is a qualified contribution (within the meaning of paragraph (3), as modified by subparagraphs (A) and (B) of this paragraph) and which, solely by reason of internal standards of the taxpayer or lack of market, cannot or will not be sold, the fair market value of such contribution shall be determined—

''(i) without regard to such internal standards or such lack of market and

''(ii) by taking into account the price at which the same or substantially the same food items are sold by the taxpayer at the time of the contribution (or, if not so sold at such time, in the recent past).

''(E) APPARENTLY WHOLESOME FOOD.—For purposes of this paragraph, the term 'apparently wholesome food' has the meaning given such term by section 22(b)(2) of the Bill Emerson Good Samaritan Food Donation Act (42 U.S.C. 1791(b)(2)), as in effect on the date of the enactment of this paragraph.

''(F) TERMINATION.—This paragraph shall not apply to any contribution made during any taxable year beginning after December 31, 2004.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2793. Mr. GRAMM (for himself, and Mrs. HUTCHISON) 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:

At the end, add the following:

SEC. ___. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

(a) IN GENERAL.—Part II of subchapter O of chapter 1 of the Internal Revenue Code of 1986 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

''(a) GENERAL RULE.—

''(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—Except as provided in paragraph (2), if an indexed asset which has been held for more than 1 year is sold or otherwise disposed of, then, for purposes of this title, the indexed basis of the asset shall be substituted for its adjusted basis.

''(2) EXCEPTION FOR DEPRECIATION, ETC.—The deductions for depreciation, depletion, and amortization shall be determined without regard to the application of paragraph (1) to the taxpayer or any other person.

''(b) INDEXED ASSET.—

''(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means—

''(A) stock in a corporation, and

''(B) tangible property (or any interest therein), which is a capital asset or property used in the trade or business (as defined in section 1231(b)).

''(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include—

''(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

''(B) OPTIONS.—Any option or other right to acquire an interest in property.

''(C) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (h)(1)).

''(D) CERTAIN PREFERRED STOCK.—Stock which is preferred as to dividends and does not participate in corporate growth to any significant extent.

''(E) STOCK IN CERTAIN CORPORATIONS.—Stock in—

''(i) an S corporation (within the meaning of section 1361),

''(ii) a personal holding company (as defined in section 542), and

''(iii) a foreign corporation.

''(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Clause (iii) of paragraph (2)(E) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis other than—

''(A) stock of a foreign investment company (within the meaning of section 1246(b)), and

''(B) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

''(c) INDEXED BASIS.—For purposes of this section—

''(1) GENERAL RULE.—The indexed basis for any asset is—

''(A) the adjusted basis of the asset, increased by

''(B) the applicable inflation adjustment.

''(2) APPLICABLE INFLATION ADJUSTMENT.—The applicable inflation adjustment for any asset is an amount equal to—

''(A) the adjusted basis of the asset, multiplied by

''(B) the percentage (if any) by which—

''(i) the chain-type price index for GDP for the last calendar quarter ending before the asset is disposed of, exceeds

''(ii) the chain-type price index for GDP for the last calendar quarter ending before the asset was acquired by the taxpayer.

The percentage under subparagraph (B) shall be rounded to the nearest 1/10 of 1 percentage point.

''(3) CHAIN-TYPE PRICE INDEX FOR GDP.—The chain-type price index for GDP for any calendar quarter is such index for such quarter (as shown in the last revision thereof released by the Secretary of Commerce before the close of the following calendar quarter).

''(d) SPECIAL RULES.—For purposes of this section—

''(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

''(A) a substantial improvement to property,

''(B) in the case of stock of a corporation, a substantial contribution to capital, and

''(C) any other portion of an asset to the extent that separate treatment of such portion is appropriate to carry out the purposes of this section.

''(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—

''(A) IN GENERAL.—The applicable inflation ratio shall be appropriately reduced for calendar months at any time during which the asset was not an indexed asset.

''(B) CERTAIN SHORT SALES.—For purposes of applying subparagraph (A), an asset shall be treated as not an indexed asset for any short sale period during which the taxpayer or the taxpayer's spouse sells short property substantially identical to the asset. For purposes of the preceding sentence, the short sale period begins on the day after the substantially identical property is sold and ends on the closing date for the sale.

''(3) TREATMENT OF CERTAIN DISTRIBUTIONS.—A distribution with respect to stock in a corporation which is not a dividend shall be treated as a disposition.

''(4) SECTION CANNOT INCREASE ORDINARY LOSS.—To the extent that (but for this paragraph) this section would create or increase a net ordinary loss to which section 1231(a)(2) applies or an ordinary loss to which any other provision of this title applies, such provision shall not apply. The taxpayer shall be treated as having a long-term capital loss in an amount equal to the amount of the ordinary loss to which the preceding sentence applies.

''(5) ACQUISITION DATE WHERE THERE HAS BEEN PRIOR APPLICATION OF SUBSECTION (a)(1) WITH RESPECT TO THE TAXPAYER.—If there has been a prior application of subsection (a)(1) to an asset while such asset was held by the taxpayer, the date of acquisition of such asset by the taxpayer shall be treated as not earlier than the date of the most recent such prior application.

''(6) COLLAPSIBLE CORPORATIONS.—The application of section 341(a) (relating to collapsible corporations) shall be determined without regard to this section.

''(e) CERTAIN CONDUIT ENTITIES.—

''(1) REGULATED INVESTMENT COMPANIES; REAL ESTATE INVESTMENT TRUSTS; COMMON TRUST FUNDS.—

''(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

''(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

''(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

''(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

''(E) QUALIFIED INVESTMENT ENTITY.—For purposes of this paragraph, the term 'qualified investment entity' means—

''(i) a regulated investment company (within the meaning of section 851),

''(ii) a real estate investment trust (within the meaning of section 856), and

''(iii) a common trust fund (within the meaning of section 584).

''(2) PARTNERSHIPS.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners.

''(3) SUBCHAPTER S CORPORATIONS.—In the case of an electing small business corporation, the adjustment under subsection (a) at the corporate level shall be passed through to the shareholders.

''(f) DISPOSITIONS BETWEEN RELATED PERSONS.—

''(1) IN GENERAL.—This section shall not apply to any sale or other disposition of property between related persons except to the extent that the basis of such property in the hands of the transferee is a substituted basis.

''(2) RELATED PERSONS DEFINED.—For purposes of this section, the term 'related persons' means—

''(A) persons bearing a relationship set forth in section 267(b), and

''(B) persons treated as single employer under subsection (b) or (c) of section 414.

''(g) TRANSFERS TO INCREASE INDEXING ADJUSTMENT OR DEPRECIATION ALLOWANCE.—If any person transfers cash, debt, or any other property to another person and the principal purpose of such transfer is—

''(1) to secure or increase an adjustment under subsection (a), or

''(2) to increase (by reason of an adjustment under subsection (a)) a deduction for depreciation, depletion, or amortization,

the Secretary may disallow part or all of such adjustment or increase.

''(h) DEFINITIONS.—For purposes of this section—

''(1) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased real property where—

''(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

''(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property.

''(2) STOCK INCLUDES INTEREST IN COMMON TRUST FUND.—The term 'stock in a corporation' includes any interest in a common trust fund (as defined in section 584(a)).

''(i) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.''

(b) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of such chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 1021 the following new item:

''Sec. 1022. Indexing of certain assets for purposes of determining gain or loss.''

(c) ADJUSTMENT TO APPLY FOR PURPOSES OF DETERMINING EARNINGS AND PROFITS.—Subsection (f) of section 312 of the Internal Revenue Code of 1986 (relating to effect on earnings and profits of gain or loss and of receipt of tax-free distributions) is amended by adding at the end thereof the following new paragraph:

''(3) EFFECT ON EARNINGS AND PROFITS OF INDEXED BASIS.—

"For substitution of indexed basis for adjusted basis in the case of the disposition of certain assets after December 31, 2001, see section 1022(a)(1)."

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to the disposition of any property the holding period of which begins after the date of the enactment of this Act.

(2) CERTAIN TRANSACTIONS BETWEEN RELATED PERSONS.—The amendments made by this section shall not apply to the disposition of any property acquired after the date of the enactment of this Act from a related person (as defined in section 1022(f)(2) of the Internal Revenue Code of 1986, as added by this section) if—

(A) such property was so acquired for a price less than the property's fair market value, and

(B) the amendments made by this section did not apply to such property in the hands of such related person.

SA 2794. Mr. DURBIN 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:

At the appropriate place insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Terrorism Risk Insurance Act of 2001''.

SEC. 2. CONGRESSIONAL FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) property and casualty insurance firms are important financial institutions, the products of which allow mutualization of risk and the efficient use of financial resources and enhance the ability of the economy to maintain stability, while responding to a variety of economic, political, environmental, and other risks with a minimum of disruption;

(2) the ability of businesses and individuals to obtain property and casualty insurance at reasonable and predictable prices, in order to spread the risk of both routine and catastrophic loss, is critical to economic growth, urban development, and the construction and maintenance of public and private housing, as well as to the promotion of United States exports and foreign trade in an increasingly interconnected world;

(3) the ability of the insurance industry to cover the unprecedented financial risks presented by potential acts of terrorism in the United States can be a major factor in the recovery from terrorist attacks, while maintaining the stability of the economy;

(4) widespread financial market uncertainties have arisen following the terrorist attacks of September 11, 2001, including the absence of information from which financial institutions can make statistically valid estimates of the probability and cost of future terrorist events, and therefore the size, funding, and allocation of the risk of loss caused by such acts of terrorism;

(5) a decision by property and casualty insurers to deal with such uncertainties, either by terminating property and casualty coverage for losses arising from terrorist events, or by radically escalating premium coverage to compensate for risks of loss that are not readily predictable, could seriously hamper ongoing and planned construction, property acquisition, and other business projects, generate a dramatic increase in rents, and otherwise suppress economic activity; and

(6) the United States Government should provide temporary financial compensation to insured parties, contributing to the stabilization of the United States economy in a time of national crisis, while the financial services industry develops the systems, mechanisms, products, and programs necessary to create a viable financial services market for private terrorism risk insurance.

(b) PURPOSE.—The purpose of this Act is to establish a temporary Federal program that provides for a transparent system of shared public and private compensation for insured losses resulting from acts of terrorism, in order to—

(1) protect consumers by addressing market disruptions and ensure the continued widespread availability and affordability of property and casualty insurance for terrorism risk; and

(2) allow for a transitional period for the private markets to stabilize, resume pricing of such insurance, and build capacity to absorb any future losses, while preserving State insurance regulation and consumer protections.

SEC. 3. DEFINITIONS.

In this Act, the following definitions shall apply:

(1) ACT OF TERRORISM.—

(A) CERTIFICATION.—The term ''act of terrorism'' means any act that is certified by the Secretary, in concurrence with the Secretary of State, and the Attorney General of the United States—

(i) to be a violent act or an act that is dangerous to—

(I) human life;

(II) property; or

(III) infrastructure;

(ii) to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel described in paragraph (3)(A)(ii); and

(iii) to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

(B) LIMITATION.—No act or event shall be certified by the Secretary as an act of terrorism if—

(i) the act or event is committed in the course of a war declared by the Congress; or

(ii) losses resulting from the act or event, in the aggregate, do not exceed $5,000,000.

(C) DETERMINATIONS FINAL.—Any certification of, or determination not to certify, an act or event as an act of terrorism under this paragraph shall be final, and shall not be subject to judicial review.

(2) BUSINESS INTERRUPTION COVERAGE.—The term ''business interruption coverage''—

(A) means coverage of losses for temporary relocation expenses and ongoing expenses, including ordinary wages, where—

(i) there is physical damage to the business premises of such magnitude that the business cannot open for business;

(ii) there is physical damage to other property that totally prevents customers or employees from gaining access to the business premises; or

(iii) the Federal, State, or local government shuts down an area due to physical or environmental damage, thereby preventing customers or employees from gaining access to the business premises; and

(B) does not include lost profits, other than in the case of a small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632) and applicable regulations thereunder) in any case described in clause (i), (ii), or (iii) of subparagraph (A).

(3) INSURED LOSS.—The term ''insured loss''—

(A) means any loss resulting from an act of terrorism that is covered by primary property and casualty insurance, including business interruption coverage, issued by a participating insurance company, if such loss—

(i) occurs within the United States; or

(ii) occurs to an air carrier (as defined in section 40102 of title 49, United States Code) or to a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; and

(B) excludes any life or health insurance coverage.

(4) MARKET SHARE.—

(A) IN GENERAL.—The ''market share'' of a participating insurance company shall be calculated using the total amount of direct written property and casualty insurance premiums for the participating insurance company during the 2-year period preceding the year in which the subject act of terrorism occurred (or during such other period for which adequate data are available, as determined by the Secretary), as a percentage of the aggregate of all such property and casualty insurance premiums industry-wide during that period.

(B) ADJUSTMENTS.—The Secretary may adjust the market share of a participating insurance company under subparagraph (A), as necessary to reflect current market participation of that participating insurance company.

(5) NAIC.—The term ''NAIC'' means the National Association of Insurance Commissioners.

(6) PARTICIPATING INSURANCE COMPANY.—The term ''participating insurance company'' means any insurance company, including any subsidiary or affiliate thereof—

(A) that—

(i) is licensed or admitted to engage in the business of providing primary insurance in any State, and was so licensed or admitted on September 11, 2001, or had pending on that date an application for such license or admission; or

(ii) is not licensed or admitted as described in clause (i), if it is an eligible surplus line carrier listed on the Quarterly Listing of Alien Insurers of the NAIC, or any successor thereto;

(B) that receives direct premiums for any type of commercial property and casualty insurance coverage or that, not later than 21 days after the date of enactment of this Act, submits written notification to the Secretary of its intent to participate in the Program with regard to personal lines of property and casualty insurance; and

(C) that meets any other criteria that the Secretary may reasonably prescribe.

(7) PARTICIPATING INSURANCE COMPANY DEDUCTIBLE.—The term ''participating insurance company deductible'' means—

(A) a participating insurance company's market share, multiplied by $10,000,000,000, with respect to insured losses resulting from an act of terrorism occurring during the period beginning on the date of enactment of this Act and ending at midnight on December 31, 2002; and

(B) a participating insurance company's market share, multiplied by $15,000,000,000, with respect to insured losses resulting from an act of terrorism occurring during the period beginning on January 1, 2003 and ending at midnight on December 31, 2003, if the Program is extended in accordance with section 6.

(8) PERSON.—The term ''person'' means any individual, business or nonprofit entity (including those organized in the form of a partnership, limited liability company, corporation, or association), trust or estate, or a State or political subdivision of a State or other governmental unit.

(9) PROGRAM.—The term ''Program'' means the Terrorism Insured Loss Shared Compensation Program established by this Act.

(10) PROPERTY AND CASUALTY INSURANCE.—The term ''property and casualty insurance''—

(A) means commercial lines of property and casualty insurance;

(B) includes personal lines of property and casualty insurance, if a notification is made in accordance with paragraph (6)(B); and

(C) does not include—

(i) Federal crop insurance issued or reinsured under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.); or

(ii) private mortgage insurance, as that term is defined in section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901).

(11) SECRETARY.—The term ''Secretary'' means the Secretary of the Treasury.

(12) STATE.—The term ''State'' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, and each of the United States Virgin Islands.

(13) UNITED STATES.—The term ''United States'' means the several States, and includes the territorial sea of the United States.

SEC. 4. TERRORISM INSURED LOSS SHARED COMPENSATION PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—

(1) IN GENERAL.—There is established in the Department of the Treasury the Terrorism Insured Loss Shared Compensation Program.

(2) AUTHORITY OF THE SECRETARY.—Notwithstanding any other provision of State or Federal law, the Secretary shall administer the Program, and shall pay the Federal share of compensation for insured losses in accordance with subsection (e).

(b) CONDITIONS FOR FEDERAL PAYMENTS.—No payment may be made by the Secretary under subsection (e), unless—

(1) a person that suffers an insured loss, or a person acting on behalf of that person, files a claim with a participating insurance company;

(2) the participating insurance company provides clear and conspicuous disclosure to the policyholder of the premium charged for insured losses covered by the Program and the Federal share of compensation for insured losses under the Program—

(A) in the case of any policy covering an insured loss that is issued on or after the date of enactment of this Act, in the policy, at the time of offer, purchase, and renewal of the policy; and

(B) in the case of any policy that is issued before the date of enactment of this Act, not later than 90 days after that date of enactment;

(3) the participating insurance company processes the claim for the insured loss in accordance with its standard business practices, and any reasonable procedures that the Secretary may prescribe; and

(4) the participating insurance company submits to the Secretary, in accordance with such reasonable procedures as the Secretary may establish—

(A) a claim for payment of the Federal share of compensation for insured losses under the Program;

(B) written verification and certification—

(i) of the underlying claim; and

(ii) of all payments made for insured losses; and

(C) certification of its compliance with the provisions of this subsection.

(c) MANDATORY PARTICIPATION; MANDATORY AVAILABILITY.—Each insurance company that meets the definition of a participating insurance company under section 3—

(1) shall participate in the Program;

(2) shall make available in all of its property and casualty insurance policies (in all of its participating lines), coverage for insured losses; and

(3) shall make available property and casualty insurance coverage for insured losses that does not differ materially from the terms, amounts, and other coverage limitations applicable to losses arising from events other than acts of terrorism.

(d) PARTICIPATION BY SELF INSURED ENTITIES.—

(1) DETERMINATION BY THE SECRETARY.—The Secretary may, in consultation with the NAIC, establish procedures to allow participation in the Program by municipalities and other governmental or quasi-governmental entities (and by any other entity, as the Secretary deems appropriate) operating through self insurance arrangements that were in existence on September 11, 2001, but only if the Secretary makes a determination with regard to participation by any such entity before the occurrence of an act of terrorism in which the entity incurs an insured loss.

(2) PARTICIPATION.—If the Secretary makes a determination to allow an entity described in paragraph (1) to participate in the Program, all reports, conditions, requirements, and standards established by this Act for participating insurance companies shall apply to any such entity, as determined to be appropriate by the Secretary.

(e) SHARED INSURANCE LOSS COVERAGE.—

(1) FEDERAL SHARE.—

(A) IN GENERAL.—Subject to the cap on liability under paragraph (2) and the limitation under paragraph (6), the Federal share of compensation under the Program to be paid by the Secretary for insured losses resulting from an act of terrorism occurring during the period beginning on the date of enactment of this Act and ending at midnight on December 31, 2002—

(i) shall be equal to 80 percent of that portion of the amount of aggregate insured losses that—

(I) exceeds the participating insurance company deductibles required to be paid for those insured losses; and

(II) does not exceed $10,000,000,000; and

(ii) shall be equal to 90 percent of that portion of the amount of aggregate insured losses that—

(I) exceeds the participating insurance company deductibles required to be paid for those insured losses; and

(II) exceeds $10,000,000,000.

(B) EXTENSION PERIOD.—If the Program is extended in accordance with section 6, the Federal share of compensation under the Program to be paid by the Secretary for insured losses resulting from an act of terrorism occurring during the period beginning on January 1, 2003 and ending at midnight on December 31, 2003, shall be calculated in accordance with clauses (i) and (ii) of subparagraph (A), subject to the cap on liability in paragraph (2) and the limitation under paragraph (6).

(C) PRO RATA SHARE.—If, during the period described in subparagraph (A) (or during the period described in subparagraph (B), if the Program is extended in accordance with section 6), the aggregate insured losses for that period exceed $10,000,000,000, the Secretary shall determine the pro rata share for each participating insurance company of the Federal share of compensation for insured losses calculated under subparagraph (A).

(D) PROHIBITION ON DUPLICATIVE COMPENSATION.—The Federal share of compensation for insured losses under the Program shall be reduced by the amount of compensation provided by the Federal Government for those insured losses under any other Federal insurance or reinsurance program.

(2) CAP ON ANNUAL LIABILITY.—Notwithstanding paragraph (1), or any other provision of Federal or State law, if the aggregate insured losses exceed $100,000,000,000 during any period referred to in subparagraph (A) or (B) of paragraph (1)—

(A) the Secretary shall not make any payment under this Act for any portion of the amount of such losses that exceeds $100,000,000,000; and

(B) participating insurance companies shall not be liable for the payment of any portion of the amount that exceeds $100,000,000,000.

(3) NOTICE TO CONGRESS.—The Secretary shall notify the Congress if estimated or actual aggregate insured losses exceed $100,000,000,000 in any period described in paragraph (1), and the Congress shall determine the procedures for and the source of any such excess payments.

(4) FINAL NETTING.—The Secretary shall have sole discretion to determine the time at which claims relating to any insured loss or act of terrorism shall become final.

(5) DETERMINATIONS FINAL.—Any determination of the Secretary under this subsection shall be final, and shall not be subject to judicial review.

(6) IN-FORCE REINSURANCE AGREEMENTS.—For policies covered by reinsurance contracts in force on the date of enactment of this Act, until the in-force reinsurance contract is renewed, amended, or has reached its 1-year anniversary date, any Federal share of compensation due to a participating insurance company for insured losses during the effective period of the Program shall be shared—

(A) with all reinsurance companies to which the participating insurance company has ceded some share of the insured loss pursuant to an in-force reinsurance contract; and

(B) in a manner that distributes the Federal share of compensation for insured losses between the participating insurance company and the reinsurance company or companies in the same proportion as the insured losses would have been distributed if the Program did not exist.

SEC. 5. GENERAL AUTHORITY AND ADMINISTRATION OF CLAIMS.

(a) GENERAL AUTHORITY.—The Secretary shall have the powers and authorities necessary to carry out the Program, including authority—

(1) to investigate and audit all claims under the Program; and

(2) to prescribe regulations and procedures to implement the Program.

(b) INTERIM RULES AND PROCEDURES.—The Secretary shall issue interim final rules or procedures specifying the manner in which—

(1) participating insurance companies may file, verify, and certify claims under the Program;

(2) the Secretary shall publish or otherwise publicly announce the applicable percentage of insured losses that is the responsibility of participating insurance companies and the percentage that is the responsibility of the Federal Government under the Program;

(3) the Federal share of compensation for insured losses will be paid under the Program, including payments based on estimates of or actual aggregate insured losses;

(4) the Secretary may, at any time, seek repayment from or reimburse any participating insurance company, based on estimates of insured losses under the Program,

to effectuate the insured loss sharing provisions contained in section 4;

(5) each participating insurance company that incurs insured losses shall pay its pro rata share of insured losses, in accordance with section 4; and

(6) the Secretary will determine any final netting of payments for actual insured losses under the Program, including payments owed to the Federal Government from any participating insurance company and any Federal share of compensation for insured losses owed to any participating insurance company, to effectuate the insured loss sharing provisions contained in section 4.

(c) SUBROGATION RIGHTS.—The United States shall have the right of subrogation with respect to any payment made by the United States under the Program.

(d) CONTRACTS FOR SERVICES.—The Secretary may employ persons or contract for services, as may be necessary to implement the Program.

(e) CIVIL PENALTIES.—The Secretary may assess civil money penalties for violations of this Act or any rule, regulation, or order issued by the Secretary under this Act relating to the submission of false or misleading information for purposes of the Program, or any failure to repay any amount required to be reimbursed under regulations or procedures described in section 5(b). The authority granted under this subsection shall continue during any period in which the Secretary's authority under section 6(d) is in effect.

SEC. 6. TERMINATION OF PROGRAM; DISCRETIONARY EXTENSION.

(a) TERMINATION OF PROGRAM.—

(1) IN GENERAL.—The Program shall terminate at midnight on December 31, 2002, unless the Secretary—

(A) determines, after considering the report and finding required by this section, that the Program should be extended for one additional year, until midnight on December 31, 2003; and

(B) promptly notifies the Congress of such determination and the reasons therefor.

(2) DETERMINATION FINAL.—The determination of the Secretary under paragraph (1) shall be final, and shall not be subject to judicial review.

(3) TERMINATION AFTER EXTENSION.—If the Program is extended under paragraph (1), the Program shall terminate at midnight on December 31, 2003.

(b) REPORT TO CONGRESS.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit a report to Congress—

(1) regarding—

(A) the availability of insurance coverage for acts of terrorism;

(B) the affordability of such coverage, including the effect of such coverage on premiums; and

(C) the capacity of the insurance industry to absorb future losses resulting from acts of terrorism, taking into account the profitability of the insurance industry; and

(2) that considers—

(A) the impact of the Program on each of the factors described in paragraph (1); and

(B) the probable impact on such factors and on the United States economy if the Program terminates at midnight on December 31, 2002.

(c) FINDING REQUIRED.—A determination under subsection (a) to extend the Program shall be based on a finding by the Secretary that—

(1) widespread market uncertainties continue to disrupt the ability of insurance companies to price insurance coverage for losses resulting from acts of terrorism, thereby resulting in the continuing unavailability of affordable insurance for consumers; and

(2) extending the Program for an additional year would likely encourage economic stabilization and facilitate a transition to a viable market for private terrorism risk insurance.

(d) CONTINUING AUTHORITY TO PAY OR ADJUST COMPENSATION.—Following the termination of the Program under subsection (a), the Secretary may take such actions as may be necessary to ensure payment, reimbursement, or adjustment of compensation for insured losses arising out of any act of terrorism occurring during the period in which the Program was in effect under this Act, in accordance with the provisions of section 4 and regulations promulgated thereunder.

(e) REPEAL; SAVINGS CLAUSE.—This Act, other than section 10, is repealed at midnight on the final termination date of the Program under subsection (a), except that such repeal shall not be construed—

(1) to prevent the Secretary from taking, or causing to be taken, such actions under subsection (d) of this section and sections 4(e)(4), 4(e)(5), 5(a)(1), 5(c), 5(d), and 5(e) (as in effect on the day before the date of such repeal), and applicable regulations promulgated thereunder, during any period in which the authority of the Secretary under subsection (d) of this section is in effect; or

(2) to prevent the availability of funding under section 9(b) during any period in which the authority of the Secretary under subsection (d) of this section is in effect.

(f) SENSE OF THE CONGRESS.—It is the sense of the Congress that the Secretary should make any determination under subsection (a) in sufficient time to enable participating insurance companies to include coverage for acts of terrorism in their policies for 2003.

(g) STUDY AND REPORT ON SCOPE OF THE PROGRAM.—

(1) STUDY.—The Secretary, after consultation with the NAIC, representatives of the insurance industry, and other experts in the insurance field, shall conduct a study of the potential effects of acts of terrorism on the availability of life insurance and other lines of insurance coverage.

(2) REPORT.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit a report to the Congress on the results of the study conducted under paragraph (1).

(h) REPORTS REGARDING TERRORISM RISK INSURANCE PREMIUMS.—

(1) REPORT TO THE NAIC.—Beginning 6 months after the date of enactment of this Act, and every 6 months thereafter, each participating insurance company shall submit a report to the NAIC that states the premium rates charged by that participating insurance company during the preceding 6-month period for insured losses covered by the Program, and includes an explanation of and justification for those rates.

(2) REPORTS FORWARDED.—The NAIC shall promptly forward copies of each report submitted under paragraph (1) to the Secretary, the Secretary of Commerce, the Chairman of the Federal Trade Commission, and the Comptroller General of the United States.

(3) AGENCY REPORTS TO CONGRESS.—

(A) IN GENERAL.—The Secretary, the Secretary of Commerce, and the Chairman of the Federal Trade Commission shall submit joint reports to Congress and the Comptroller General of the United States summarizing and evaluating the reports forwarded under paragraph (2).

(B) TIMING.—The reports required under subparagraph (A) shall be submitted—

(i) 9 months after the date of enactment of this Act; and

(ii) 12 months after the date of submission of the first report under clause (i).

(4) GAO EVALUATION AND REPORT.—

(A) EVALUATION.—The Comptroller General of the United States shall evaluate each report submitted under paragraph (3), and upon request, the Secretary, the Secretary of Commerce, the Chairman of the Federal Trade Commission, and the NAIC shall provide to the Comptroller all documents, records, and any other information that the Comptroller deems necessary to carry out such evaluation.

(B) REPORT TO CONGRESS.—Not later than 90 days after receipt of each report submitted under paragraph (3), the Comptroller General of the United States shall submit to Congress a report of the evaluation required by subparagraph (A).

(i) STUDY OF RESERVES FOR CERTAIN TYPES OF INSURANCE FOR TERRORIST OR OTHER CATASTROPHIC EVENTS.—

(1) IN GENERAL.—The Secretary shall conduct a study of issues relating to permitting insurance companies that provide property and casualty insurance, life insurance, and other lines of insurance coverage to establish deductible reserves against losses for future acts of terrorism, including—

(A) whether such tax-favored reserves would promote—

(i) insurance coverage of risks of terrorism; and

(ii) the accumulation of additional resources needed to satisfy potential claims resulting from such risks;

(B) the lines of business for which such reserves would be appropriate, including whether such reserves for property and casualty insurance should be applied to personal or commercial lines of business;

(C) how the amount of such reserves would be determined;

(D) how such reserves would be administered;

(E) a comparison of the Federal tax treatment of such reserves with other insurance reserves permitted under Federal tax laws;

(F) an analysis of the use of tax-favored reserves for catastrophic events, including acts of terrorism, under the tax laws of foreign countries; and

(G) whether it would be appropriate to permit similar reserves for other future catastrophic events, such as natural disasters, taking into account the factors under the preceding paragraphs.

(2) REPORT.—Not later than 6 months after the date of enactment of this Act, the Secretary shall submit a report to Congress on the results of the study under paragraph (1), together with recommendations for amending the Internal Revenue Code of 1986, or other appropriate action.

SEC. 7. PRESERVATION OF STATE LAW.

Nothing in this Act shall affect the jurisdiction or regulatory authority of the insurance commissioner (or any agency or office performing like functions) of any State over any participating insurance company or other person—

(1) except as specifically provided in this Act; and

(2) except that—

(A) the definition of the term ''act of terrorism'' in section 3 shall be the exclusive definition of that term for purposes of compensation for insured losses under this Act, and shall preempt any provision of State law that is inconsistent with that definition, to the extent that such provision of law would otherwise apply to any type of insurance covered by this Act;

(B) during the period beginning on the date of enactment of this Act and ending at midnight on December 31, 2002, rates for terrorism risk insurance covered by this Act and filed with any State shall not be subject to prior approval or a waiting period, under any law of a State that would otherwise be applicable, except that nothing in this Act affects the ability of any State to invalidate

a rate as excessive, inadequate, or unfairly discriminatory; and

(C) during the period beginning on the date of enactment of this Act and for so long as the Program is in effect, as provided in section 6 (including any period during which the authority of the Secretary under section 6(d) is in effect), books and records of any participating insurance company that are relevant to the Program shall be provided, or caused to be provided, to the Secretary or the designee of the Secretary, upon request by the Secretary or such designee, notwithstanding any provision of the laws of any State prohibiting or limiting such access.

SEC. 8. SENSE OF THE CONGRESS REGARDING CAPACITY BUILDING.

It is the sense of the Congress that the insurance industry should build capacity and aggregate risk to provide affordable property and casualty insurance coverage for terrorism risk.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS; PAYMENT AUTHORITY.

(a) ADMINISTRATIVE EXPENSES.—There are authorized to be appropriated to the Secretary, out of funds in the Treasury not otherwise appropriated, such sums as may be necessary for administrative expenses of the Program, to remain available until expended.

(b) PAYMENT AUTHORITY.—This Act constitutes payment authority in advance of appropriation Acts, and represents the obligation of the Federal Government to provide for the Federal share of compensation for insured losses under the Program.

SEC. 10. PROCEDURES FOR CIVIL ACTIONS.

(a) FEDERAL CAUSE OF ACTION.—

(1) IN GENERAL.—There shall exist a Federal cause of action for property damage, personal injury, or death arising out of or resulting from an act of terrorism, which shall be the exclusive cause of action and remedy for claims for such property damage, personal injury, or death, except as provided in subsection (d).

(2) PREEMPTION OF STATE ACTIONS.—All State causes of action of any kind for property damage, personal injury, or death arising out of or resulting from an act of terrorism that are otherwise available under State law, are hereby preempted, except as provided in subsection (d).

(b) GOVERNING LAW.—The substantive law for decision in an action described in subsection (a)(1) shall be derived from the law, including applicable choice of law principles, of the State in which the act of terrorism giving rise to the action occurred, except to the extent that—

(1) the law, including choice of law principles, of another State is determined to be applicable to the action by the district court hearing the action; or

(2) otherwise applicable State law (including that determined pursuant to paragraph (1), is inconsistent with or otherwise preempted by Federal law.

(c) PUNITIVE DAMAGES.—Any amounts awarded in a civil action described in subsection (a)(1) that are attributable to punitive damages shall not count as insured losses for purposes of this Act.

(d) CLAIMS AGAINST TERRORISTS.—Nothing in this section shall in any way be construed to limit the ability of any plaintiff to seek any form of recovery from any person, government, or other entity that was a participant in, or aider and abettor of, any act of terrorism.

(e) EFFECTIVE PERIOD.—This section shall apply only to actions described in subsection (a)(1) arising out of or resulting from acts of terrorism that occur during the effective period of the Program, including, if applicable, any extension period provided for under section 6.

SA 2795. Mr. BOND 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 INDIVIDUALS PERFORMING SERVICES IN CERTAIN HAZARDOUS DUTY AREAS.

(a) GENERAL RULE.—For purposes of the following provisions of the Internal Revenue Code of 1986, a qualified hazardous duty area shall be treated in the same manner as if it were a combat zone (as determined under section 112 of such Code):

(1) Section 2(a)(3) (relating to special rule where deceased spouse was in missing status).

(2) Section 112 (relating to the exclusion of certain combat pay of members of the Armed Forces).

(3) Section 692 (relating to income taxes of members of Armed Forces and victims of certain terrorist attacks on death).

(4) Section 2201 (relating to combat zone-related deaths of members of the Armed Forces and deaths of victims of certain terrorist attacks).

(5) Section 3401(a)(1) (defining wages relating to combat pay for members of the Armed Forces).

(6) Section 4253(d) (relating to the taxation of phone service originating from a combat zone from members of the Armed Forces).

(7) Section 6013(f)(1) (relating to joint return where individual is in missing status).

(8) Section 7508 (relating to time for performing certain acts postponed by reason of service in combat zone).

(b) QUALIFIED HAZARDOUS DUTY AREA.—For purposes of this section, the term ''qualified hazardous duty area'' means Somalia, if for the period beginning on December 3, 1992, and ending before March 31, 1995, any member of the Armed Forces of the United States was entitled to special pay under section 310 of title 37, United States Code (relating to special pay; duty subject to hostile fire or imminent danger) for services performed in such country. Such term includes such country only during the period such entitlement was in effect.

(c) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The provisions of this section shall take effect on the date of the enactment of this Act.

(2) SPECIAL RULE.—If refund or credit of any overpayment of tax resulting from the application of this section is prevented at any time on or before April 15, 2003, by the operation of any law or rule of law (including res judicata), refund or credit of such overpayment (to the extent attributable to the application of this section) may, nevertheless, be made or allowed if claim therefor is filed on or before April 15, 2003.

SA 2796. Mr. BUNNING 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:

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 2797. Mr. BOND 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:

At the end, add the following:

SEC. ___. TREATMENT OF CERTAIN INDIVIDUALS PERFORMING SERVICES IN CERTAIN HAZARDOUS DUTY AREAS.

(a) GENERAL RULE.—For purposes of the following provisions of the Internal Revenue Code of 1986, a qualified hazardous duty area shall be treated in the same manner as if it were a combat zone (as determined under section 112 of such Code):

(1) Section 2(a)(3) (relating to special rule where deceased spouse was in missing status).

(2) Section 112 (relating to the exclusion of certain combat pay of members of the Armed Forces).

(3) Section 692 (relating to income taxes of members of Armed Forces and victims of certain terrorist attacks on death).

(4) Section 2201 (relating to combat zone-related deaths of members of the Armed Forces and deaths of victims of certain terrorist attacks).

(5) Section 3401(a)(1) (defining wages relating to combat pay for members of the Armed Forces).

(6) Section 4253(d) (relating to the taxation of phone service originating from a combat zone from members of the Armed Forces).

(7) Section 6013(f)(1) (relating to joint return where individual is in missing status).

(8) Section 7508 (relating to time for performing certain acts postponed by reason of service in combat zone).

(b) QUALIFIED HAZARDOUS DUTY AREA.—For purposes of this section, the term ''qualified hazardous duty area'' means Somalia, if for the period beginning on December 3, 1992, and ending before March 31, 1995, any member of the Armed Forces of the United States was entitled to special pay under section 310

of title 37, United States Code (relating to special pay; duty subject to hostile fire or imminent danger) for services performed in such country. Such term includes such country only during the period such entitlement was in effect.

(c) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The provisions of this section shall take effect on the date of the enactment of this Act.

(2) SPECIAL RULE.—If refund or credit of any overpayment of tax resulting from the application of this section is prevented at any time on or before April 15, 2003, by the operation of any law or rule of law (including res judicata), refund or credit of such overpayment (to the extent attributable to the application of this section) may, nevertheless, be made or allowed if claim therefor is filed on or before April 15, 2003.

SA 2798. Mr. GRAHAM 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 the bill insert the following:

TITLE ____—TRAVEL AND TOURISM PROMOTION

SEC. ____01. SHORT TITLE.

This title may be cited as the ''Rediscover America Act of 2002''.

SEC. ____02. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) the revitalization of the travel and tourism industry following the September 11, 2001, terrorist attacks on the United States is a national economic necessity;

(2) in light of the effect that the attacks have had on the tourism industry, it is important to put measures immediately into place to restore consumer confidence in travel and in the economy;

(3) safety and security in travel is of utmost importance in order to restore consumer confidence in the industry;

(4) the travel and tourism industry has a large impact on the U.S. economy—adding nearly 5 percent to the GDP, generating more than $578,000,000 in revenues, supporting more than 17,000,000 million jobs, and providing a $14,000,000 trade surplus for the country; and

(5) more than 95 percent of the businesses in travel and tourism are small to medium sized enterprises.

(b) PURPOSE.—The purpose of this title is to assist the travel and tourism industry in its effort to restore consumer confidence in the wake of the September 11, 2001, terrorist attacks on the United States.

SEC. ____03. UNITED STATES TRAVEL AND TOURISM PROMOTION BUREAU.

(a) ESTABLISHMENT.—The Secretary of Commerce shall designate an employee of the Department of Commerce to be responsible for establishing a Travel and Tourism Promotion Board.

(b) PURPOSE.—The Bureau shall—

(1) work to help restore consumer confidence in travel in the two years following the September 11, 2001, terrorist attacks on the United States; and

(2) work in conjunction with private industry and industry employee representatives to design and implement public service announcements and advertising to promote tourism, encouraging Americans and foreign visitors to rediscover the nation's treasures.

(c) POWERS.—To carry out the purposes of this title, the Bureau may—

(1) distribute funds to any travel and tourism related organization or association;

(2) enter into contracts with private organizations or business;

(3) utilize up to three existing employees of the Department of Commerce, as may be assigned by the Secretary; and

(4) conduct any and all acts necessary and proper to carry out the purposes of this title.

SEC. ____04. UNITED STATES TRAVEL AND TOURISM PROMOTION BUREAU ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—There is established a United States Travel and Tourism Promotion Bureau Advisory Committee for the purpose of recommending activities to the Bureau.

(b) MEMBERS.—Within 30 days after enactment of this Act, the Secretary of Commerce shall appoint the members of the Advisory Committee as follows:

(1) 1 member representing the aviation industry;

(2) 1 member representing airline workers;

(3) 1 member representing the hotel industry;

(4) 1 member representing hotel workers;

(5) 1 member representing the restaurant industry;

(6) 1 member representing restaurant workers;

(7) 1 member representing amusement parks; and

(8) 1 member of the Rural Tourism Foundation;

(c) CHAIR.—The Advisory Committee shall elect a Chair for an initial term of 6 months. After such initial term, the Chair shall be elected for such term as the Committee may designate.

(d) VACANCIES.—If a vacancy occurs in the membership of the Committee, the Secretary of Commerce shall fill the vacancy, provided that the membership of the Committee remains consistent with subsection (b).

SEC. ____05. QUARTERLY REPORTING PROVISION.

Not less than once every 90 days, the Bureau shall report to the U.S. Senate Committee on Commerce, Science and Transportation and the U.S. House of Representatives Committee on Energy and Commerce on—

(1) the Bureau's activities to promote travel and tourism; and

(2) the state of the travel and tourism industry.

SEC. ____06. SUNSET.

The provisions of this title shall terminate two years after the date of enactment of this Act.

SEC. ____07. AUTHORIZATION OF APPROPRIATIONS.

(a) APPROPRIATION.—Of the funds provided in Public Law 107–38, not less than $60,000,000 shall be used for the purpose of carrying out this title.

(b) AVAILABILITY OF FUNDS.—The funds made available pursuant to subsection (a) shall be available to be expended in fiscal years 2002, 2003, and 2004.

SA 2799. Mr. GRAHAM 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. . METHOD OF ACCOUNTING FOR DEPOSITS RECEIVED BY ACCRUAL BASIS TOUR OPERATORS.

In the case of a tour operator using an accrual method of accounting, amounts received from or on behalf of passengers in advance of the departure of a tour arranged by such operator—

(1) shall be treated as properly accounted for under the Internal Revenue Code of 1986 if they are accounted for under a method permitted by section 3 of Revenue Procedure 71–21, and

(2) for purposes of Revenue Procedure 71–21, shall be deemed earned as of the date the tour departs.

SA 2800. Mr. FRIST 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. ____. ACCESS TO UNUSED ACCOUNT BALANCES IN FLEXIBLE SPENDING ARRANGEMENTS BY INVOLUNTARILY SEPARATED EMPLOYEES.

(a) IN GENERAL.—Section 125 of the Internal Revenue Code of 1986 (relating to cafeteria plans) is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following:

''(h) ACCESS TO UNUSED ACCOUNT BALANCE IN FSA BY CERTAIN INVOLUNTARILY SEPARATED EMPLOYEES.—

''(1) IN GENERAL.—For purposes of this title, a plan or other arrangement shall not fail to be treated as a flexible spending or similar arrangement solely because under such arrangement an individual (or any designated heir of such individual) during a qualified period has the option of—

''(A) receiving as a cash payment any unused account balance in such arrangement with respect to such individual remaining on the date of an involuntary separation of employment, the receipt of which is includible in gross income, or

''(B) applying such unused account balance to the payment of any premium for health insurance coverage of such individual (including any premium required for coverage described in section 4980B(f)) in the same manner as the payment of any allowable expense under such arrangement prior to such qualified period, the receipt of which is not includible in gross income.

''(2) DEFINITIONS.—For purposes of this subsection—

''(A) INVOLUNTARY SEPARATION FROM EMPLOYMENT.—The term 'involuntary separation from employment' includes separation caused by disability or death.

''(B) QUALIFIED PERIOD.—The term 'qualified period' means a period beginning on the date of an involuntary separation from employment and ending on the earlier of—

''(i) the date which is 60 days after such date of involuntary separation, or

''(ii) the last day of the calendar year in which such date of involuntary separation occurs.

''(C) UNUSED ACCOUNT BALANCE.—The term 'unused account balance' means the excess (if any) of—

''(i) an amount equal to—

''(I) 1/12 of the agreed upon foregone remuneration of the individual for the calendar year under a flexible spending or similar arrangement, times

''(II) the number of months in such calendar year ending with the month in which the date of the involuntary separation from employment of such individual occurs, over

''(ii) the amount of allowable expenses of such individual for such calendar year paid or accrued under such arrangement prior to such date.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to involuntary separations after December 31, 2001.

SA 2801. Mr. SCHUMER (for himself, and Mrs. CLINTON) 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:

TITLE VI—TAX INCENTIVES FOR NEW YORK CITY

SEC. 601. TAX BENEFITS FOR AREA OF NEW YORK CITY DAMAGED IN TERRORIST ATTACKS ON SEPTEMBER 11, 2001.

(a) IN GENERAL.—Chapter 1 is amended by adding at the end the following new subchapter:

"Subchapter Y—New York Liberty Zone Benefits

''Sec. 1400L. Tax benefits for New York Liberty Zone.

"SEC. 1400L. TAX BENEFITS FOR NEW YORK LIBERTY ZONE.

''(a) EXPANSION OF WORK OPPORTUNITY TAX CREDIT.—

''(1) IN GENERAL.—For purposes of section 51, a New York Liberty Zone business employee shall be treated as a member of a targeted group.

''(2) NEW YORK LIBERTY ZONE BUSINESS EMPLOYEE.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'New York Liberty Zone business employee' means, with respect to any taxable year which includes any portion of the period beginning after September 10, 2001, and ending before January 1, 2004, any employee of a New York Liberty Zone business if—

''(i) substantially all the services performed during such portion of such taxable year by such employee for such business are performed in an area described in subparagraph (B) in a trade or business of such business,

''(ii) the annual rate of remuneration received by such employee for such services during such portion of such taxable year does not exceed $200,000, and

''(iii) with respect to any employee of such business described in subparagraph (B)(i)(II), such employee is designated by such business as a New York Liberty Zone business employee for purposes of this subsection, except that the total employees so designated for any taxable year shall not exceed the lesser of 250 employees or the excess of—

''(I) the number of employees of such business on September 11, 2001, in the New York Liberty Zone, over

''(II) the number of employees of such business treated as New York Liberty Zone business employees for such taxable year with respect to any business located in the New York Liberty Zone.

The Secretary may require any business to have the number determined under clause (iii)(I) verified by the New York State Department of Labor.

''(B) NEW YORK LIBERTY ZONE BUSINESS.—The term 'New York Liberty Zone business' means any business which is—

''(i) located in the New York Liberty Zone, or

''(ii) located in the City of New York, New York, outside the New York Liberty Zone, as the result of the physical destruction or damage of such place of business by the September 11, 2001, terrorist attack.

''(C) SPECIAL RULES FOR DETERMINING AMOUNT OF CREDIT.—For purposes of applying subpart E of part IV of subchapter B of this chapter to wages paid or incurred to any New York Liberty Zone business employee—

''(i) section 51(a) shall be applied by substituting 'qualified wages' for 'qualified first-year wages',

''(ii) the rules of section 52 shall apply for purposes of determining the number of employees under subparagraph (A)(iii),

''(iii) subsections (c)(4) and (i)(2) of section 51 shall not apply, and

''(iv) in determining qualified wages, the following shall apply in lieu of section 51(b):

''(I) QUALIFIED WAGES.—The term 'qualified wages' means the wages paid or incurred by the employer for work performed during the period beginning on September 11, 2001, and ending on December 31, 2004, to individuals who are New York Liberty Zone business employees of such employer.

''(II) ONLY FIRST $6,000 OF WAGES PER TAXABLE YEAR TAKEN INTO ACCOUNT.—The amount of the qualified wages which may be taken into account with respect to any individual shall not exceed $6,000 per taxable year of the employer.

''(b) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001.—

''(1) ADDITIONAL ALLOWANCE.—In the case of any qualified New York Liberty Zone 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 such property, and

''(B) the adjusted basis of the qualified New York Liberty Zone 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 NEW YORK LIBERTY ZONE PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified New York Liberty Zone 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,

''(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, or

''(III) which is nonresidential real property or residential rental property which is described in subparagraph (B),

''(ii) substantially all of the use of which is in the New York Liberty Zone and is in the active conduct of a trade or business by the taxpayer in such Zone,

''(iii) the original use of which in the New York Liberty Zone commences with the taxpayer after September 10, 2001,

''(iv) which is acquired by the taxpayer by purchase (as defined in section 179(d)) after September 10, 2001, but only if no written binding contract for the acquisition was in effect before September 11, 2001, and6

''(v) which is placed in service by the taxpayer on or before the termination date.

The term 'termination date' means December 31, 2006 (December 31, 2009, in the case of nonresidential real property and residential rental property).

''(B) ELIGIBLE REAL PROPERTY.—Nonresidential real property or residential rental property is described in this subparagraph if it rehabilitates property damaged, or replaces property destroyed or condemned, as a result of the September 11, 2001, terrorist attack. For purposes of the preceding sentence, property shall be treated as replacing property so destroyed if, as part of an integrated plan, such property replaces property which is included in a continuous area which includes property so destroyed.

''(C) EXCEPTIONS.—

''(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified New York Liberty Zone property' shall not include any property to which the alternative depreciation system under section 168(g) applies, determined—

''(I) without regard to paragraph (7) of section 168(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.

''(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 (iv) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after September 10, 2001, and before the termination date.

''(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(iii), 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) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—The deduction allowed by this subsection shall be allowed in determining alternative minimum taxable income under section 55.

''(c) TAX-EXEMPT BOND FINANCING.—

''(1) IN GENERAL.—For purposes of this title, any qualified New York Liberty Bond shall be treated as an exempt facility bond.

''(2) QUALIFIED NEW YORK LIBERTY BOND.—For purposes of this subsection, the term 'qualified New York Liberty Bond' means any bond issued as part of an issue if—

''(A) 95 percent or more of the net proceeds (as defined in section 150(a)(3)) of such issue are to be used for qualified project costs,

''(B) such bond is issued by the State of New York or any political subdivision thereof (or any agency, instrumentality or constituted authority on behalf thereof),

''(C) the Governor of the State of New York or the Mayor of the City of New York, designates such bond for purposes of this section, and

''(D) such bond is issued during calendar year 2002, 2003, or 2004.

''(3) LIMITATIONS ON AMOUNT OF BONDS.—

''(A) AGGREGATE AMOUNT DESIGNATED.—The maximum aggregate face amount of bonds which may be designated under this subsection shall not exceed $8,000,000,000, of which not to exceed $4,000,000,000 may be designated by the Governor of the State of New York and not to exceed $4,000,000,000 may be designated by the Mayor of the City of New York.

''(B) SPECIFIC LIMITATIONS.—The aggregate face amount of bonds issued which are to be used for—

''(i) costs for property located outside the New York Liberty Zone shall not exceed $2,000,000,000,

''(ii) costs with respect to residential property—

''(I) shall not exceed $1,600,000,000, and

''(II) shall not include, on a project by project basis, per-unit qualified project costs that exceed the maximum per-unit allowable costs within the discretionary authority of the Secretary of Housing and Urban Development under section 221(a)(3)(ii) of the National Housing Act (12 U.S.C. 17151(d)(3)(ii)), and

''(iii) costs with respect to property used for retail sales of tangible property and functionally related and subordinate property shall not exceed $800,000,000.

The limitations under clauses (i), (ii), and (iii) shall be applied proportionately to the bonds designated under this subsection by the Governor of the State of New York and the Mayor of the City of New York.

''(C) MOVABLE PROPERTY.—No bonds shall be issued which are to be used for movable fixtures and equipment.

''(4) QUALIFIED PROJECT COSTS.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified project costs' means the cost of acquisition, construction, reconstruction, rehabilitation, and renovation of—

''(i) nonresidential real property and residential property (including fixed tenant improvements associated with such property) located in the New York Liberty Zone, and

''(ii) public utility property (as defined in section 168(i)(10)) located in the New York Liberty Zone.

''(B) COSTS FOR CERTAIN PROPERTY OUTSIDE ZONE INCLUDED.—Such term includes the cost of acquisition, construction, reconstruction, and renovation of nonresidential real property (including fixed tenant improvements associated with such property) located outside the New York Liberty Zone but within the City of New York, New York, if—

''(i) such property is part of a project which consists of at least 100,000 square feet of usable office or other commercial space located in a single building or multiple adjacent buildings, or

''(ii) such property consists of electric generation facilities of not more than 150 mw to provide additional energy capacity in the New York Liberty Zone.

''(5) SPECIAL RULES.—In applying this title to any qualified New York Liberty Bond, the following modifications shall apply:

''(A) Section 146 (relating to volume caps) shall not apply.

''(B) Section 147(d) (relating to acquisition of existing property not permitted) shall be applied by substituting '50 percent' for '15 percent' each place it appears.

''(C) Section 148(f)(4)(C) (relating to exception from rebate for certain proceeds to be used to finance construction expenditures) shall apply to the available construction proceeds of bonds issued under this section.

''(D) Repayments of principal on financing provided by the issue—

''(i) may not be used to provide financing, and

''(ii) must be used not later than the close of the 1st semiannual period beginning after the date of the repayment to redeem bonds which are part of such issue.

The requirement of clause (ii) shall be treated as met with respect to amounts received within 10 years after the date of issuance of the issue (or, in the case of refunding bond, the date of issuance of the original bond) if such amounts are used by the close of such 10 years to redeem bonds which are part of such issue.

''(E) Section 57(a)(5) shall not apply.

''(6) SEPARATE ISSUE TREATMENT OF PORTIONS OF AN ISSUE.—This subsection shall not apply to the portion of an issue which (if issued as a separate issue) would be treated as a qualified bond or as a bond that is not a private activity bond (determined without regard to paragraph (1)), if the issuer elects to so treat such portion.

''(d) ADVANCE REFUNDINGS OF CERTAIN TAX-EXEMPT BONDS.—

''(1) IN GENERAL.—With respect to a bond described in paragraph (2) issued as part of an issue 90 percent (95 percent in the case of a bond described in paragraph (2)(C)) or more of the net proceeds (as defined in section 150(a)(3)) of which were used to finance facilities located within the City of New York, New York (or functionally related and subordinate to such facilities for the furnishing of water), one additional advanced refunding after December 31, 2001, and before January 1, 2005, shall be allowed under the applicable rules of section 149(d) if the requirements of paragraphs (3) and (4) are met.

''(2) BONDS DESCRIBED.—A bond is described in this paragraph if such bond was outstanding on September 11, 2001, and is—

''(A) a State or local bond (as defined in section 103(c)(1)) which is a general obligation of the City of New York, New York,

''(B) a State or local bond (as so defined) other than a private activity bond (as defined in section 141(a)) issued by the New York City Municipal Water Finance Authority or the Metropolitan Transportation Authority (MTA) of the State of New York, or

''(C) a qualified 501(c)(3) bond (as defined in section 145(a)) which is a qualified hospital bond (as defined in section 145(c)) issued by or on behalf of either the State of New York or the City of New York, New York, or political subdivisions, agencies, or instrumentalities thereof.

''(3) APPROVAL; AGGREGATE LIMIT.—Paragraph (1) shall not apply to the advance refunding of any bond—

''(A) unless Governor of the State of New York or the Mayor of the City of New York designates the bond for purposes of this subsection, and

''(B) to the extent the aggregate face amount of the advance refunding bond, when added to the aggregate face amount of advance refunding bonds previously issued under this subsection, exceeds $9,000,000,000.

The limitation under subparagraph (B) shall be applied equally between the bonds designated under subparagraph (A) by the Governor of the State of New York and by the Mayor of the City of New York.

''(4) ADDITIONAL REQUIREMENTS.—The requirements of this paragraph are met if—

''(A) all advance refundings of a bond described in paragraph (2) allowed under any provision of law other than the advance refunding allowed under paragraph (1) were utilized before September 12, 2001,

''(B) the advance refunding bond allowed under paragraph (1) is the only other outstanding bond with respect to the refunded bond described in paragraph (2), and

''(C) the requirements of section 148 are met with respect to all bonds issued under this subsection.

''(e) INCREASE IN EXPENSING UNDER SECTION 179.—

''(1) IN GENERAL.—For purposes of section 179—

''(A) the limitation under section 179(b)(1) shall be increased by the lesser of—

''(i) $35,000, or

''(ii) the cost of section 179 property which is qualified New York Liberty Zone property placed in service during the taxable year, and

''(B) the amount taken into account under section 179(b)(2) with respect to any section 179 property which is qualified New York Liberty Zone property shall be 50 percent of the cost thereof.

''(2) QUALIFIED NEW YORK LIBERTY ZONE PROPERTY.—For purposes of this subsection, the term 'qualified New York Liberty Zone property' has the meaning given such term by subsection (b)(2).

''(3) RECAPTURE.—Rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified New York Liberty Zone property which ceases to be used in the New York Liberty Zone.

''(f) EXTENSION OF REPLACEMENT PERIOD FOR NONRECOGNITION OF GAIN.—Notwithstanding subsections (g) and (h) of section 1033, clause (i) of section 1033(a)(2)(B) shall be applied by substituting '5 years' for '2 years' with respect to property which is compulsorily or involuntarily converted as a result of the terrorist attacks on September 11, 2001, in the New York Liberty Zone but only if substantially all of the use of the replacement property is in the City of New York, New York.

''(g) NEW YORK LIBERTY ZONE.—For purposes of this section, the term 'New York Liberty Zone' means the area located on or south of Canal Street, East Broadway (east of its intersection with Canal Street), or Grand Street (east of its intersection with East Broadway) in the Borough of Manhattan in the City of New York, New York.''.

(b) CREDIT ALLOWED AGAINST REGULAR AND MINIMUM TAX.—

(1) IN GENERAL.—Subsection (c) of section 38 (relating to limitation based on amount of tax) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) SPECIAL RULES FOR NEW YORK LIBERTY ZONE BUSINESS EMPLOYEE CREDIT.—

''(A) IN GENERAL.—In the case of the New York Liberty Zone business employee credit—

''(i) this section and section 39 shall be applied separately with respect to such credit, and

''(ii) in applying paragraph (1) to such credit—

''(I) the tentative minimum tax shall be treated as being zero, and

''(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the New York Liberty Zone business employee credit).

''(B) NEW YORK LIBERTY ZONE BUSINESS EMPLOYEE CREDIT.—For purposes of this subsection, the term 'New York Liberty Zone business employee credit' means the portion of work opportunity credit under section 51 determined under section 1400L(a).''.

(2) CONFORMING AMENDMENT.—Subclause (II) of section 38(c)(2)(A)(ii) is amended by inserting ''or the New York Liberty Zone business employee credit'' after ''employment credit''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years ending after September 11, 2001.

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 is amended by adding at the end the following new item:

''Subchapter Y—New York Liberty Zone Benefits.''.

SA 2802. Mr. CRAIG 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. ___. EXPANSION OF AVAILABILITY OF ARCHER MEDICAL SAVINGS ACCOUNTS.

(a) REPEAL OF LIMITATIONS ON NUMBER OF MEDICAL SAVINGS ACCOUNTS.—

(1) IN GENERAL.—Subsections (i) and (j) of section 220 of the Internal Revenue Code of 1986 are hereby repealed.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 220(c) of such Code is amended by striking subparagraph (D).

(B) Section 138 of such Code is amended by striking subsection (f).

(b) AVAILABILITY NOT LIMITED TO ACCOUNTS FOR EMPLOYEES OF SMALL EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS.—

(1) IN GENERAL.—Subparagraph (A) of section 220(c)(1) of such Code (relating to eligible individual) is amended to read as follows:

''(A) IN GENERAL.—The term 'eligible individual' means, with respect to any month, any individual if—

''(i) such individual is covered under a high deductible health plan as of the 1st day of such month, and

''(ii) such individual is not, while covered under a high deductible health plan, covered under any health plan—

''(I) which is not a high deductible health plan, and

''(II) which provides coverage for any benefit which is covered under the high deductible health plan.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 220(c)(1) of such Code is amended by striking subparagraph (C).

(B) Section 220(c) of such Code is amended by striking paragraph (4) (defining small employer) and by redesignating paragraph (5) as paragraph (4).

(C) Section 220(b) of such Code is amended by striking paragraph (4) (relating to deduction limited by compensation) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(c) INCREASE IN AMOUNT OF DEDUCTION ALLOWED FOR CONTRIBUTIONS TO MEDICAL SAVINGS ACCOUNTS.—

(1) IN GENERAL.—Paragraph (2) of section 220(b) of such Code is amended to read as follows:

''(2) MONTHLY LIMITATION.—The monthly limitation for any month is the amount equal to 1/12 of the annual deductible (as of the first day of such month) of the individual's coverage under the high deductible health plan.''.

(2) CONFORMING AMENDMENT.—Clause (ii) of section 220(d)(1)(A) of such Code is amended by striking ''75 percent of''.

(d) BOTH EMPLOYERS AND EMPLOYEES MAY CONTRIBUTE TO MEDICAL SAVINGS ACCOUNTS.—Paragraph (4) of section 220(b) of such Code (as redesignated by subsection (b)(2)(C)) is amended to read as follows:

''(4) COORDINATION WITH EXCLUSION FOR EMPLOYER CONTRIBUTIONS.—The limitation which would (but for this paragraph) apply under this subsection to the taxpayer for any taxable year shall be reduced (but not below zero) by the amount which would (but for section 106(b)) be includible in the taxpayer's gross income for such taxable year.''.

(e) REDUCTION OF PERMITTED DEDUCTIBLES UNDER HIGH DEDUCTIBLE HEALTH PLANS.—

(1) IN GENERAL.—Subparagraph (A) of section 220(c)(2) of such Code (defining high deductible health plan) is amended—

(A) by striking ''$1,500'' in clause (i) and inserting ''$1,000''; and

(B) by striking ''$3,000'' in clause (ii) and inserting ''$2,000''.

(2) CONFORMING AMENDMENT.—Subsection (g) of section 220 of such Code is amended to read as follows:

''(g) COST-OF-LIVING ADJUSTMENT.—

''(1) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1998, each dollar amount in subsection (c)(2) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which such taxable year begins by substituting 'calendar year 1997' for 'calendar year 1992' in subparagraph (B) thereof.

''(2) SPECIAL RULES.—In the case of the $1,000 amount in subsection (c)(2)(A)(i) and the $2,000 amount in subsection (c)(2)(A)(ii), paragraph (1)(B) shall be applied by substituting 'calendar year 2000' for 'calendar year 1997'.

''(3) ROUNDING.—If any increase under paragraph (1) or (2) is not a multiple of $50, such increase shall be rounded to the nearest multiple of $50.''.

(f) PROVIDING INCENTIVES FOR PREFERRED PROVIDER ORGANIZATIONS TO OFFER MEDICAL SAVINGS ACCOUNTS.—Clause (ii) of section 220(c)(2)(B) of such Code is amended by striking ''preventive care if'' and all that follows and inserting ''preventive care.''

(g) MEDICAL SAVINGS ACCOUNTS MAY BE OFFERED UNDER CAFETERIA PLANS.—Subsection (f) of section 125 of such Code is amended by striking ''106(b),''.

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(i) EMERGENCY DESIGNATION.—Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues are reduced by this section below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

SA 2803. Mr. THURMOND 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. . TEMPORARY INCREASE IN DEDUCTION FOR CAPITAL LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.

(a) IN GENERAL.—Subsection (b) of section 1211 of the Internal Revenue Code of 1986 (relating to limitation on capital losses for taxpayers other than corporations) is amended by adding at the end the following flush sentence:

''Paragraph (1) shall be applied by substituting '$4,000' for '$3,000' and '$2,000' for '$1,500' in the case of taxable years beginning in 2001, and by substituting '$5,000' for '$3,000' and '$2,500' for '$1,500' in the case of taxable years beginning in 2002.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

SA 2804. Mr. SESSIONS 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:

Strike all after ''**SECTION**'' and insert the following:

1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the ''American Family Economic Security and Stimulus Act''.

(b) REFERENCES TO INTERNAL REVENUE CODE OF 1986.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; etc.

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Sec. 101. Additional requirements to ensure greater use of advance payment of earned income credit.

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TITLE II—INDIVIDUAL PROVISIONS

Sec. 201. Acceleration of 25 percent individual income tax rate.

Sec. 202. Temporary expansion of penalty-free retirement plan distributions for health insurance premiums of unemployed individuals.

Sec. 203. Increase in child tax credit.

Sec. 204. Temporary increase in deduction for capital losses of taxpayers other than corporations.

Sec. 205. Nonrefundable credit for elementary and secondary school expenses.

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Sec. 301. Short title.

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Sec. 308. Applicability.

Sec. 309. Special Reed Act transfer in fiscal year 2002.

TITLE IV—NATIONAL EMERGENCY GRANTS

Sec. 401. National emergency grant assistance for workers.

TITLE V—TEMPORARY BUSINESS RELIEF PROVISIONS

Sec. 501. Special depreciation allowance for certain property acquired after December 31, 2001, and before January 1, 2004.

TITLE VI—ADDITIONAL PROVISIONS

Sec. 601. Emergency designation.

TITLE I—ADVANCE PAYMENT OF EARNED INCOME CREDIT

SEC. 101. ADDITIONAL REQUIREMENTS TO ENSURE GREATER USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Not later than February 1, 2002, the Secretary of the Treasury by regulation shall require—

(1) each employer of an employee who the employer determines receives wages in an amount which indicates that such employee would be eligible for the earned income credit under section 32 of the Internal Revenue Code of 1986 to provide such employee with a simplified application for an earned income eligibility certificate, and

(2) require each employee wishing to receive the earned income tax credit to complete and return the application to the employer within 30 days of receipt.

Such regulations shall require an employer to provide such an application within 30 days of the hiring date of an employee and at least annually thereafter. Such regulations shall further provide that, upon receipt of a completed form, an employer shall provide for the advance payment of the earned income credit as provided under section 3507 of the Internal Revenue Code of 1986.

SEC. 102. EXTENSION OF ADVANCE PAYMENT OF EARNED INCOME CREDIT TO ALL ELIGIBLE TAXPAYERS.

(a) IN GENERAL.—Section 3507(b) of the Internal Revenue Code of 1986 (relating to earned income eligibility certificate) is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 3507(c)(2)(B) of the Internal Revenue Code of 1986 is amended by inserting ''has 1 or more qualifying children and'' before ''is not married,''.

(2) Section 3507(c)(2)(C) of such Code is amended by striking ''the employee'' and inserting ''an employee with 1 or more qualifying children''.

(3) Section 3507(f) of such Code is amended by striking ''who have 1 or more qualifying children and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

TITLE II—INDIVIDUAL PROVISIONS

SEC. 201. ACCELERATION OF 25 PERCENT INDIVIDUAL INCOME TAX RATE.

(a) IN GENERAL.—The table contained in paragraph (2) of section 1(i) (relating to reductions in rates after June 30, 2001) is amended—

(1) by striking ''27.0%'' and inserting ''25.0%'', and

(2) by striking ''26.0%'' and inserting ''25.0%''.

(b) REDUCTION NOT TO INCREASE MINIMUM TAX.—

(1) Subparagraph (A) of section 55(d)(1) is amended by striking ''($49,000 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)'' and inserting ''($49,000 in the case of taxable years beginning in 2001, $52,200 in the case of taxable years beginning in 2002 or 2003, and $50,700 in the case of taxable years beginning in 2004)''.

(2) Subparagraph (B) of section 55(d)(1) is amended by striking ''($35,750 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)'' and inserting ''($35,750 in the case of taxable years beginning in 2001, $37,350 in the case of taxable years beginning in 2002 or 2003, and $36,600 in the case of taxable years beginning in 2004)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(d) SECTION 15 NOT TO APPLY.—No amendment made by this section shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

SEC. 202. TEMPORARY EXPANSION OF PENALTY-FREE RETIREMENT PLAN DISTRIBUTIONS FOR HEALTH INSURANCE PREMIUMS OF UNEMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Subparagraph (D) of section 72(t)(2) is amended by adding at the end the following new clause:

''(iv) SPECIAL RULES FOR INDIVIDUALS RECEIVING UNEMPLOYMENT COMPENSATION AFTER SEPTEMBER 10, 2001, AND BEFORE JANUARY 1, 2003.—In the case of an individual who receives unemployment compensation for 4 consecutive weeks after September 10, 2001, and before January 1, 2003—

''(I) clause (i) shall apply to distributions from all qualified retirement plans (as defined in section 4974(c)), and

''(II) such 4 consecutive weeks shall be substituted for the 12 consecutive weeks referred to in subclause (I) of clause (i).''

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

SEC. 203. INCREASE IN CHILD TAX CREDIT.

(a) IN GENERAL.—The table contained in section 24(a)(2) (relating to per child amount) is amended by striking all matter preceding the second item and inserting the following:

''In the case of any taxable year beginning in—	**''The per child amount is—**
2001	$1,000
2002, 2003, or 2004	600''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 204. TEMPORARY INCREASE IN DEDUCTION FOR CAPITAL LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.

(a) IN GENERAL.—Subsection (b) of section 1211 (relating to limitation on capital losses for taxpayers other than corporations) is amended by adding at the end the following flush sentence:

''Paragraph (1) shall be applied by substituting '$5,000' for '$3,000' and '$2,500' for '$1,500' in the case of taxable years beginning in 2001 or 2002.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

SEC. 205. NONREFUNDABLE CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting after section 25B the following new section:

''SEC. 25C. CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

''(a) ALLOWANCE OF CREDIT.—In the case of an individual who maintains a household which includes as a member one or more qualifying students (as defined in subsection (b)(1)), there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified elementary and secondary education expenses with respect to such students which are paid or incurred by the taxpayer during such taxable year.

''(b) DOLLAR LIMIT ON AMOUNT CREDITABLE.—The amount of qualified elementary and secondary education expenses paid or incurred during any taxable year which may be taken into account under subsection (a) shall not exceed $500.

''(c) QUALIFYING STUDENT.—For purposes of this section, the term ''qualifying student'' means a dependent of the taxpayer (within the meaning of section 152) who is enrolled in school on a full-time basis.

''(d) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified elementary and secondary education expenses' means computer technology or equipment expenses.

''(2) COMPUTER TECHNOLOGY OR EQUIPMENT.—The term 'computer technology or equipment' has the meaning given such term by section 170(e)(6)(F)(i) and includes Internet access and related services and computer software if such software is predominately educational in nature.

''(e) SCHOOL.—For purposes of this section, the term 'school' means any public, charter, private, religious, or home school which provides elementary education or secondary education (through grade 12), as determined under State law.

''(f) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any contribution for which credit is allowed under this section.

''(g) ELECTION TO HAVE CREDIT NOT APPLY.—A taxpayer may elect to have this section not apply for any taxable year.

''(h) TERMINATION.—This section shall not apply to expenses paid or incurred after the date which is 90 days after the date of the enactment of this section.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 24(b)(3)(B), 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) is amended by striking ''23 and 1400C'' and by inserting ''23, 25C, and 1400C''.

(3) Section 25(e)(1)(C), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by inserting ''25C,'' after ''25B,''.

(4) Section 25B, 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), 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) is amended by inserting ''and section 25C'' after ''this section''.

(7) Section 1400C(d), 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 is amended by inserting before the item relating to section 26 the following new item:

''Sec. 25C. Credit for elementary and secondary school expenses.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

TITLE III—UNEMPLOYMENT ASSISTANCE

SEC. 301. SHORT TITLE.

This title may be cited as the ''Temporary Extended Unemployment Compensation Act of 2002''.

SEC. 302. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the ''Secretary''). Any State which is a party to an agreement under this title may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals who—

(1) have exhausted all rights to regular compensation under the State law or under Federal law with respect to a benefit year (excluding any benefit year that ended before March 15, 2001);

(2) have no rights to regular compensation or extended compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law;

(3) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(4) filed an initial claim for regular compensation on or after March 15, 2001.

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of

the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT, ETC.—For purposes of any agreement under this title—

(1) the amount of temporary extended unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except—

(A) that an individual shall not be eligible for temporary extended unemployment compensation under this title unless, in the base period with respect to which the individual exhausted all rights to regular compensation under the State law, the individual had 20 weeks of full-time insured employment or the equivalent in insured wages, as determined under the provisions of the State law implementing section 202(a)(5) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note); and

(B) where otherwise inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary extended unemployment compensation payable to any individual for whom a temporary extended unemployment compensation account is established under section 303 shall not exceed the amount established in such account for such individual.

(e) ELECTION BY STATES.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State that is in an extended benefit period may provide for the payment of temporary extended unemployment compensation in lieu of extended compensation to individuals who otherwise meet the requirements of this section. Such an election shall not require a State to trigger off an extended benefit period.

SEC. 303. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law, or

(B) 13 times the individual's average weekly benefit amount for the benefit year.

(2) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

(3) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

SEC. 304. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State that has entered into an agreement under this title an amount equal to 100 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of any compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 305. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a)) shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as so established) to the account of such State in the Unemployment Trust Fund (as so established).

(c) ASSISTANCE TO STATES.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this title.

(d) APPROPRIATIONS FOR CERTAIN PAYMENTS.—There are appropriated from the general fund of the Treasury, without fiscal year limitation, to the extended unemployment compensation account (as so established) of the Unemployment Trust Fund (as so established) such sums as the Secretary estimates to be necessary to make the payments under this section in respect of—

(1) compensation payable under chapter 85 of title 5, United States Code; and

(2) compensation payable on the basis of services to which section 3309(a)(1) of the Internal Revenue Code of 1986 applies.

Amounts appropriated pursuant to the preceding sentence shall not be required to be repaid.

SEC. 306. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of temporary extended unemployment compensation under this title to which he was not entitled, such individual—

(1) shall be ineligible for further temporary extended unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of temporary extended unemployment compensation under this title to which they were not entitled, the State shall require such individuals to repay the amounts of such temporary extended unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such temporary extended unemployment compensation was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any temporary extended unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary extended unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 307. DEFINITIONS.

In this title, the terms ''compensation'', ''regular compensation'', ''extended compensation'', ''additional compensation'', ''benefit year'', ''base period'', ''State'', ''State agency'', ''State law'', and ''week'' have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

SEC. 308. APPLICABILITY.

An agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 1, 2003.

SEC. 309. SPECIAL REED ACT TRANSFER IN FISCAL YEAR 2002.

(a) REPEAL OF CERTAIN PROVISIONS ADDED BY THE BALANCED BUDGET ACT OF 1997.—

(1) IN GENERAL.—The following provisions of section 903 of the Social Security Act (42 U.S.C. 1103) are repealed:

(A) Paragraph (3) of subsection (a).

(B) The last sentence of subsection (c)(2).

(2) SAVINGS PROVISION.—Any amounts transferred before the date of enactment of this Act under the provision repealed by paragraph (1)(A) shall remain subject to section 903 of the Social Security Act, as last in effect before such date of enactment.

(b) SPECIAL TRANSFER IN FISCAL YEAR 2002.—Section 903 of the Social Security Act is amended by adding at the end the following:

''Special Transfer in Fiscal Year 2002

''(d)(1) The Secretary of the Treasury shall transfer (as of the date determined under paragraph (5)) from the Federal unemployment account to the account of each State in the Unemployment Trust Fund the amount determined with respect to such State under paragraph (2).

''(2) The amount to be transferred under this subsection to a State account shall (as determined by the Secretary of Labor and certified by such Secretary to the Secretary of the Treasury) be equal to—

''(A) the amount which would have been required to have been transferred under this section to such account at the beginning of fiscal year 2002 if—

''(i) section 709(a)(1) of the Temporary Extended Unemployment Compensation Act of 2002 had been enacted before the close of fiscal year 2001, and

''(ii) section 5402 of Public Law 105–33 (relating to increase in Federal unemployment account ceiling) had not been enacted,

minus

''(B) the amount which was in fact transferred under this section to such account at the beginning of fiscal year 2002.

''(3)(A) Except as provided in paragraph (4), amounts transferred to a State account pursuant to this subsection may be used only in the payment of cash benefits—

''(i) to individuals with respect to their unemployment, and

''(ii) which are allowable under subparagraph (B) or (C).

''(B)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable as—

''(I) regular compensation, or

''(II) additional compensation, upon the exhaustion of any temporary extended unemployment compensation (if such State has entered into an agreement under the Temporary Extended Unemployment Compensation Act of 2002), for individuals eligible for regular compensation under the unemployment compensation law of such State.

''(ii) Any additional compensation under clause (i) may not be taken into account for purposes of any determination relating to the amount of any extended compensation for which an individual might be eligible.

''(C)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable to 1 or more categories of individuals not otherwise eligible for regular compensation under the unemployment compensation law of such State, including those described in clause (iii).

''(ii) The benefits paid under this subparagraph to any individual may not, for any period of unemployment, exceed the maximum amount of regular compensation authorized under the unemployment compensation law of such State for that same period, plus any additional compensation (described in subparagraph (B)(i)) which could have been paid with respect to that amount.

''(iii) The categories of individuals described in this clause include the following:

''(I) Individuals who are seeking, or available for, only part-time (and not full-time) work.

''(II) Individuals who would be eligible for regular compensation under the unemployment compensation law of such State under an alternative base period.

''(D) Amounts transferred to a State account under this subsection may be used in the payment of cash benefits to individuals only for weeks of unemployment beginning after the date of enactment of this subsection.

''(4) Amounts transferred to a State account under this subsection may be used for the administration of its unemployment compensation law and public employment offices (including in connection with benefits described in paragraph (3) and any recipients thereof), subject to the same conditions as set forth in subsection (c)(2) (excluding subparagraph (B) thereof, and deeming the reference to 'subsections (a) and (b)' in subparagraph (D) thereof to include this subsection).

''(5) Transfers under this subsection shall be made by December 31, 2001, unless this paragraph is not enacted until after that date, in which case such transfers shall be made within 10 days after the date of enactment of this paragraph.''

(c) LIMITATIONS ON TRANSFERS.—Section 903(b) of the Social Security Act shall apply to transfers under section 903(d) of such Act (as amended by this section). For purposes of the preceding sentence, such section 903(b) shall be deemed to be amended as follows:

(1) By substituting ''the transfer date described in subsection (d)(5)'' for ''October 1 of any fiscal year''.

(2) By substituting ''remain in the Federal unemployment account'' for ''be transferred to the Federal unemployment account as of the beginning of such October 1''.

(3) By substituting ''fiscal year 2002 (after the transfer date described in subsection (d)(5))'' for ''the fiscal year beginning on such October 1''.

(4) By substituting ''under subsection (d)'' for ''as of October 1 of such fiscal year''.

(5) By substituting ''(as of the close of fiscal year 2002)'' for ''(as of the close of such fiscal year)''.

(d) TECHNICAL AMENDMENTS.—(1) Sections 3304(a)(4)(B) and 3306(f)(2) of the Internal Revenue Code of 1986 are amended by inserting ''or 903(d)(4)'' before ''of the Social Security Act''.

(2) Section 303(a)(5) of the Social Security Act is amended in the second proviso by inserting ''or 903(d)(4)'' after ''903(c)(2)''.

(e) REGULATIONS.—The Secretary of Labor may prescribe any operating instructions or regulations necessary to carry out this section and the amendments made by this section.

TITLE IV—NATIONAL EMERGENCY GRANTS

SEC. 401. NATIONAL EMERGENCY GRANT ASSISTANCE FOR WORKERS.

(a) ELIGIBILITY FOR GRANTS.—Section 173(a) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(a)) is amended—

(1) in paragraph (2), by striking ''and'',

(2) in paragraph (3), by striking the period and inserting ''; and'', and

(3) by adding at the end the following new paragraph:

''(4) from funds appropriated under section 174(c), to a State to provide employment and training assistance and the assistance described in subsections (f) and (g) to dislocated workers affected by a plant closure, mass layoff, or multiple layoffs if the Governor certifies in the application for assistance that the attacks of September 11, 2001, contributed importantly to such plant closures, mass layoffs, and multiple layoffs, and to independently owned businesses and proprietorships.''.

(b) USE OF FUNDS.—Section 173 of the Workforce Investment Act of 1998 (29 U.S.C. 2918) is amended by adding at the end the following new subsections:

''(f) COBRA CONTINUATION COVERAGE PAYMENT REQUIREMENTS.—

''(1) IN GENERAL.—Funds made available to a State under paragraph (4) of subsection (a) may be used by the State to assist a participant in the program under such paragraph by paying up to 75 percent of the participant's and any dependents' contribution for COBRA continuation coverage of the participant and dependents for a period not to exceed 10 months.

''(2) DEFINITION.—For purposes of paragraph (1), the term 'COBRA continuation coverage' means coverage under a group health plan provided by an employer pursuant to title XXII of the Public Health Service Act, section 4980B of the Internal Revenue Code of 1986, part 6 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, or section 8905a of title 5, United States Code.

''(g) GOVERNMENT INTERVENTION SUPPLEMENTS.—

''(1) PERSONAL INCOME.—Using funds made available under subsection (a)(4), a State may provide personal income compensation to a dislocated worker described in such subsection if—

''(A) the worker is unable to work due to direct Federal Government intervention, as a result of a direct response to the terrorist attacks which occurred on September 11, 2001, leading to—

''(i) closure of the facility at which the worker was employed, prior to the intervention; or

''(ii) a restriction on how business may be conducted at the facility; and

''(B) the facility is located within an area in a State in which a major disaster or emergency was certified by the Governor.

''(2) BUSINESS INCOME.—Using funds made available under subsection (a)(4), a State may provide business income compensation to an independently owned business or proprietorship if—

''(A) the business or proprietorship is unable to earn revenue due to direct Federal intervention, as a result of a direct response to the terrorist attacks which occurred on September 11, 2001, leading to—

''(i) closure of the facility at which the business or proprietorship was located, prior to the intervention; or

''(ii) a restriction on how customers may access the facility; and

''(B) the facility is located within an area in a State in which a major disaster or emergency was certified by the Governor.''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 174 of the Workforce Investment Act of 1998 (29 U.S.C. 2919) is amended by adding at the end the following new subsection:

''(c) NATIONAL EMERGENCY GRANTS RELATING TO SEPTEMBER 11 ATTACKS.—There are authorized to be appropriated to carry out subsection (a)(4) of section 173 $5,000,000,000 for fiscal year 2002. Funds appropriated under this subsection shall be available for obligation for a period beginning with the date of enactment of such appropriations and ending 18 months thereafter.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of enactment of this section.

TITLE V—TEMPORARY BUSINESS RELIEF PROVISIONS

SEC. 501. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 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 DECEMBER 31, 2001, AND BEFORE JANUARY 1, 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,

''(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,

''(III) which is qualified leasehold improvement property, or

''(IV) which is eligible for depreciation under section 167(g),

''(ii) the original use of which commences with the taxpayer after December 31, 2001,

''(iii) which is—

''(I) acquired by the taxpayer after December 31, 2001, and before January 1, 2004, but only if no written binding contract for the acquisition was in effect before January 1, 2002, or

''(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after December 31, 2001, and before January 1, 2004, and

''(iv) which is placed in service by the taxpayer before January 1, 2004, or, in the case of property described in subparagraph (B), before January 1, 2005.

''(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-JANUARY 1, 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 January 1, 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.

''(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 December 31, 2001, and before January 1, 2004.

''(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(ii), if property—

''(I) is originally placed in service after December 31, 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).

''(3) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified leasehold improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

''(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

''(I) by the lessee (or any sublessee) of such portion, or

''(II) by the lessor of such portion,

''(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

''(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

''(B) CERTAIN IMPROVEMENTS NOT INCLUDED.—Such term shall not include any improvement for which the expenditure is attributable to—

''(i) the enlargement of the building,

''(ii) any elevator or escalator,

''(iii) any structural component benefiting a common area, and

''(iv) the internal structural framework of the building.

''(C) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

''(i) BINDING COMMITMENT TO LEASE TREATED AS LEASE.—A binding commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively.

''(ii) RELATED PERSONS.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term 'related persons' means—

''(I) members of an affiliated group (as defined in section 1504), and

''(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase '80 percent or more' shall be substituted for the phrase 'more than 50 percent' each place it appears in such subsection.

''(D) IMPROVEMENTS MADE BY LESSOR.—In the case of an improvement made by the person who was the lessor of such improvement when such improvement was placed in service, such improvement shall be qualified leasehold improvement property (if at all) only so long as such improvement is held by such person.''.

(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 DECEMBER 31, 2001, AND BEFORE JANUARY 1, 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 December 31, 2001, in taxable years ending after such date.

TITLE VI—ADDITIONAL PROVISIONS

SEC. 602. EMERGENCY DESIGNATION.

Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues are reduced by this Act below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

SA 2805. Mr. SESSIONS 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:

Add at the end of title V of the amendment, add the following:

SEC. ___. ADDITIONAL REQUIREMENTS TO ENSURE GREATER USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Not later than February 1, 2002, the Secretary of the Treasury by regulation shall require—

(1) each employer of an employee who the employer determines receives wages in an amount which indicates that such employee would be eligible for the earned income credit under section 32 of the Internal Revenue Code of 1986 to provide such employee with a simplified application for an earned income eligibility certificate, and

(2) require each employee wishing to receive the earned income tax credit to complete and return the application to the employer within 30 days of receipt.

Such regulations shall require an employer to provide such an application within 30 days of the hiring date of an employee and at least annually thereafter. Such regulations shall further provide that, upon receipt of a completed form, an employer shall provide for the advance payment of the earned income credit as provided under section 3507 of the Internal Revenue Code of 1986.

SEC. ___. EXTENSION OF ADVANCE PAYMENT OF EARNED INCOME CREDIT TO ALL ELIGIBLE TAXPAYERS.

(a) IN GENERAL.—Section 3507(b) of the Internal Revenue Code of 1986 (relating to earned income eligibility certificate) is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 3507(c)(2)(B) of the Internal Revenue Code of 1986 is amended by inserting ''has 1 or more qualifying children and'' before ''is not married,''.

(2) Section 3507(c)(2)(C) of such Code is amended by striking ''the employee'' and inserting ''an employee with 1 or more qualifying children''.

(3) Section 3507(f) of such Code is amended by striking ''who have 1 or more qualifying children and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2806. Ms. LANDRIEU submitted an amendment intended to be proposed by her 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:

TITLE VI—REFUNDABLE HEALTH INSURANCE COSTS CREDIT

SEC. 601. REFUNDABLE HEALTH INSURANCE COSTS CREDIT.

(a) ALLOWANCE OF CREDIT.—

(1) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 (relating to refundable personal credits) is amended by redesignating section 35 as section 36 and inserting after section 34 the following:

''SEC. 35. HEALTH INSURANCE COSTS.

''(a) ALLOWANCE OF CREDIT.—In the case of an eligible individual, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the amount paid by the taxpayer during such taxable year for qualified health insurance for the taxpayer and the taxpayer's spouse and dependents.

''(b) LIMITATIONS.—

''(1) MAXIMUM DOLLAR AMOUNT.—

''(A) IN GENERAL.—The amount allowed as a credit under subsection (a) to the taxpayer for the taxable year shall not exceed the sum of the monthly limitations for coverage months during such taxable year.

''(B) MONTHLY LIMITATION.—The monthly limitation for each coverage month during the taxable year is an amount equal to 75 percent of the amount paid for qualified health insurance for such month.

''(2) 12-MONTH LIMITATION.—For purposes of paragraph (1), the total number of coverage months taken into account with respect to each qualifying event of the individual shall not exceed the lesser of—

''(A) the total number of consecutive coverage months starting with the first coverage month with respect to the event, or

''(B) 12.

''(c) DEFINITIONS.—For purposes of this section—

''(1) COVERAGE MONTH.—

''(A) IN GENERAL.—The term 'coverage month' means, with respect to an individual, any month if—

''(i) as of the first day of such month such individual is covered by qualified health insurance, and

''(ii) the premium for coverage under such insurance, or any portion of the premium, for such month is paid by the taxpayer.

''(B) EXCLUSION OF MONTHS IN WHICH INDIVIDUAL IS IMPRISONED.—Such term shall not include any month with respect to an individual if, as of the first day of such month, such individual is imprisoned under Federal, State, or local authority.

''(2) ELIGIBLE INDIVIDUAL.—

''(A) IN GENERAL.—The term 'eligible individual' means an individual who is—

''(i) a covered employee (as defined in section 4980B(f)) of the plan sponsor of the qualified health insurance, and

''(ii) eligible for continuation coverage by reason of a qualifying event which occurs after September 11, 2001.

''(B) DEPENDENTS OF TERRORIST VICTIMS.—The term 'eligible individual' shall include the spouse, child, or other individual who—

''(i) was an insured under health insurance coverage of an individual who was killed as a result of the terrorist-related aircraft crashes on September 11, 2001, or as a result of any other terrorist-related event occurring during the period beginning on September 11, 2001, and ending on December 31, 2002, and

''(ii) is eligible for continuation coverage by reason of the death of such individual.

''(C) CERTAIN COVERAGE TREATED AS CONTINUATION COVERAGE.—If an individual during the period beginning on September 11, 2001, and ending on December 31, 2002—

''(i) elects to take a voluntary leave program offered by such individual's employer after the employer has announced that employee separations will occur as a result of the terrorist-related aircraft crashes on September 11, 2001, or as a result of any other terrorist-related event occurring during such period; and

''(ii) is eligible under such voluntary leave program, and has elected, to continue their health insurance coverage under a group health plan through payment of 100 percent of the premium for such coverage,

then, for purposes of this section, such individual shall be treated as an eligible individual and such coverage shall be treated as qualified health insurance.

''(3) QUALIFIED HEALTH INSURANCE.—The term 'qualified health insurance' means health insurance coverage under—

''(A) a COBRA continuation provision (as defined in section 9832(d)(1)), or

''(B) section 8905a of title 5, United States Code.

Such term includes such continuation coverage provided in a State that has enacted a law that requires such coverage even though the coverage would not otherwise be required under the provisions of law referred to in subparagraph (A).

''(4) QUALIFYING EVENT.—The term 'qualifying event' means an event described in section 4980B(f)(3)(B), except that such term shall not include a voluntary termination.

''(d) SPECIAL RULES.—

''(1) COORDINATION WITH MEDICAL EXPENSE DEDUCTION.—The amount which would (but for this paragraph) be taken into account by the taxpayer under section 213 for the taxable year shall be reduced by the credit (if any) allowed by this section to the taxpayer for such year.

''(2) COORDINATION WITH ADVANCE PAYMENT.—Rules similar to the rules of section 32(g) shall apply to any credit to which this section applies.

''(e) EXPENSES MUST BE SUBSTANTIATED.—A payment for insurance to which subsection (a) applies may be taken into account under this section only if the taxpayer substantiates such payment in such form as the Secretary may prescribe.

''(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section.

''(g) TERMINATION.—This section shall not apply to any amount paid after December 31, 2002.''.

(b) INFORMATION REPORTING.—

(1) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 (relating to information concerning transactions with other persons) is amended by inserting after section 6050S the following:

''SEC. 6050T. RETURNS RELATING TO PAYMENTS FOR QUALIFIED HEALTH INSURANCE.

''(a) IN GENERAL.—Any person who, in connection with a trade or business conducted by such person, receives payments during any calendar year from any individual for coverage of such individual or any other individual under creditable health insurance, shall make the return described in subsection (b) (at such time as the Secretary may by regulations prescribe) with respect to each individual from whom such payments were received.

''(b) FORM AND MANNER OF RETURNS.—A return is described in this subsection if such return—

''(1) is in such form as the Secretary may prescribe, and

''(2) contains—

''(A) the name, address, and TIN of the individual from whom payments described in subsection (a) were received,

''(B) the name, address, and TIN of each individual who was provided by such person with coverage under creditable health insurance by reason of such payments and the period of such coverage,

''(C) the aggregate amount of payments described in subsection (a),

''(D) the qualified health insurance credit advance amount (as defined in section 7527(e)) received by such person with respect to the individual described in subparagraph (A), and

''(E) such other information as the Secretary may reasonably prescribe.

''(c) CREDITABLE HEALTH INSURANCE.—For purposes of this section, the term 'creditable health insurance' means qualified health insurance (as defined in section 35(c)).

''(d) STATEMENTS TO BE FURNISHED TO INDIVIDUALS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under subsection (a) shall furnish to each individual whose name is required under subsection (b)(2)(A) to be set forth in such return a written statement showing—

''(1) the name and address of the person required to make such return and the phone number of the information contact for such person,

''(2) the aggregate amount of payments described in subsection (a) received by the person required to make such return from the individual to whom the statement is required to be furnished,

''(3) the information required under subsection (b)(2)(B) with respect to such payments, and

''(4) the qualified health insurance credit advance amount (as defined in section 7527(e)) received by such person with respect to the individual described in paragraph (2).

The written statement required under the preceding sentence shall be furnished on or before January 31 of the year following the calendar year for which the return under subsection (a) is required to be made.

''(e) RETURNS WHICH WOULD BE REQUIRED TO BE MADE BY 2 OR MORE PERSONS.—Except to the extent provided in regulations prescribed by the Secretary, in the case of any amount received by any person on behalf of another person, only the person first receiving such amount shall be required to make the return under subsection (a).''.

(2) ASSESSABLE PENALTIES.—

(A) Subparagraph (B) of section 6724(d)(1) (relating to definitions) is amended by redesignating clauses (xi) through (xvii) as clauses (xii) through (xviii), respectively, and by inserting after clause (x) the following:

''(xi) section 6050T (relating to returns relating to payments for qualified health insurance),''.

(B) Paragraph (2) of section 6724(d) is amended by striking ''or'' at the end of the next to last subparagraph, by striking the period at the end of the last subparagraph and inserting '', or'', and by adding at the end the following:

''(BB) section 6050T(d) (relating to returns relating to payments for qualified health insurance).''.

(3) CLERICAL AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by inserting after the item relating to section 6050S the following:

''Sec. 6050T. Returns relating to payments for qualified health insurance.''.

(c) CRIMINAL PENALTY FOR FRAUD.—Subchapter B of chapter 75 (relating to other offenses) is amended by adding at the end the following:

''SEC. 7276. PENALTIES FOR OFFENSES RELATING TO HEALTH INSURANCE TAX CREDIT.

''Any person who knowingly misuses Department of the Treasury names, symbols, titles, or initials to convey the false impression of association with, or approval or endorsement by, the Department of the Treasury of any insurance products or group health coverage in connection with the credit for health insurance costs under section 35 shall on conviction thereof be fined not more than $10,000, or imprisoned not more than 1 year, or both.''.

(d) CONFORMING AMENDMENTS.—

(1) Section 162(l) is amended by adding at the end the following:

''(6) ELECTION TO HAVE SUBSECTION APPLY.—No deduction shall be allowed under paragraph (1) for a taxable year unless the taxpayer elects to have this subsection apply for such year.''.

(2) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period '', or from section 35 of such Code''.

(3) The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by striking the last item and inserting the following:

''Sec. 35. Health insurance costs.

''Sec. 36. Overpayments of tax.''.

(4) The table of sections for subchapter B of chapter 75 is amended by adding at the end the following:

''Sec. 7276. Penalties for offenses relating to health insurance tax credit.''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2001, without regard to whether final regulations to carry out such amendments have been promulgated by such date.

(2) PENALTIES.—The amendments made by subsections (c) and (d)(4) shall take effect on the date of the enactment of this Act.

SEC. 602. ADVANCE PAYMENT OF CREDIT TO ISSUERS OF QUALIFIED HEALTH INSURANCE.

(a) IN GENERAL.—Chapter 77 (relating to miscellaneous provisions) is amended by adding at the end the following:

''SEC. 7527. ADVANCE PAYMENT OF HEALTH INSURANCE CREDIT FOR PURCHASERS OF QUALIFIED HEALTH INSURANCE.

''(a) GENERAL RULE.—Every plan sponsor of a group health plan providing, or qualified health insurance issuer of, qualified health insurance to an eligible individual shall—

''(1) make qualified premium payments with respect to such individual in an amount equal to the qualified health insurance credit advance amount, and

''(2) treat such payments in the manner provided in subsection (g).

''(b) ELIGIBLE INDIVIDUAL.—For purposes of this section, the term 'eligible individual' means any individual—

''(1) who purchases qualified health insurance (as defined in section 35(c)), and

''(2) for whom a qualified health insurance credit eligibility certificate is in effect.

''(c) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED HEALTH INSURANCE ISSUER.—The term 'qualified health insurance issuer' means a health insurance issuer described in section 9832(b)(2) (determined without regard to the last sentence thereof) offering coverage in connection with a group health plan.

''(2) GROUP HEALTH PLAN.—The term 'group health plan' has the meaning given such term by section 5000(b)(1) (determined without regard to subsection (d) thereof).

''(3) QUALIFIED PREMIUM PAYMENTS.—The term 'qualified premium payments' means any amount paid or incurred, cost incurred, or health coverage value provided, with respect to qualified health insurance for an eligible individual and the individual's spouse and dependents. For purposes of the preceding sentence, in the case of a group health plan, the health coverage value is equal to the applicable premium under the plan for the qualified health insurance coverage provided to an eligible individual and the individual's spouse and dependents, as determined under section 4980B.

''(d) QUALIFIED HEALTH INSURANCE CREDIT ELIGIBILITY CERTIFICATE.—For purposes of this section, a qualified health insurance credit eligibility certificate is a statement furnished by an individual to a plan sponsor of a group health plan or qualified health insurance issuer which—

''(1) certifies that the individual will be eligible to receive the credit provided by section 35 for the taxable year,

''(2) estimates the amount of such credit for such taxable year, and

''(3) provides such other information as the Secretary may require for purposes of this section.

''(e) QUALIFIED HEALTH INSURANCE CREDIT ADVANCE AMOUNT.—For purposes of this section, the term 'qualified health insurance credit advance amount' means, with respect to any plan sponsor of a group health plan providing, or qualified health insurance issuer of, qualified health insurance, the amount of credit allowable under section 35 to the individual for the taxable year which is attributable to the insurance provided to the individual by such sponsor or issuer.

''(f) REQUIRED DOCUMENTATION FOR RECEIPT OF PAYMENTS OF ADVANCE AMOUNT.—No payment of a qualified health insurance credit advance amount with respect to any eligible individual may be made under subsection (a) unless the plan sponsor of the group health plan or qualified health insurance issuer provides to the Secretary—

''(1) the qualified health insurance credit eligibility certificate of such individual, and

''(2) the return relating to such individual under section 6050T.

''(g) QUALIFIED PREMIUM PAYMENTS TO BE TREATED AS PAYMENTS OF WITHHOLDING AMOUNTS AND CERTAIN EMPLOYER TAX.—

''(1) IN GENERAL.—For purposes of this title, qualified premium payments made or costs incurred by the sponsor of a group health plan, or any entity designated by the sponsor to make such payments or incur such costs—

''(A) shall not be treated as compensation, and

''(B) shall be treated, in such manner as provided by the Secretary, as made out of—

''(i) amounts required to be deposited by the taxpayer as estimated income tax under section 6654 or 6655,

''(ii) amounts required to be deducted and withheld under section 3401 (relating to wage withholding),

''(iii) amounts of the taxes imposed under section 3111(a) or 50 percent of taxes imposed under section 1401(a) (relating to FICA employer taxes), or

''(iv) amounts required to be deducted under section 3102 with respect to taxes imposed under section 3101(a) or 50 percent of taxes imposed under section 1401(a) (relating to FICA employee taxes),

as if such sponsor, or such designated entity, had paid to the Secretary an amount equal to such payments.

''(2) QUALIFIED PREMIUM PAYMENTS EXCEED TAXES DUE.—In the case of any entity, if for any time period the aggregate qualified premium payments exceed the amounts described in paragraph (1)(B), the Secretary shall reduce amounts described in such paragraph for any succeeding time period as necessary to reflect such excess.

''(3) FAILURE TO MAKE QUALIFIED PREMIUM PAYMENTS.—For purposes of this title (including penalties), failure to make a qualified premium payment with respect to an eligible individual at the time provided therefor shall be treated as the failure at such time to deduct and withhold under chapter 24 of such Code in an amount equal to the amount of such qualified premium payments.

''(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 77 is amended by adding at the end the following:

''Sec. 7527. Advance payment of health insurance credit for purchasers of qualified health insurance.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2002, without regard to whether final regulations to carry out such amendments have been promulgated by such date.

SEC. 603. COBRA NOTIFICATION REQUIREMENTS.

(a) CHANGE IN COBRA NOTICE.—

(1) GENERAL NOTICE.—For purposes of this section—

(A) IN GENERAL.—Any notice required to be provided under section 4980B(f)(6) of the Internal Revenue Code of 1986, section 2206 of the Public Health Service Act (42 U.S.C. 300bb–6), section 606 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1166), or section 8905a(f)(2)(A) of title 5,

United States Code, with respect to an eligible individual shall include an additional notification to the recipient of the availability of qualified premium payments for such coverage under section 7527 of the Internal Revenue Code of 1986.

(B) ALTERNATIVE NOTICE.—In the case of COBRA continuation coverage to which the notice provision under such sections does not apply, the Secretary of the Treasury, in consultation with the Secretary of Labor, shall, in coordination with administrators of the group health plans (or other entities) that provide or administer the COBRA continuation coverage involved, assure the provision of such notice.

(C) FORM.—The requirement of the additional notification under this paragraph may be met by amendment of existing notice forms or by inclusion of a separate document with the notice otherwise required.

(2) SPECIFIC REQUIREMENTS.—Each additional notification under paragraph (1) shall include the following:

(A) The forms necessary for establishing eligibility for, and making a designation to request, qualified premium payments under section 7527 of the Internal Revenue Code of 1986.

(B) The following displayed in a prominent manner:

(i) The name, address, and telephone number necessary to contact the employer, administrator, and any other person maintaining relevant information in connection with how to request such qualified premium payments.

(ii) The toll-free telephone number and Internet website address established under paragraph (4)(A)(i).

(iii) The name, address, and telephone number for the group health plan (including a multiemployer plan), issuer of health insurance coverage, administrator, an employer, or other entity (as appropriate with respect to the individual) that will collect the monthly premium for such coverage, specifying that the forms described in subparagraph (A) are to be completed by the individual and sent to such entity.

(iv) The following statement:

''You may be eligible to receive qualified premium payments for payment of 75 percent of your COBRA continuation coverage premiums and with temporary medicaid coverage for the remaining premium portion for a duration of not to exceed 12 months. This assistance will not be available after December 31, 2002. Return the enclosed forms as soon as possible to the address specified.''.

(C) The dollar amount equal to 25 percent of the monthly 2002 premium that would be owed during 2002 by the individual for the coverage if the individual is eligible for, and requests, qualified premium payments.

(3) SUPPLEMENTAL NOTICE FOR INDIVIDUALS PREVIOUSLY PROVIDED NOTICE OR WHOSE ELECTION PERIOD IS TEMPORARILY EXTENDED.—In the case of notices described in paragraph (1) which were transmitted before the date of enactment of this Act to an eligible individual who has elected (or is still eligible to elect, including as a result of section 604) COBRA continuation coverage as of the date of enactment of this Act, the employer, administrator, or other entity involved, or the Secretary of the Treasury, in consultation with the Secretary of Labor (in the case described in the paragraph (1)(B)), shall provide (within the period required under paragraph (4)(B)(i)) for the additional notification required to be provided under this subsection.

(4) REQUIRED TIMELINE.—

(A) IN GENERAL.—Not later than 15 days after the date of enactment of this Act, the Secretary of the Treasury shall—

(i) establish a toll-free telephone number and an Internet website to provide information and answer inquiries about the qualified premium payments available under section 7527 of the Internal Revenue Code of 1986;

(ii) prescribe models for the additional notification required under this subsection and the forms necessary for establishing eligibility, and requesting, such qualified premium payments;

(iii) notify each covered employer, plan sponsors of a group health plan providing qualified health insurance, and qualified health insurance issuers of qualified health insurance of such qualified premium payments, and notify each covered employer of the additional notification required under this subsection;

(iv) make the model notification and forms under clause (ii) available to each such covered employer; and

(v) provide, in consultation with the Secretary of Labor, the additional notification required for individuals described in paragraph (1)(B).

(B) COVERED EMPLOYERS.—Not later than 15 days after the model notification and forms are made available under subparagraph (A)(iv), each covered employer or their designee shall—

(i) provide the additional notification required under this subsection; and

(ii) be able to comply with such additional notification requirement in the case of any individual described in paragraph (1)(A).

(C) DEFINITION OF COVERED EMPLOYER.—For purposes of this section, the term ''covered employer'' means, for any calendar year, any person on whom an excise tax is imposed under section 3111 or 1401 of the Internal Revenue Code of 1986 with respect to having an individual in the person's employ to whom wages are paid by such person during such calendar year.

(5) ELIGIBLE INDIVIDUAL.—For purposes of this subsection, the term ''eligible individual'' has the meaning given such term by section 35(c)(2) of the Internal Revenue Code of 1986.

(b) EFFECTIVE DATE.—This section shall not apply with respect to qualified premium payments made after December 31, 2002.

SEC. 604. TEMPORARY EXTENSION OF ELECTION PERIOD FOR CERTAIN SEPARATED INDIVIDUALS.

(a) TEMPORARY EXTENSION OF ELECTION PERIOD FOR CERTAIN SEPARATED INDIVIDUALS.—Notwithstanding any other provision of law, the election period for COBRA continuation coverage with respect to any eligible individual (as defined in section 35(c)(2) of the Internal Revenue Code of 1986) for whom such period has expired as of the date of enactment of this Act, shall not end before the date that is 60 days after the date the individual receives the supplemental notice required under section 603(a)(3).

(b) PREEXISTING CONDITIONS.—If an individual is entitled to a supplemental notice under section 603(a)(3), any period before the receipt of such notice shall be disregarded for purposes of determining the 63-day periods referred to in section 701(c)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181(c)(2)), section 2701(c)(2) of the Public Health Service Act (42 U.S.C. 300gg(c)(2)), and section 9801(c)(2) of the Internal Revenue Code of 1986.

SA 2807. Mr. SESSIONS (for Mr. KYL (for himself, Mr. NICKLES, and Mr. SESSIONS)) proposed an amendment to amendment SA 2721 submitted by Mr. REID and intended to be proposed to the amendment SA 2698 proposed by Mr. DASCHLE 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:

SEC. . PERMANENT REPEAL OF ESTATE TAXES.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended—

(1) by striking ''this Act'' and all that follows through 2010.'' in subsection (a) and inserting ''this Act (other than title V) shall not apply to taxable, plan, or limitation years beginning after December 31, 2010.'', and

(2) by striking, '', estates, gifts, and transfers'' in subsection (b).

SA 2808. Mr. DORGAN (for himself, Mr. REID, Mr. INOUYE, and Mr. CONRAD) proposed an amendment to amendment SA 2764 submitted Mr. REID and intended to be proposed to the amendment SA 2698 proposed by Mr. DASCHLE 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 _____—TRAVEL INDUSTRY STABILIZATION

SECTION _01. SHORT TITLE.

This title may be cited as the ''American Travel Industry Stabilization Act''.

SEC. _02. TRAVEL INDUSTRY DISASTER RELIEF.

(a) IN GENERAL.—Notwithstanding any other provision of law, the President shall take the actions described in subsection (b) to compensate eligible travel-related businesses.

(b) ACTIONS DESCRIBED.—

(1) IN GENERAL.—Subject to such terms and conditions as the President deems necessary, and upon application, the President is authorized to issue Federal credit instruments to eligible travel-related businesses described in subsection (c) that do not, in the aggregate, exceed $2,000,000,000 and provide the subsidy amounts necessary for such instruments in accordance with the provisions of the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(2) TIME FOR APPLICATION.—An application for a Federal credit instrument shall be filed by an eligible travel-related business not later than 1 year after the promulgation of regulations.

(3) TERMS OF CREDIT INSTRUMENTS.—A loan guaranteed under this title may be used exclusively for the purpose of meeting obligations and expenses to the extent that an applicant demonstrates—

(A) business operations were directly and adversely affected by the events of September 11, 2001;

(B) the loan guarantee is necessary to meet such obligations;

(C) the inability of the applicant to meet such obligations or expenses is directly attributable to the impact of September 11, 2001; and

(D) the applicant has the ability to repay the loan.

(c) DEFINITIONS.—In this title:

(1) BOARD.—The term ''Board'' means the Air Transportation Stabilization Board established under the Air Transportation Safety and System Stabilization Act (49 U.S.C. 40101 note; P.L. 107–42).

(2) ELIGIBLE TRAVEL-RELATED BUSINESS.—The term ''eligible travel-related business'' means a business that was injured by the Government shutdown of the airline industry following the terrorist attacks on the United States that occurred on September 11, 2001, and that on such date—

(A) had a contractual arrangement with an air carrier to provide goods or services, including those with a contractual relationship with the Airline Reporting Corporation; or

(B) was a nonaeronautical for-profit business operating at an airport engaged in the sale of consumer goods or services to the public under an arrangement with the airport or the airport's governing body.

(3) FEDERAL CREDIT INSTRUMENT.—The term ''Federal credit instrument'' means any guarantee or other pledge by the Board issued under section __02(b) to pledge the full faith and credit of the United States to pay all or part of any of the principal of and interest on a loan or other debt obligation issued by an obligor and funded by a lender.

(4) FINANCIAL OBLIGATION.—The term ''financial obligation'' means any note, bond, debenture, or other debt obligation issued by an obligor in connection with financing under this section and section __02(b).

(5) LENDER.—The term ''lender'' means any non-Federal qualified institutional buyer (as defined by section 230.144A(a) of title 17, Code of Federal Regulations (or any successor regulatory) known as rule 144A(a) of the Securities and Exchange Commission and issued under the Securities Act of 1933), including—

(A) a qualified retirement plan (as defined in section 4974(c) of the Internal Revenue Code of 1986 (26 U.S.C. 4974(c))) that is a qualified institutional buyer; and

(B) a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986 (26 U.S.C. 414(d))) that is a qualified institutional buyer.

(6) OBLIGOR.—The term ''obligor'' means a party primarily liable for payment of the principal of, or interest on, a Federal credit instrument, which party may be a corporation, partnership, joint venture, trust, or governmental entity, agency, or instrumentality.

(d) EMERGENCY DESIGNATION.—Congress designates the amount of new budget authority and outlays in all fiscal years resulting from this title as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(e)). Such amount shall be available only to the extent that a request, that includes designation of such amount as an emergency requirement as defined in such Act, is transmitted by the President to Congress.

SEC. __03. ADDITIONAL FUNCTIONS FOR THE AIRLINE STABILIZATION BOARD.

(a) ADDITIONAL FUNCTIONS TO STABILIZE THE TRAVEL INDUSTRY.—The Board shall review and make recommendations to the President with respect to applications for Federal credit instruments submitted under section __02(b).

(b) FEDERAL CREDIT INSTRUMENTS.—

(1) IN GENERAL.—The Board may enter into agreements with 1 or more obligors to issue Federal credit instruments under section __02(b) if the Board determines, in its discretion, that—

(A) the obligor is an entity in a travel-related business for which credit is not reasonably available at the time of the transaction;

(B) the intended obligation by the obligor is prudently incurred; and

(C) such agreement is a necessary part of maintaining a safe, efficient, and viable travel industry in the United States.

(2) TERMS AND LIMITATIONS.—

(A) FORMS, TERMS, AND CONDITIONS.—A Federal credit instrument shall be issued under section __02(b) in such form and such terms and conditions and contain such covenants, representatives, warranties, and requirements (including requirements for audits) as the Board determines appropriate, provided that—

(i) a loan shall be repaid over a period not to exceed 5 years from the date that the loan is guaranteed under this title;

(ii) the Government guarantee shall cover not less than 80 percent of the value of the loan;

(iii) loan guarantees under this title shall be extended based upon the ability of the eligible travel-related business to repay the loan without regard to collateral; and

(iv) any loan origination fee may not exceed 1 percent of the loan value.

(B) PROCEDURES.—Not later than 14 days after the date of enactment of this title, the Director of the Office of Management and Budget, in consultation with the Board, shall issue regulations setting forth procedures for application and minimum requirements.

(c) FINANCIAL PROTECTION OF GOVERNMENT.—

(1) IN GENERAL.—To the extent feasible and practicable, as provided in paragraphs (2) and (3), the Board shall ensure that the Government is compensated for the risk assumed in making guarantees under this title.

(2) GOVERNMENT PARTICIPATION IN GAINS.—To the extent to which any participating corporation accepts financial assistance, in the form of accepting the proceeds of any loans guaranteed by the Government under this title, the Board is authorized to enter into contracts under which the Government, contingent on the financial success of the participating corporation, would participate in the gains of the participating corporation or its security holders through the use of such instruments as warrants, stock options, common or preferred stock, or other appropriate equity instruments.

(3) DEPOSIT IN TREASURY.—All amounts collected by the Secretary of the Treasury under this subsection shall be deposited in the Treasury as miscellaneous receipts.

(e) AUTHORIZATION OF FUNDS.—Congress authorizes and hereby appropriates such sums as are necessary to carry out the purposes of this title.

SA 2809. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY 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:

Add at the end of subtitle A of title VI of the amendment, add the following:

SEC. ___. ADDITIONAL REQUIREMENTS TO ENSURE GREATER USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Not later than February 1, 2002, the Secretary of the Treasury by regulation shall require—

(1) each employer of an employee who the employer determines receives wages in an amount which indicates that such employee would be eligible for the earned income credit under section 32 of the Internal Revenue Code of 1986 to provide such employee with a simplified application for an earned income eligibility certificate, and

(2) require each employee wishing to receive the earned income tax credit to complete and return the application to the employer within 30 days of receipt.

Such regulations shall require an employer to provide such an application within 30 days of the hiring date of an employee and at least annually thereafter. Such regulations shall further provide that, upon receipt of a completed form, an employer shall provide for the advance payment of the earned income credit as provided under section 3507 of the Internal Revenue Code of 1986.

SEC. ___. EXTENSION OF ADVANCE PAYMENT OF EARNED INCOME CREDIT TO ALL ELIGIBLE TAXPAYERS.

(a) IN GENERAL.—Section 3507(b) of the Internal Revenue Code of 1986 (relating to earned income eligibility certificate) is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 3507(c)(2)(B) of the Internal Revenue Code of 1986 is amended by inserting ''has 1 or more qualifying children and'' before ''is not married,''.

(2) Section 3507(c)(2)(C) of such Code is amended by striking ''the employee'' and inserting ''an employee with 1 or more qualifying children''.

(3) Section 3507(f) of such Code is amended by striking ''who have 1 or more qualifying children and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2810. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY 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:

At the end of subtitle A of title VI of the amendment, add the following:

SEC. ___. ADDITIONAL REQUIREMENTS TO ENSURE GREATER USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Not later than February 1, 2002, the Secretary of the Treasury by regulation shall require—

(1) each employer of an employee who the employer determines receives wages in an amount which indicates that such employee would be eligible for the earned income credit under section 32 of the Internal Revenue Code of 1986 to provide such employee with a simplified application for an earned income eligibility certificate, and

(2) require each employee wishing to receive the earned income tax credit to complete and return the application to the employer within 30 days of receipt.

Such regulations shall require an employer to provide such an application within 30 days of the hiring date of an employee and at least annually thereafter. Such regulations shall further provide that, upon receipt of a completed form, an employer shall provide for the advance payment of the earned income credit as provided under section 3507 of the Internal Revenue Code of 1986.

SEC. ___. EXTENSION OF ADVANCE PAYMENT OF EARNED INCOME CREDIT TO ALL ELIGIBLE TAXPAYERS.

(a) IN GENERAL.—Section 3507(b) of the Internal Revenue Code of 1986 (relating to earned income eligibility certificate) is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 3507(c)(2)(B) of the Internal Revenue Code of 1986 is amended by inserting ''has 1 or more qualifying children and'' before ''is not married,''.

(2) Section 3507(c)(2)(C) of such Code is amended by striking ''the employee'' and inserting ''an employee with 1 or more qualifying children''.

(3) Section 3507(f) of such Code is amended by striking ''who have 1 or more qualifying children and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. ___. TEMPORARY EXPANSION OF PENALTY-FREE RETIREMENT PLAN DISTRIBUTIONS FOR HEALTH INSURANCE PREMIUMS OF UNEMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Subparagraph (D) of section 72(t)(2) is amended by adding at the end the following new clause:

''(iv) SPECIAL RULES FOR INDIVIDUALS RECEIVING UNEMPLOYMENT COMPENSATION AFTER SEPTEMBER 10, 2001, AND BEFORE JANUARY 1, 2003.—In the case of an individual who receives unemployment compensation for 4 consecutive weeks after September 10, 2001, and before January 1, 2003—

''(I) clause (i) shall apply to distributions from all qualified retirement plans (as defined in section 4974(c)), and

''(II) such 4 consecutive weeks shall be substituted for the 12 consecutive weeks referred to in subclause (I) of clause (i).''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions after the date of the enactment of this division.

SEC. ___. INCREASE IN CHILD TAX CREDIT.

(a) IN GENERAL.—The table contained in section 24(a)(2) (relating to per child amount) is amended by striking all matter preceding the second item and inserting the following:

''In the case of any taxable year beginning in—	**''The per child amount is—**
2001	$1,000
2002, 2003, or 2004	600''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. ___. TEMPORARY INCREASE IN DEDUCTION FOR CAPITAL LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.

(a) IN GENERAL.—Subsection (b) of section 1211 (relating to limitation on capital losses for taxpayers other than corporations) is amended by adding at the end the following flush sentence:

''Paragraph (1) shall be applied by substituting '$5,000' for '$3,000' and '$2,500' for '$1,500' in the case of taxable years beginning in 2001 or 2002.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

SEC. ___. NONREFUNDABLE CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting after section 25B the following new section:

''SEC. 25C. CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

''(a) ALLOWANCE OF CREDIT.—In the case of an individual who maintains a household which includes as a member one or more qualifying students (as defined in subsection (b)(1)), there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified elementary and secondary education expenses with respect to such students which are paid or incurred by the taxpayer during such taxable year.

''(b) DOLLAR LIMIT ON AMOUNT CREDITABLE.—The amount of qualified elementary and secondary education expenses paid or incurred during any taxable year which may be taken into account under subsection (a) shall not exceed $500.

''(c) QUALIFYING STUDENT.—For purposes of this section, the term ''qualifying student'' means a dependent of the taxpayer (within the meaning of section 152) who is enrolled in school on a full-time basis.

''(d) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified elementary and secondary education expenses' means computer technology or equipment expenses.

''(2) COMPUTER TECHNOLOGY OR EQUIPMENT.—The term 'computer technology or equipment' has the meaning given such term by section 170(e)(6)(F)(i) and includes Internet access and related services and computer software if such software is predominately educational in nature.

''(e) SCHOOL.—For purposes of this section, the term 'school' means any public, charter, private, religious, or home school which provides elementary education or secondary education (through grade 12), as determined under State law.

''(f) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any contribution for which credit is allowed under this section.

''(g) ELECTION TO HAVE CREDIT NOT APPLY.—A taxpayer may elect to have this section not apply for any taxable year.

''(h) TERMINATION.—This section shall not apply to expenses paid or incurred after the date which is 90 days after the date of the enactment of this section.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 24(b)(3)(B), 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) is amended by striking ''23 and 1400C'' and by inserting ''23, 25C, and 1400C''.

(3) Section 25(e)(1)(C), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by inserting ''25C,'' after ''25B,''.

(4) Section 25B, 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), 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) is amended by inserting ''and section 25C'' after ''this section''.

(7) Section 1400C(d), 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 is amended by inserting before the item relating to section 26 the following new item:

''Sec. 25C. Credit for elementary and secondary school expenses.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this division.

SA 2811. Mr. NICKLES (for 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, Mr. COCHRAN, and Mr. SARBANES)) submitted an amendment intended to be proposed to amendment SA 2700 submitted by Mr. MCCAIN 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:

Strike subsection (b) of the amendment and insert the following:

(b) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the amendments made by section 312 of the Taxpayer Relief Act of 1997.

(2) WAIVER OF LIMITATIONS.—If refund or credit of any overpayment of tax resulting from the amendment made by this section is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), such refund or credit may nevertheless be made or allowed if claim therefor is filed before the close of such period.

SA 2812. Mr. NICKLES (for 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, Mr. COCHRAN, and Mr. SARBANES)) submitted an amendment intended to be proposed to amendment SA 2790 submitted by Mr. NICKLES and intended to be proposed to the amendment SA 2698 proposed by Mr. DASCHLE 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:

Strike subsection (b) of the amendment and insert the following:

(b) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the amendments made by section 312 of the Taxpayer Relief Act of 1997.

(2) WAIVER OF LIMITATIONS.—If refund or credit of any overpayment of tax resulting from the amendment made by this section is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), such refund or credit may nevertheless be made or allowed if claim therefor is filed before the close of such period.

SA 2813. Mr. BOND 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. . MODIFICATION OF UNRELATED BUSINESS INCOME LIMITATION ON INVESTMENT IN CERTAIN DEBT-FINANCED PROPERTIES.

(a) IN GENERAL.—Section 514(c)(6) of the Internal Revenue Code of 1986 (relating to acquisition indebtedness) is amended—

(1) by striking ''include an obligation'' and inserting ''include—

''(A) an obligation'',

(2) by striking the period at the end and inserting '', or'', and

(3) by adding at the end the following:

''(B) indebtedness incurred by a small business investment company licensed under the Small Business Investment Act of 1958 which is evidenced by a debenture—

''(i) issued by such company under section 303(a) of such Act, or

''(ii) held or guaranteed by the Small Business Administration.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to acquisitions made on or after the date of the enactment of this Act.

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HARKIN. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will conduct a Nomination hearing on February 13, 2002, in SH–216 at 9:30 a.m. The purpose of this hearing will be to consider the following nominations: Thomas Dorr the nominee for Under Secretary of Rural Development; Nancy Bryson, the administrations nominee to serve as general counsel for USDA; and Grace Daniel and Fred Dailey who are nominated to serve on the board of Federal Agricultural Mortgage Corporation.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that an additional bill has been added to the hearing agenda for the hearing that was previously scheduled before the Subcommittee on National Parks of the Committee on Energy and Natural Resources on Thursday, February 14, 2002, beginning at 2:30 p.m., in room 366 of the Dirksen Senate Office Building in Washington, DC.

The additional measure to be considered is S. 1894, 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 sustainability and feasibility of its inclusion in the National Park System as part of Biscayne National Park.

For further information, please contact Shelley Brown of the committee staff at (202–224–5915).

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, February 5, 2002, at 9:30 a.m., in open session to receive testimony on the Defense authorization request for fiscal year 2003 and the future years Defense program.

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

COMMITTEE ON ARMED SERVICES

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, February 5, 2002, at 4:30 p.m. in executive session to meet with members of the Canadian Senate Committee on National Security and Defense.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, February 5, 2002, at 9:30 a.m., to conduct the first in a series of hearings on ''The State of Financial Literacy and Education in America.''

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, February 5, 2002, at 9:30 a.m., on pending committee business

Executive Session Agenda

1. To authorize the issuance of a subpoena to compel testimony from Mr. Kenneth L. Lay, former Chairman and Chief Executive Officer and current board member of the Enron Corporation (Kevin Kayes, Jeanne Bumpus).

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, February 5, 2002, at 2:30 p.m., on implementation of the Aviation and Transportation Security Act.

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

COMMITTEE ON FINANCE

Mr. DORGAN. Mr. President, I ask unanimous consent that the Senate Committee on Finance be authorized to meet during the session of the Senate on Tuesday, February 5, 2002, at 2:30 p.m., to hear testimony on the President's fiscal year 2003 budget and tax proposals.

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

COMMITTEE ON FOREIGN AFFAIRS

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, February 5, 2002, at 10:15 a.m., to hold a hearing entitled, ''Foreign Policy Overview and the President's Fiscal Year 2003 Foreign Affairs Budget Request.''

Witness: The Honorable Colin L. Powell, Secretary of State, Washington, DC.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Tuesday, February 5, 2002, at 9:30 a.m., to hold a hearing entitled, ''Retirement Insecurity: 401(k) Crisis at Enron.''

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

COMMITTEE ON THE JUDICIARY

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on ''Human Cloning: Must We Sacrifice Medical Research in the Name of a Total Ban?'' on Tuesday, February 5, 2002, at 2 p.m., in Dirksen room 226.

Witness List

Panel I: The Honorable Dave Weldon and the Honorable James C. Greenwood

Panel II: Dr. Irving L. Weissman, Chair, Panel on Scientific and Medical Aspects of Human Cloning, the National Academy of Sciences and Professor, Stanford University School of Medicine, Stanford, CA; Professor Henry T. Greely, Stanford University Law School, Stanford, CA; Professor R. Alta Charo, University of Wisconsin Law School, Madison, WI; Kris Gulden, Coalition for the Advancement of Medical Research, Washington, DC; Andrew Kimbrell, Executive Director, International Center for Technology Assessment, Washington, DC; and Father Kevin T. FitzGerald, Georgetown University Medical Center, Washington, DC.

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

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. DORGAN. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space of the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, February 5, 2002, at 9:30 a.m., on Fighting Bioterrorism: Using America's Scientists and Entrepreneurs to find Solutions.

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

The PRESIDING OFFICER. The Senator from Nevada.

UNANIMOUS CONSENT REQUEST—S. 180

Mr. REID. Madam President, I ask unanimous consent the Chair lay before the Senate a message from the House on S. 180; that the Senate disagree to the House amendment, agree to the request for conference on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees.

The PRESIDING OFFICER. Is there objection?

Mr. NICKLES. Madam President, I object.

The PRESIDING OFFICER. Objection is heard.

ORDERS FOR WEDNESDAY, FEBRUARY 6, 2002

Mr. REID. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10:30 a.m., Wednesday, February 6; that following the prayer and pledge the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and there be a period of morning business until 11:30 a.m., with Senators permitted to speak for up to 10 minutes each, with the time equally divided between the two leaders or their designees; further, at 11:30 a.m., the Senate resume consideration of H.R. 622 and vote on cloture on the Daschle substitute amendment.

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

PROGRAM

Mr. REID. Madam President, the next rollcall vote will occur tomorrow morning at 11:30 a.m. on cloture on the Daschle economic recovery amendment. Additional rollcall votes are expected throughout the day tomorrow.

ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. REID. 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 6:26 p.m., adjourned until Wednesday, February 6, 2002, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate February 5, 2002:

DEPARTMENT OF ENERGY

GUY F. CARUSO, OF VIRGINIA, TO BE ADMINISTRATOR OF THE ENERGY INFORMATION ADMINISTRATION, VICE JAY E. HAKES, RESIGNED.

INTER-AMERICAN FOUNDATION

JOSE A. FOURQUET, OF NEW JERSEY, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR A TERM EXPIRING SEPTEMBER 20, 2004, VICE MARK L. SCHNEIDER, TERM EXPIRED.

ADOLFO A. FRANCO, OF VIRGINIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR THE REMAINDER OF THE TERM EXPIRING SEPTEMBER 20, 2002, VICE JEFFREY DAVIDOW, RESIGNED.

ADOLFO A. FRANCO, OF VIRGINIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR A TERM EXPIRING SEPTEMBER 20, 2008. (REAPPOINTMENT)

ROGER FRANCISCO NORIEGA, OF KANSAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR A TERM EXPIRING SEPTEMBER 20, 2006, VICE HARRIET C. BABBITT, TERM EXPIRED.

DEPARTMENT OF LABOR

EUGENE SCALIA, OF VIRGINIA, TO BE SOLICITOR FOR THE DEPARTMENT OF LABOR, VICE HENRY L. SOLANO, RESIGNED, TO WHICH POSITION HE WAS APPOINTED DURING THE RECESS OF THE SENATE FROM DECEMBER 20, 2001, TO JANUARY 23, 2002.

DEPARTMENT OF VETERANS AFFAIRS

DANIEL L. COOPER, OF PENNSYLVANIA, TO BE UNDER SECRETARY FOR BENEFITS OF THE DEPARTMENT OF VETERANS AFFAIRS FOR A TERM OF FOUR YEARS, VICE JOSEPH THOMPSON, RESIGNED.

IN THE COAST GUARD

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS COMMANDANT OF THE UNITED STATES COAST GUARD AND TO THE GRADE INDICATED UNDER TITLE 14, U.S.C., SECTION 44:

To be admiral

VICE ADM. THOMAS H. COLLINS, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTIONS 531 AND 5582:

To be lieutenant

GREGORY W. KIRWAN, 0000

To be lieutenant junior grade

ARSENIO S. FRANCISCO, 0000
JOHN E. GAY, 0000

To be ensign

MATTHEW M. SCOTT, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 531:

To be lieutenant

MICHAEL J. ADAMS, 0000
MATTHEW L. BERAN, 0000
JAMES H. BURNS, 0000
JOSEPH F. CARILLI JR., 0000
TRACY L. CLARK, 0000
KEVIN W. MESSER, 0000
ROBERT P. MONAHAN, 0000
NELL A. OSGOOD, 0000
SCOTT A. SUOZZI, 0000

CONFIRMATION

Executive nomination confirmed by the Senate February 5, 2002:

THE JUDICIARY

PHILIP R. MARTINEZ, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF TEXAS.

EXTENSIONS OF REMARKS

PERSONAL EXPLANATION

HON. MAURICE D. HINCHEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. HINCHEY. Mr. Speaker, I regret that I was unavoidably detained in traffic on Tuesday, January 29 while returning to the Capitol from my congressional district. This forced me to miss the vote on House Resolution 335, a resolution commending Catholic schools. Had I been present, I certainly would have voted for the bill.

As a graduate of Catholic elementary school and one well aquainted with the many first-rate Catholic educational institutions in my congressional district, I would have been delighted to vote for a resolution that ''congratulates Catholic schools, students, parents and teachers across the nation for their ongoing contributions to education.'' I regret that I missed this opportunity to celebrate the merits of a Catholic education.

INTRODUCTION OF THE IMMEDIATE HELPING HAND DRUG ASSISTANCE ACT OF 2002

HON. ROB SIMMONS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. SIMMONS. Mr. Speaker, I believe most of us agree that the modernization of the Medicare program must include prescription drug coverage for seniors. Senior citizens are right to be concerned about having to pay for prescription drugs out of their own pockets and they are right to wonder when lawmakers will take action.

Congress seems poised to take action. But what if? What if Congress doesn't pass a Medicare reform bill that includes a drug benefit? What if partisan politics cause inaction? Then what?

I believe the solution lies in my legislation, the ''Immediate Helping Hand Prescription Drug Assistance Act of 2002,'' which closely mirrors the plan President Bush put forth in early 2001. My bill will provide $48 billion over seven years to states to help seniors afford prescription drug coverage. This national program is similar to the state of Connecticut's ''ConnPACE'' program and other state-funded prescription subsidy plans that help seniors purchase medication at a low cost.

Under my legislation, states would receive block grants to provide a drug benefit for low-income Medicare beneficiaries, either through the creation of new state drug assistance programs or through the expansion of existing programs. With this targeted approach, states would be able to provide much-needed dollars to drug programs, allowing more of our nation's seniors to afford prescription drugs.

While I would prefer adding a prescription drug benefit to a modernized Medicare system, election-year politics may make this task virtually impossible. We cannot wait any longer—we must act now to provide seniors with a ''helping hand'' toward providing real prescription drug coverage.

Mr. Speaker, I am proud to introduce this bill with three of my colleagues—Mrs. HART, and Messrs. KOLBE and MANZULLO. I urge others who truly care about providing prescription drug coverage to our low-income seniors to cosponsor my Immediate Helping Hand legislation.

ESTABLISHING FIXED INTEREST RATES FOR STUDENT AND PARENT BORROWERS

SPEECH OF

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of S. 1762. This bill helps expand opportunities for higher education by establishing fixed interest rates for student and parent borrowers.

Our country is the land of opportunity, where one can go from rags to riches. A few land unique and rare opportunities for successful ventures that reap them financial security. The majority of the population, however, rely on a college, or more advanced, education.

The future or our Nation lies in educating the next generation of young people. But the cost of an education these days is phenomenal—tens of thousands of dollars per year for tuition alone. Add in the cost of books, room and board, and maybe a movie now and again. And for those who continue on to law or medical school, a significant amount of expenses is added on.

Most students get through college by working and taking out loans. Education loans are good investment in our economy and in our citizens. College graduates earn an average of 80 percent more than individuals with only a high school diploma. Over a lifetime, the earnings difference individuals with high school and college degrees can be more than $1 million.

Education loans give everyone and anyone the opportunity to a college education because they are guaranteed. This legislation is crucial to ensure that education loans are accessible to help future generations realize the American Dream.

IN HONOR OF DAVID P. LEMAGNE

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. MENENDEZ. Mr. Speaker, I rise today to honor a true hero. On the tragic day of September 11, 2001, David P. Lemagne of New Jersey, working along side the Port Authority Police of New York and New Jersey, sacrificed his own life for the lives and well being of others. Today, I would like us to join together in a moment of silence to recognize the life of a truly outstanding man.

Since childhood, David Lemagne has helped those in need. In 1985, he worked as an Explorer in Post 525 with the Union City Volunteer Ambulance Corp. This was just the beginning of a career dedicated to assisting others. In 1990, he received his EMT Certification from the Bergen County EMS Training Academy and started working with the Union City Volunteer Ambulance Corp. Upon completion of high school, he was hired as an EMT with the Jersey City Medical Center, and worked as an EMT for the University of Medicine and Dentistry of New Jersey through 1993.

David studied hard and worked his way through the ranks, earning him respect, seniority, and greater responsibilities, including: a position as a Paramedic with the Jersey City Medical Center; as Ride Master of UMDNJ EMS Bike Team in 1995, where he served through 1999; as Tour Chief of the New Jersey Medical Center in charge of Emergency Services; and as a Team Paramedic of the NJSEA Meadowlands Arena. David saved countless lives throughout his selfless service to the community.

David Lemagne graduated from Hudson Catholic High School in 1992; received an Associates Degree in ParaMedicine from UMDNJ in 1994; and began studying Sports Medicine at Kean University.

David is survived by his parents, Ruth Myriam and Prudencio, his sister, Magaly, his brother-in-law, Salvatore Alfano, and his grandmother Lupe, and grandfather Guillermo.

Today, I ask my colleagues to join me in honoring and celebrating the life of David P. Lemagne, forever a hero in the eyes of all Americans.

TRIBUTE TO MS. CLAIRE SALVIANO

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention the work of a woman I am proud to represent in Congress and even more honored to call my friend, Ms. Claire Salviano. Claire was recognized on Thursday, January 31, 2002 for her 25 years of dedicated service at the Department of Transportation for the Paterson Board of Education.

It is only fitting that she be honored, in this, the permanent record of the greatest freely elected body on earth, for she has a long history of caring, leadership, and commitment to the children of her hometown.

Claire Salviano was born in Paterson, New Jersey to Herbert and Clara Huntington. After

graduating from a local high school, Claire married Virgil Salviano and raised five children. Once her children were grown, Claire decided to continue her education at Rutgers University and William Paterson University.

Her intense involvement in the Paterson community began while her children were in elementary school. Claire served on the School #9 PTA as a member, organizer and a 10-year officer. As Claire's interest in serving the needs of children grew, she became deeply engaged in the Paterson Boys Club. She founded the New Jersey Auxiliaries of Boys Clubs and was the first woman to serve on the Board of Directors for the Boys Club. During her tenure as a board member, Claire led the fight to admit school-aged girls as full members of the club. She was successful in her crusade, thus beginning a new era, the Paterson Boys and Girls Club.

Claire Salviano's service to the City of Paterson continued to grow as she founded and organized the South Paterson Neighborhood Association and the citywide neighborhood Crime Watch Program.

In 1977, Claire was appointed to serve as a Commissioner on the Paterson Board of Education. As a member and later President, she brought honor and distinction to the Board. Her efforts there did not go unnoticed as the Federation of Italian Societies recognized Claire as the Outstanding Woman of the Year.

Claire initially served as the Supervisor and eventually became the Director of the Department of Transportation for the Board of Education. In this new position, she was responsible for overseeing the transportation of 7,500 students. She joined the School Transportation Supervisors Association and was President from 1995–1997. As President she chaired the annual state conference and was elected to represent the Eastern Division of the State Directors Association.

The job of a United States Congressman involves so much that is rewarding, yet nothing compares to recognizing the accomplishments of individuals like Claire Salviano. Her concern for the safety and well being of children is unparalleled and we are grateful for her years of dedication and hard work on behalf of the Children of Paterson.

Mr. Speaker, I ask that you join our colleagues, the City of Paterson. Claire's family and friends, all those who have been touched by Claire and me in recognizing the outstanding and invaluable service of Ms. Claire Salviano.

HONORING OLIVER GALE AS A GREAT LIVING CINCINNATIAN

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. PORTMAN. Mr. Speaker, I rise today to honor a friend and constituent, Oliver Gale, who will be formally honored on February 20 by the Greater Cincinnati Chamber of Commerce as a Great Living Cincinnatian. The recipients of this prestigious award are selected on the basis of special achievement in the world of work, but the criteria also includes an awareness of the needs of others; civic service; leadership; and distinctive accomplishments.

Oliver Gale is a 92-year old Cincinnati legend—and Cincinnati is his adopted hometown! He has been a major force behind every Cincinnati civic improvement project over the past forty years. After graduating from Choate in 1937 and Harvard in 1941, Oliver began his career as a reporter and writer for the Boston Herald. He spent twenty years at Proctor & Gamble, joining the company in 1937 and rising to becoming an assistant to the company's legendary president, Neil NcElroy. In 1957, Oliver became a special assistant during Mr. McElroy's tenure as U.S. Secretary of Defense under President Eisenhower.

In November, 1960, Oliver turned his attention to assisting Cincinnati landmark institutions. He has served as trustee and president for the Cincinnati Zoological Society at the time when the Cincinnati Zoo became internationally recognized. Oliver led the effort to join the Cincinnati Historical Society with the Museum of Natural History to establish the Cincinnati Museum Center at historic Union Terminal. With the Museum of Natural History, Oliver served as trustee, secretary, president and chairman. He served on the Museum Center board for twelve years, and he remains an honorary board member.

His civic associations do not end there. Oliver also dedicated his talent to the Cincinnati Ballet Company, the Oral History Foundation and the Friends of the Parks.

All of us in Greater Cincinnati thank Oliver for his service to our community, and congratulate him for being named a Great Living Cincinnatian.

HONORING THE 32 YEARS OF SERVICE OF TED EILERMAN TO SAINT ELIZABETH'S MEDICAL CENTER

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. COSTELLO. Mr. Speaker, I rise today to ask my colleagues to join me in recognizing the 32 years of service of Ted Eilerman to Saint Elizabeth's Medical Center in Granite City, Illinois.

Ted Eilerman's accomplishments are considerable. He has served for more than 32 years as an administrator at St. Elizabeth's Medical Center, including 17 years as President and CEO. He has also served on the boards of Union Planters Bank, the Southern Illinois University at Edwardsville Foundation, Junior Achievement and FOCUS St. Louis.

He is past president of the Granite City Optimist Club, past Chairman of the Southern Illinois Industrial Association and Tri-City Civic Alliance and the Tri-Cities Area United Way Campaign. He is also the past president of the Leadership Council of Southern Illinois and is past chairman of the Board of Trustees of the Illinois State Hospital Association. Ted's awards include the Jaycees Distinguished Service Award in 1970; the Illinois Hospital Association's Outstanding Public Service Award in 1979 (this award was given out only 5 times in the Association's history); the Department of Health Care Administration's Honorary Membership Award-St. Louis University in 1986; the De La Roche Award from the Board of Directors at St. Elizabeth's Medical Center in 1991; and most recently the Chamber of Commerce of Southwestern Madison County's Citizen of the Year in 2001.

Last year, St. Elizabeth's Medical Center treated more than 27,000 people in the hospital's Emergency Room. The hospital is a 193-bed full-service medical center and provides medical care for the entire metro-east area.

Ted Eilerman's leadership has been outstanding. His vision, commitment and tenacity have made him a local, regional and statewide health care advocate. His commitment to providing quality health care to all people, regardless of their ability to pay, leaves a legacy of caring in Granite City, Illinois and all surrounding communities.

Ted will continue to serve as a consultant to the hospital, which is now under the management of Community Health Systems.

Mr. Speaker, I ask my colleagues to join me in honoring the 32 years of service of Ted Eilerman to St. Elizabeth's Medical Center and wish both he and his family the very best for the future.

HONORING SGT. DWIGHT MORGAN

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. THOMPSON of California. Mr. Speaker, last September 14th I spoke on this floor and said that my dream as a Member of Congress was to never have to vote to send our American men and women into combat. At that time, our nation had just been victim to a horrific attack, and I joined my colleagues in Congress in voting to authorize our government to use military force to prevent the terrorists from striking again. I return to the floor today, saddened but proud, to honor a brave young man from my district who gave his life to protecting our nation.

Dwight Morgan, a Sergeant in the U.S. Marine Corps, died in a helicopter crash near Bagram Air Base in Afghanistan. Dwight was only 24 years old, and was a native of Napa and Willits, California. He was a proud, hard-working Marine. His life-long gift for mechanics led him to be a specialist in helicopter hydraulics and electronics.

All those who knew Sergeant Morgan praised his work ethic, his sincerity, and his dedication to his family. School principals, football coaches, and teachers who had the opportunity to have Dwight under their guidance are unanimous in their respect for the way he conducted himself as a student, an athlete, and a young man.

Before Dwight died aboard a CH–53E ''Super Stallion'' helicopter, the Marine Corps had nominated him for a promotion to Staff Sergeant, which will now be awarded posthumously. His promotion is testament to his dedication to the Marine Corps. Since high school, his dream was to be a United States Marine. He served for over 5 years, and was most recently a member of the Flying Tigers, a helicopter squadron based at Marine Corps Air Station Miramar.

Dwight was highly regarded by those who knew him because of his commitment to his family. Soon after high school, Dwight married Teresa Morgan, who is pregnant with their

second child. One of Dwight's greatest joys was being a father to their son, Alex.

Mr. Speaker, please join me in honoring Sergeant Dwight Morgan for sacrificing his life to protect the citizens of the United States. At a time when all citizens are being asked to be vigilant in a war that has struck our homeland, we should have a high regard for the courage and dedication of Dwight Morgan.

A TRIBUTE TO THE VICTIMS OF SEPTEMBER 11TH

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. HORN. Mr. Speaker, the tragedy of September 11th touched all Americans in some way. Many of us in Congress lost people from the districts we represent.

Today, I would like to recognize one such man, John Hofer of Bellflower, California. Mr. Hofer was a passenger aboard American Airlines Flight 11, the hijacked flight that hit the north tower of the World Trade Center. He was on his way home to California from a golfing tournament on Cape Cod, Massachusetts. It was his first trip to the East Coast and he was excited about seeing a Boston Red Sox baseball game at Fenway Park.

John was known for his love of golf and was traveling with one of his golfing buddies, John Wenckus, 46, of Torrance, when their plane hit the World Trade tower. The two of them were regulars on the Skylinks Golf Course in Long Beach, California.

Mr. Hofer also was a businessman in his hometown of Bellflower. He owned John's Sharpening Center, a small business that sharpened pet-grooming tools. Mr. Hofer is survived by a daughter.

TRIBUTE TO MATT SMITH

HON. GREG WALDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. WALDEN of Oregon. Mr. Speaker, I rise today to thank publicly a member of my District Office staff for years of exceptional service to me and to the residents of the Second Congressional District of Oregon.

Matt Smith has been steadfastly true to a legacy of selfless public service that has long been a tradition in the Smith family. As the son of Kaye and Chairman Robert F. (Bob) Smith, who served Oregon so effectively as a leader for 36 years in the Oregon House and Senate and then in the U.S. Congress, Matt was raised with the knowledge that the most meaningful rewards in life come from helping others. Countless Oregonians have benefited from Matt's advocacy on their behalf and from his role as an integral participant in helping me address issues in the district that have directly impacted thousands of hard-working Second District residents.

Whether stepping in to save a rancher's grazing permit or helping to hone the finer details of my legislation to save the Steens Mountain area from unwarranted national monument status, I have counted on Matt to get the job done. He has been a loyal and dedicated public servant on such issues as saving the Elk Creek Dam from wasteful demolition and protecting lives and resources by keeping the Medford Air Tanker Base open.

Matt has brought to his work a bright mind and a natural ability to work well with others. Not only have the people I represent placed great faith in his abilities, but so have his coworkers. Matt has been a team player in every respect and could always be counted on to solve tough problems and help others to reach their potential. Perhaps most importantly, Matt is a dependable friend with a great sense of humor.

Mr. Speaker, I am proud of what Matt has accomplished and am proud to have had him on my staff. For someone who looks up to his father as much as I do, it has been a delight to watch Matt grow and mature into a man who must make his father very proud. Matt's stellar career has not gone unnoticed by others and many new opportunities have presented themselves. This month Matt is going to follow his expanded horizons by taking a position with Smith-West, a distinguished government relations firm. I have every confidence that in Matt's new job he will continue his own strong record of public service.

Matt Smith will continue to help others and make Oregon a better place. He will continue to be an impact player and make a difference. I am sorry to see Matt leave and lose his invaluable assistance, but I am so very proud of what he has accomplished and the good work I know he will continue to perform.

I join Matt's coworkers in saying thank you and congratulations for a job well done. We will miss you as a colleague, Matt, but we know in our hearts that you will always be our friend.

OUR FRIENDS IN CANADA

HON. HEATHER WILSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mrs. WILSON of New Mexico. Mr. Speaker, as Americans, we were all deeply moved when, during the days following September 11th our friends in Canada extended a helping hand to our shaken Nation. Our neighbors to the north deserve our thanks and praise for their enduring friendship.

The world watched as trans-Atlantic flights were diverted to Canadian airports in Newfoundland and Nova Scotia. Personal accounts from constituents of mine, stranded in Canada because of the events of September 11th, show how remarkable the response was from the Canadian citizens who helped to care for stranded passengers. There were hot meals, showers, cots, blankets, and TV sets to watch the first news of what was happening back home. There were also teddy bears and ''field trips'' to local sights.

It is during these troubled times that you find out who your real friends are. Thanks to the service men and women, and also to the citizens of the great Nation of Canada for their kindness. Your hospitality will not soon be forgotten.

WASHINGTON, DC,
February 4, 2002.

Lt. Cmdr. M.A. MORRIS,
Commanding Officer, HMCS Cabot,
St. John's, Newfoundland.

DEAR COMMANDER MORRIS: No one expected on the morning of September 11th what that day would be like. I expect that is especially true of you.

Ash and Susan Collins, two constituents of mine from Placitas, New Mexico, told me of your professionalism and kindness following the diversion of so many guests to your station.

I wanted to thank you for all you did for them and others in the same situation.

It is in the tough times that you find out who your real friends are. Thank you and your service men and women for your hospitality and kindness. We won't soon forget it.

Warm Regards,

HEATHER WILSON,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, DC, February 4, 2002.

Hon. MICHAEL F. KERGIN,
Ambassador, Canadian Embassy,
Washington, DC.

DEAR MR. AMBASSADOR: I had read a few stories in the paper about how well Americans were treated by our Canadian friends in the days following September 11th. Two of my constituents, Ash and Susan Collins of Placitas, New Mexico, took the time to tell me of their personal experience.

It is in the tough times that we find out who our real friends are. Please accept my thanks to you and your countrymen for your kindness and friendship. We won't soon forget it.

Warm Regards,

HEATHER WILSON.

ASHTON B. COLLINS, Jr.,
Placitas, NM, October 29, 2001.

Hon. HEATHER WILSON,
House of Representatives, Cannon House Office Building, Washington, DC.

DEAR HEATHER: It was certainly good to be with you and Jay on Friday night. We appreciate your interest in our comments about the extraordinary response and support by Canadians on September 11.

On September 11, 2001, when U.S. and offshore airspace areas were closed, trans-Atlantic flights were diverted to Canadian airports in Newfoundland and Nova Scotia. More than 17,000 persons from 136 planes landed in Newfoundland alone. We enclose a photo of the Halifax, Nova Scotia airport to illustrate the dimensions.

We were on one of the 27 wide-body airliners with a total of approximately 4,300 passengers and crews landing at St. John's, Newfoundland. The St. John's airport was under major construction and normally receives one jumbo jet daily. Passengers were held for several hours on their planes while Canadian authorities developed plans.

Ultimately, we were allowed to carry only wallets for men, purses for women and passports into the terminal. Upon deplaning in darkness, we were each greeted with a warm, ''Welcome to Canada'', a sandwich, liquids, and solid assurance that we would be cared for. And we were cared for with astonishing efficiency on the part of all Canadian authorities, agencies, public institutions, businesses, and individuals.

The Canadians' sense of solidarity with their American neighbors was and is an indelible memory. A lot of Americans learned a lot about their neighbors to the North in a hurry.

Here are a few highlights:

Individuals from all over Newfoundland pitched in, each in his own way. We ''airplane people'' slept in churches, convents,

schools, e.g., we stayed at the HMCS Cabot naval reserve station on cots in a classroom. (We enclose a letter just written to Lieutenant Commander Margaret Morris, Commander of the Cabot facility for further detail.)

Teddy bears were bought by private citizens and delivered to children at various sites.

A cab driver offered us his home and a home-cooked meal.

Prescriptions were refilled and supplied gratis by the Red Cross.

The Canadian flags were flown at half-staff. This gesture, alone, moved many Americans to tears.

Sympathy cards to the United States handmade by Nova Scotia school children were posted on walls at the Halifax airport.

Newspapers were dominated by stories of events at home and Canadian support. (We enclose examples.)

Words cannot adequately express our appreciation, respect and admiration for our Canadian friends.

We will be glad to give further details should that be helpful.

Special thanks to you for your consideration of a reference to Canadian support and HMCS Cabot in the Congressional Record . . . and a mention to the U.S. Ambassador.

Sincerely,

ASH AND SUSAN COLLINS.

ASHTON B. COLLINS, Jr.,
Placitas, NM, October 29, 2001.

LCDR M.A. MORRIS,
Commanding Officer, HMCS Cabot,
St. John's, Newfoundland.

DEAR COMMANDER MORRIS: Some time has passed since we were with you and your HMCS Cabot personnel, as your guests in the days following the tragedies of September 11.

We will never be able adequately to express our gratitude for the extraordinary qualities of welcome, warmth, empathy, support, and solidarity that you gave us . . . all the ''airplane people'' . . . so generously and spontaneously.

We also will never know how, when so many people descended on HMCS Cabot so unexpectedly, you were able to anticipate so efficiently . . . and gracefully their needs, ranging from the obvious, such as hot meals (and the quality of which was outstanding!), cots and blankets, hot showers, and a variety of amenities to the less obvious but vital such as TV sets strategically placed so we could get our first news of the unfolding events and analysis.

And you were superb in your information flow to us . . . letting us know when you knew of potential and actual plan for ultimate departure.

Your people also were great about keeping track of all of their new ''guests'' and were sources of all manner of helpful information about St. John's and Newfoundland.

It is clear to us that this quality of response to extraordinary events comes from the heart, and from outstanding leadership. You exhibited both, in high measure; we salute you.

We Americans learned a lot about our great neighbors to the North, in a short time. And it was all of the best.

Now, in a modest turnabout, we enclose a small token of our New Mexico, with the sincere invitation to you to visit us in our home (photo enclosed) to let us show you something of our American Southwest.

We also enclose a check for your discretionary use in behalf of all the great people of HMCS Cabot.

Sincerely,

ASH COLLINS.

ALARMING DEVELOPMENTS FOR RELIGIOUS FREEDOM IN KAZAKHSTAN

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. SMITH of New Jersey. Mr. Speaker, troubling amendments to the current Kazakh law on religion await President Nursultan Nazarbayev's signature to enter into force. Both the lower and upper houses of the Kazakh parliament passed the amendments without any substantive modifications. As a result, if President Nazarbayev signs the legislation into law during the ten-day window, Kazakhstan would seriously undermine its commitments as a participating State in the Organization for Security and Cooperation in Europe (OSCE) to ensure the freedom of the individual to profess and practice their religion or belief.

Introduced without public consultation in late November 2001, the amendments passed the lower house on January 17 and the upper house on January 31 of this year. The sudden rush to passage was surprising. Kazakhstan had been working with the OSCE Advisory Panel of Experts for Freedom of Religion or Belief to craft a law in harmony with its OSCE commitments. In fact, an earlier draft heavily criticized by the Advisory Panel was withdrawn in August 2001. The Advisory Panel issued a report on the latest draft on January 16, 2002, highlighting serious deficiencies in the text. However, it appears little heed was given to their critique. Reportedly, the executive branch pushed vigorously for legislation providing stricter controls on minority religious groups, which would explain the rapid consideration.

In response to these unfolding events, myself, Chairman BEN NIGHTHORSE CAMPBELL and six other Commissioners of the Commission on Security and Cooperation in Europe, the Helsinki Commission, wrote President Nazarbayev last week about these developments. The text of that letter which I am submitting for the RECORD, highlights several, but not all problematic elements of the recently passed legislation. Of particular note are the increased hurdles for registration and vaguely worded articles, which could allow for arbitrary denials of registration for religious groups, and consequently their legal existence. Accordingly, there is great concern for the future of religious freedom in Kazakhstan, whether for Muslims or Christians.

Mr. Speaker, in the letter we respectfully asked President Nazarbayev not to sign the amendments into law.

Our concerns are not based on mere supposition; related laws and regulations have been utilized to suppress faith communities in Kazakhstan. For example, this past summer Article 375 of the Administrative Code was introduced, requiring the registration of all religious groups and including language penalizing unregistered religious groups. Police have since justified several raids on religious meetings citing Article 375, resulting in harassment and imprisonment as well as reported beatings and torture. Actions late last year against unregistered Baptist pastors is an illustrative example.

On October 27, 2001, Pastor Asylbek Nurdanov, a Baptist leader in the Kyzyl-Orda regional city of Kazalinsk, went to a police station after his church was raided for failing to register. Once there, he was reportedly severely beaten and stripped, with one officer attempting to strangle him with a belt. Another threatened to cut off his tongue with scissors if he did not renounce his faith. It was also reported that on November 10, Pastor Nurdanov was forcibly taken and detained in a psychiatric hospital in Kyzyl-Orda. While he was released on November 16, such abuse is unacceptable. Other reports of police harassment and detention of Baptist pastors who have not registered their faith communities also exist. For example, on September 25, 2001, the Aktobe public prosecutor initiated legal proceedings against Baptist Pastor Vasily Kliver on the charge of ''evading the registration of a religious community.'' In October, Baptist pastor Valery Pak was jailed in Kyzyl-Orda for five days on the same charge.

These reports of harassment, torture and detention indicate a serious failure to uphold Kazakhstan's human rights commitments as an OSCE participating State. As is evident, our concerns about Kazakh authorities utilizing the proposed amendment's restrictive nature to harass, if not condemn, religious groups are borne out by past practice in Kazkahstan. Mr. Speaker, it is my hope that President Nazarbayev will honor the obligations his nation freely chose to uphold as a participating OSCE state and not sign the amendments into law.

Mr. Speaker, I request that the text of the letter sent to President Nazarbayev last week be included in the RECORD.

January 30, 2002.

His Excellency NURSULTAN NAZARBAYEV,
President of the Republic of Kazakhstan,
Astana, Kazakhstan.

DEAR PRESIDENT NAZARBAYEV: We write today to express our concern over the proposed amendments to the Law on Freedom of Religion and Religious Associations. We view the amendments, scheduled for consideration by the Senate on January 31st, as problematic, since they would seriously undermine Kazakhstan's commitments to human rights as a participating State in the Organization for Security and Cooperation in Europe (OSCE). Therefore, should the Kazakh Senate approve the amendments, we respectfully ask that you not sign them into law.

The OSCE Advisory Panel of Experts on Freedom of Religion and Belief issued a review of the proposed amendments on January 16, 2002. The review found the proposed amendments, while an improvement from an earlier draft withdrawn in August 2001, seriously deficient in many respects. In addition, the OSCE Centre in Almaty has stated the current religion law meets international standards and found no justification for initiating the new provisions. Therefore, we believe the remarks contained in the OSCE Advisory Panel critique should be followed fully.

Problematic areas include, but are not limited to, permitting the registration of Muslim groups and the building of mosques only after a recommendation of the Spiritual Administration of Muslims of Kazakhstan. In addition, the number of individuals required to form a religious association would increase from 10 to 50, regardless of religion. Furthermore, the proposed amendments would permit dissolution of a religious group should individual members of the group commit repeated violations of the law. Each of these examples would allow the government to arbitrarily deny registration, and thereby

legal existence, on specious legal grounds not in harmony with OSCE commitments.

Reportedly, your government's justification for the new requirements in the current amendments, which create hurdles for registration, is to combat religious extremism. Yet the definition of ''religious extremism'' in the amendments is vague and inherently problematic, potentially categorizing and prohibiting groups on the basis of their beliefs, rather than on their having committed illegal actions. Such vague language would allow the arbitrary interpretation of a group's beliefs and uneven implementation of the law.

Our fear of Kazakh authorities harshly employing new requirements against religious groups is not unfounded. While the existing religion law does not require registration of faith communities, Article 375 of the Administrative Code, a provision added last year, requires the registration of faith communities. Since the promulgation of that article, we have received several reports of unregistered groups being penalized through criminal sanctions, as well as individuals being beaten while in custody. The harassment, detention and beating of individuals for merely belonging to unregistered religious groups, as well as disproportionate criminal charges for an administrative violation, are in direct violation of OSCE commitments.

In calling for these actions, we remind you of the 1991 Moscow Document in which the OSCE participating States declared that ''issues relating to human rights, fundamental freedoms, democracy and the rule of law are of international concern'' and ''are matters of direct and legitimate concern to all participating States and do not belong exclusively to the internal affairs of the State concerned.'' It is in this light that these requests are made.

Last autumn, your government made a wise decision by choosing to honor its OSCE commitments and withdrawing the earlier version of the amendments. Recognizing the crucial importance that the very highest standards of religious freedom and human rights agreed to and proclaimed in various Helsinki documents be upheld, we respectfully urge you to take similar steps and not sign the amendments into law, should they pass the Senate without substantive modification.

Sincerely,

Ben Nighthorse Campbell, U.S.S. Chairman, Steny H. Hoyer, M.C., Zach Wamp, M.C., Alcee L. Hastings, M.C., Christopher H. Smith, M.C. Co-Chairman, Joseph R. Pitts, M.C., Robert B. Aderholt, M.C., Louise McIntosh Slaughter, M.C.

TRIBUTE TO OFFICER WILLIAM JIMENO

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. PASCRELL. Mr. Speaker, I am honored to call to your attention the story of an American hero, Officer William Jimeno of the Port Authority Police Department. Officer Jimeno of Clifton, New Jersey miraculously survived being buried for fourteen hours in the rubble of the World Trade Center after heroically responding to the scene on the morning of September 11, 2001.

September 11, 2001 has emblazoned so many unforgettable images in our minds. Perhaps none is more vivid, however, then that of courageous men and women in uniform working so valiantly to save the lives of others. It is therefore only fitting that Officer Jimeno be honored, in this, the permanent record of the greatest freely elected body on earth.

A member of the Port Authority Police Department for only nine-months at the time of the attack, Officer Jimeno and two fellow officers immediately rushed from the Port Authority Bus Terminal to the Twin Towers after the first plane hit. Soon joined by two additional officers, Will and his colleagues secured axes, air packs, and helmets to help evacuate the buildings.

The officers were in the lobby of Tower Two on their way back to Tower One when an indescribable noise pierced through the air. Tower Two was coming down.

Officer Jimeno found himself and four others from the PAPD, Sergeant John McLoughlin, Officer Dominick Pezzulo, Officer Antonio Rodriguez, and Officer Chris Amoroso, buried alive, crushed under steel and concrete and surviving inside an air pocket made by part of an elevator.

After fourteen hours, and after losing three of his fellow officers who had been trapped near him, Will was pulled from the rubble.

Officer Jimeno's actions that day, and everyday of his recovery since, are a testament to his character and spirit. Rather than be daunted by the tragedy that occurred, he is steadfast and resolute in his commitment to serve others.

As Will himself has said, ''As soon as I'm better I'll put my uniform back on and go back to work.''

Those who attacked us on September 11 thought our commitment to freedom and to each other made us weak. They never met Will Jimeno. The bravery and love he exhibited in the face of terror make him an example for us all.

Mr. Speaker, I ask that you join our colleagues, the City of Clifton, Will's family and friends, myself, and a truly grateful nation in honoring a great American, Port Authority Police Officer William Jimeno.

HONORING EMILY WATKINS SPICER AS A GREAT LIVING CINCINNATIAN

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. PORTMAN. Mr. Speaker, I rise today to recognize Emily Watkins Spicer, an educator and community leader, who will be honored on February 20 by the Greater Cincinnati Chamber of Commerce as a Great Living Cincinnatian. The recipients for this prestigious award are selected on the basis of their achievement in the world of work, but the criteria also includes an awareness of others; civic service; leadership; and distinctive accomplishments.

Emily Watkins Spicer grew up in Cincinnati during the 1940s—a time when many young African-American women were not able to realize their career goals. At Withrow High School and later at the University of Cincinnati, she remembers some teachers would not call on her in class. Never allowing herself to become bitter, Emily turned her formidable energy and talent to becoming a teacher, her lifelong dream.

After graduating from Withrow in 1944, Emily earned a bachelor's degree in teaching from the University of Cincinnati in 1948. She worked for the Cincinnati Recreation Commission for ten years, then accepted a job teaching physical education at Lincoln Heights High School. While earning her master's degree in guidance counseling at U.C., she taught health and physical education at Heinold Junior High. Completing her master's degree in 1963, she held teaching and counseling positions at Aiken High and Woodward High. In 1971, she was named assistant principal at Woodward.

In 1976, Emily became principal of Merry Junior High in Mt. Adams, where she had the task of supervising 1,000 seventh and eighth graders who were bused from other parts of the city. Her accomplishments were noticed by the Superintendent of Cincinnati Public Schools, James N. Jacobs, who named Emily principal of Taft High School. Emily's appointment marked the first time a woman was named senior high school principal for the Cincinnati Public Schools. At Taft, Emily was credited with giving the high school—then in deplorable physical condition—a new spirit as well as a new look.

Although she retired in 1983, Emily remains active in community and educational pursuits. She served four years on the Greenhills-Forest Park School Board, and helped open a charter school, the Hamilton County Math and Science Academy. In 1979, Emily was recognized as a ''Woman of the Year'' by the Cincinnati Enquirer.

All of us in Cincinnati area are grateful for Emily Watkins Spicer's dedication to our community, and congratulate her on being recognized as a Great Living Cincinnatian.

HONORING THE REVEREND DONALD PIERCE WEEKS

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. COSTELLO. Mr. Speaker, I rise today to ask my colleagues to join me in honoring the Reverend Donald Pierce Weeks. He has been an outstanding member of the clergy, working tirelessly for the people of his community and our nation.

Reverend Weeks served in East St. Louis, Illinois at the Holy Angels Shelter for Women and Children from 1981 to 1988, by giving advice and sharing personal experiences. In October 1986, St. Clair County dedicated this month to him in recognition of his work. He also traveled to Cairo, Illinois to teach individuals how to read and write, so they could pass voter tests administered years ago.

After his service in Illinois, he was sent to work at Saint Patrick's Abbey in Oakland, California. While there, he was elected the Benedictine Monk in 1999 and has served in this position ever since. His dedication to fairness and justice is demonstrated daily by continually helping men and women recover from their alcohol and drug addictions. In addition, Reverend Weeks selflessly serves his community be feeding and counseling homeless men,

women and children suffering from AIDS and other communicable diseases. his graciousness and unfailing courtesy have set a high standard for all of us to follow.

Mr. Speaker, Reverend Weeks has achieved impressive levels of achievement and accomplishment. He is an extraordinary individual, and I know my colleagues join me in expressing our appreciation for his dedication to service and our very best wishes as he continues his work.

RECOGNIZING MR. JOHN DANIEL MORGAN OF WAUCONDA, WASHINGTON

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. SCHAFFER. Mr. Speaker, I ask the House to join me in paying its respects to the late Mr. John Daniel Morgan, a former resident of Colorado. Mr. Morgan was a member of what television journalist Tom Brokaw named "the Greatest Generation," and serves as a source of pride for all generations. Today, we recognize and mourn the passing of this great man and to celebrate all he has contributed to this great nation.

I wish at this time to enter into the RECORD a letter I received from his son. Mr. Morgan embodied the spirit of an upstanding and honorable American. He was both a veteran of the Second World War and the father of eight children. In his retirement, he worked to restore the pristine forests of his state. A devout Christian and family man, the success of all his children is a testament to the strong character of Mr. Morgan.

America was built by men like him and it is truly an honor for me to recognize his accomplishments today before my esteemed colleagues. I wish to encourage all Americans to recognize the accomplishments of those who came before them, and to look to such role models as Mr. John Daniel Morgan. On behalf of the citizens of Colorado, I ask the House to join me in extending appreciation to Mr. John Daniel Morgan and his family.

To: President George Bush and Members of the 107th Congress.

From: Bill L. Morgan.

Re the loss of a great American and father.

My name is Bill Morgan and my father, John Daniel Morgan, has recently been diagnosed with advanced acute leukemia. This letter however, is not to inform you of his impending death, but to tell you of the life he has lived and the service he has provided this country. He has always been my role model as an American and given me the pride I feel for this great country.

Dad was born May 30th, 1921 to William Lloyd and Mary Ellen (O'Brien) Morgan in Victoria B.C., Canada. Both his parents were of old Spokane, Washington families. After graduating from Victoria High School, Dad moved to California where he worked for Douglas Aircraft just prior to World War II and attended both the Cumnock School and City College of Los Angeles. In early 1942 he volunteered for the US Army at Fort Bliss, TX. Shortly thereafter Dad was among the early volunteers for the parachute troops, training at Fort Benning, GA in the 551st Parachute Infantry Battalion. He saw service in the Caribbean Theater preparing for an assault drop on enemy-held French Martinique. After returning to the U.S., Dad was injured in a parachute training accident and transferred to a Tank Destroyer Unit that saw action in Germany during the final months of World War II. He was among the U.S. troops liberating Dachau Concentration Camp in southern Germany, and remained there until late 1945 as rescue and rehabilitation efforts continued for the released prisoners.

Following his release from the Army in 1946, my Dad first attended Gonzaga University in Spokane and then later graduated from the School of Foreign Service, Georgetown University, in Washington, D.C. in 1950. At Georgetown he participated in the ROTC program and was commissioned in the Air Force Reserve in 1949 at Lowry AFB, CO.

Most of Dad's work and military career was in the field of national intelligence, including the Central Intelligence Agency, both in Washington, D.C. and the Far East. He also served at the Army Missile Intelligence Command at Huntsville, AL, and numerous Air Force assignments throughout the US. In 1970 he entered the US Customs Service and worked various posts in the Port of Seattle, including temporary assignments at Nighthawk near Loomis, WA.

It was during his assignments at Nighthawk that Dad "discovered" the Okanogan region and began planning to retire in this area. After his retirement from both his military service and his Customs inspector position in December, 1977, Dad moved to Wauconda, Washington, and built a home on Mount Toroda. He established the Morning Song Reforestation Project to demonstrate ecologically sound practices to reclaim overlogged land and establish a sustainable forest operation.

Additionally, during his "retirement" years, Dad wrote eleven books ranging from the definitive history of the 551st Parachute Infantry Battalion to poetry and personal memoirs. He created a series of videos of music and scenes for meditation. He produced many original watercolors and stained glass windows.

Dad was a life-long member of the Catholic Church and a Secular Franciscan for more than forty years. He was a past officer of the 551st Parachute Infantry Association and a member of the Veterans of Foreign Wars. Dad belonged for many years to the Washington Society of the Sons of the American Revolution, based on descent from Private Jonas Morgan of the Virginia Continental Line.

Of the eight children he and my mother raised, five have served in the Armed Forces. Daniel, the oldest was in the Air Force during the Vietnam War. Ric, the third oldest, retired from the Navy as a Commander in 1999. During his distinguished career in Naval Intelligence, Ric participated in virtually all United States Navy campaigns since the Iran Hostage Crisis. Ric now serves as the Veterans Affairs Officer in Elbert County, CO, and is attending law school in hopes of becoming a "country lawyer" upon his graduation. Suzy, my oldest sister, served with the United States Army as a nurse, and later transferred to the Air Force. She was well known and respected for her knowledge and professional capabilities at Fort Bragg and Fairchild AFB. Mary, the youngest sister, once served as an enlisted computer technician assigned to the 9th S.R.W. at Beale AFB, CA. Her efforts helped insure that the reconnaissance missions of the SR–7 Blackbird, U–2, and TR–1 aircraft were a success. She left active duty long enough to get her nursing degree and re-enlisted as an Air Force Officer. She now serves as an emergency care nurse at Travis AFB, CA. As for myself, the youngest of the bunch, I served with the 1st Special Operations Wing at Hurlburt Field, FL. As an Aircraft Pneudraulics Technician, I helped maintain the AC–130H Gunship, MC–130E Talon II, and MH–53–H helicopters now being used in Operation Enduring Freedom in Afghanistan. During my tenure at the 1st S.O.W., I served in direct or support roles for Operation Urgent Fury, Operation Just Cause, and Desert Storm. I am currently enrolled in paralegal courses and on my graduation hope to help my brother Ric in his legal practice.

My other brother and sisters have become a computer engineer, a licensed mid-wife and apple grower in Washington State, and an owner of a book store respectively. As you can see, my father did not raise underachievers. We have all grown to serve our community and nation as we best saw fit.

But working for the United States government and raising a family was not enough for Dad. In 1976, he purchased 220 acres in north central Washington State. This land was heavily logged and left to erode and fend for itself. Working either by himself or with help from my brothers and sisters, he cleaned up the slash piles left behind, thinned the undergrowth that takes over in these kind of lumber operations, and planted more trees. Today, the land that was once an eyesore to all who saw it, is a beautiful, wooded piece of land for our future generations to enjoy and appreciate. The "Morning Song Project" now encompasses over 600 acres and has had a lasting, positive impact of the population of Wauconda, WA.

In the mid 1970's, Dad started contacting members of the 551st Parachute Infantry Battalion, which was his unit early in WWII. This unit, all but annihilated during the Battle of the Bulge, was disbanded after the battle and its surviving members distributed among other units. Through my father's efforts and other unit members he located, the veterans of this unit were able to come together again a hold an annual reunion. He, along with a few other members of the Battalion, were able to restore and preserve the history of this heroic fighting unit. Throughout their efforts there is a now memorial at both Fort Bragg and Bastogne, France commemorating the men of the 551st Airborne Infantry Battalion, a unit otherwise lost to history. In October, 1999 the 551st Parachute Infantry Battalion was awarded the Presidential Unit Citation with Valor, for their extraordinary courage during the most difficult phases of the Battle of the Bulge, which wiped out their unit. My Dad was the principal driving force behind this belated recognition of American heroism on distant battlefields.

I felt it important to let you, the Government of the greatest nation on earth, know that in these trying times, there are still people who cherish the freedoms that come with being a United States citizen, and go above and beyond to ensure that future generations will be able to enjoy these same freedoms. My Dad will be gone soon, but not too soon to recognize the courage reflected in his life, and the great heritage which he, and countless other great Americans of his generation have preserved for us all, and for which we are most deeply indebted. One of God's greatest blessings, to this great nation is the patriotism and devotion to duty characterizing his life, and the lives of millions of his countrymen, that has wrought such remarkable benefits for this great nation, and future generations across the globe.

Most sincerely yours,

BILL L. MORGAN.

HONORING DELTA SIGMA THETA

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. BARR of Georgia. Mr. Speaker, In 1916, twenty-two women came together at Howard University in Washington, D.C. to establish an organization of motivated African-American women. These women believed not only in the ideals of high morality, but also the maintenance of scholastic achievement and philanthropy among women. As a result of this meeting, Delta Sigma Theta Sorority was established.

To date, Delta Sigma Theta has over 200,000 members worldwide, with branches of sisterhood reaching as far as West Germany and Korea. The women of Delta Sigma Theta have continued their founders' initial pledge to serve others, carrying out the tradition of acting as a public service organization rather than a social club. Realizing the issues reach across the globe, the members of Delta Sigma Theta have outlined five points to which they hold themselves and each other accountable. These goals include educational development, economic development, international awareness and involvement, physical and mental health, and—particularly poignant of all of us—political awareness and involvement.

I am pleased to say some years ago, Atlanta area alumnae of Delta Sigma Theta realized the need for a solid alumnae presence, so on February 22, 1986 the Marietta-Roswell Alumnae Chapter set its charter. It has grown to over 300 members. At the core of this alumnae group is support for their collegiate sisters, bringing to light the scholarship program. Funds for the prize monies are raised through its annual dinner dance, ''An Affair of the Heart,'' and the debutante cotillion program.

My fellow members of the House, I am happy to report the Marietta-Roswell alumnae chapter of Delta Sigma Theta will be giving out more than $25,000 in collegiate scholarships awards on February 16, 2002, saluting promising African American women leaders of tomorrow. I ask you to join me in applauding the past and present efforts and activities of Delta Sigma Theta. Their outstanding leadership and true community spirit of both alumnae and active members are to be commended and exemplified.

CELEBRATING THE 50TH ANNIVERSARY OF THE ASHLAND LIONS CLUB

HON. ERIC CANTOR

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. CANTOR. Mr. Speaker, I rise today to recognize the 50th Anniversary of the Ashland Lions Club. The club began serving Hanover County, Virginia on February 26, 1952.

The Ashland Lions Club's 50 years of community service is a remarkable accomplishment. Many dedicated members have volunteered their time over the past 50 years to serve the citizens of Hanover County. The Lions Club's generosity is invaluable and something for which we are all extremely grateful. I am honored that such an exceptional organization resides in the seventh district of Virginia.

Mr. Speaker, please join me in congratulating the Ashland Lions Club for its 50 years of service.

IN MEMORY OF LOWELL F. RUPP

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Ms. KAPTUR. Mr. Speaker, today I rise to pay homage to a man of my district, Lowell F. Rupp, who passed from this life on Monday, January 7, 2002 at the youthful age of 73. Mr. Rupp was a long time and much loved civic and business leader in Fulton County, Ohio.

Born a family farm still operational in Fulton County, Mr. Rupp eventually purchased the farm from his father. He produced corn, soybeans, and wheat, selling the seed as well. Even though I came to know him through politics, for me the picture of Mr. Rupp remains with the land, for he was a farmer in his very soul.

Entering German Township politics, he ''sought elective office out of a love for people and a desire to make a difference in their lives.'' That, indeed, he did. After serving for ten years as a German Township Trustee, Mr. Rupp was elected a Fulton County Commissioner. He served in that position for sixteen years, retiring at the end of his final term in 1994. His tenure as commissioner brought a great deal to the residents of Fulton County: he most assuredly did make a difference in their lives, improving their livelihoods, bringing positive progress to the county and always moving forward. Under his stewardship, he helped establish the Fulton County Courthouse Plaza, a new county health department building and senior centers in four regions of the county. He helped to obtain expansion for water lines into the county and improvements to its fairgrounds.

Those who worked with Mr. Rupp in pursuit of projects benefiting the county—myself included—found him to be a most able and honorable man. One of his colleagues describes him as a ''rock-ribbed Republican'' who never let partisanship get in the way of doing the best job he could for the public good and noted, ''He was a gentleman to work with. We were both opinionated and agreed to disagree.'' Mr. Rupp practiced a style of politics from which all could take a lesson, and though driven to achieve what he thought was right, still understood the art of compromise.

A man of great yet quiet faith who lived his beliefs, Mr. Rupp was a lifelong member of the Evangelical Mennonite Church. He was also a member of Gideons International and the Archbold Rotary.

Lowell Rupp and his wife Ardith celebrated nearly 53 years of marriage together. As deeply as he surely loved them, words can do little to assuage the grief felt now by Mrs. Rupp, their children Beverly, Pamela, Bruce, Larry, and Leslie, sister, brother, and grandchildren. May the tangible legacy he leaves behind in what his public service gave to his community help them as they find their way now. Lowell Rupp's memory, his talent, his energy, and his service are the gifts he has left to his family, and to us. While we are saddened at his passing, we are grateful for his life.

TRIBUTE TO THE SHEA FAMILY

HON. JOHN B. LARSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. LARSON of Connecticut. Mr. Speaker, I rise today to pay tribute to 2002 Winter Olympian Jim Shea, Jr., of West Hartford, Connecticut. Shea Jr. took second place at a World Cup race in December earning him one of the three spots on the U.S. Men's Skeleton Team in the Winter Olympic Games.

This recent victory and the gaining of a berth on the Olympic team are only the latest accomplishments in a distinguished athletic career. He won a gold medal at the National Championships in 1996. Shea was the top finisher for the U.S. in every race of the 1998–1999 season. He was first American to win a gold in the Skeleton World Cup in 1998 and the first American to win the Skeleton World Championships in 1999. He also won gold at the Inaugural Winter Goodwill Games in Lake Placid in 2000. Shea finished third in the overall World Cup standings for 2000–2001.

Perhaps even more captivating than Shea's athletic record is his family history. When Jim Shea Jr. qualified for the Olympic team, the Sheas became the first family in American history to send 3 generations to the Winter Olympics. The Nelson family accomplished the same feat with the Summer Olympics in the sport of cycling. Jim's father, Jim Shea Sr., competed in Nordic skiing in the 1964 Olympic Games. Jack Shea, Jim Jr.'s grandfather, won two gold medals in speed skating at the 1932 Olympic Games in Lake Placid. Jack was also selected to compete in the 1936 Winter Olympics, to be held in Germany, but refused to participate in protest to Hitler's persecution of the Jews. Jack symbolized true Olympic sportsmanship, and in Jim Jr.'s words, Jack ''always felt it was not who won the gold; it was about bringing the world together in a peaceful setting.''

Unfortunately, Jack Shea will not be able to see his grandson compete in the Games. Jack was killed in a drunk driving accident in his hometown of Lake Placid last week. I would like to honor the Shea family for their great spirit of participation and sportsmanship, and I wish Jim Jr. good luck in Salt Lake City.

IN HONOR OF JOHN ''JACK'' PHIPPS, SR.

HON. JOSEPH M. HOEFFEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. HOEFFEL. Mr. Speaker, I rise today to honor John ''Jack'' Phipps Sr. who will be retiring from the Harmonville Fire Company No. 1 in Montgomery County, Pennsylvania after twenty-one years of service as Fire Chief.

Since 1960, Jack has served the Harmonville Fire Company with pride and distinction. In 1963, he was a member of the

SCUBA team which at the time had the most complete fire and rescue operations in the area. He was elected Financial Secretary in 1963 and held this position for nine years until 1971. Jack advanced to fire line officer when he was elected to be Battalion Chief in 1976 and 1977. He became Fire Chief in 1981. Jack has held the position of Fire Chief of the Harmonville Fire Company longer than any other person in the history of the fire company.

Jack has been involved in his community as a member of the Pennsylvania Turnpike Commission, the Plymouth Township Relief Association, and numerous other civic activities. He has selflessly given his time and energy to projects such as the building of a substation in Plymouth Valley. In addition, Jack played a crucial role in obtaining a rescue helicopter for Montgomery County.

I am pleased and honored to recognize Jack Phipps on his great career of service. His dedication to his community has been truly outstanding.

TRIBUTE TO OFFICER PAUL LASZCZYNSKI

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. PASCRELL. Mr. Speaker, I am honored to call to your attention the life of an American hero, Officer Paul Laszczynski of the Port Authority Police Department. Officer Laszczynski of Paramus, New Jersey, was killed in the Line of Duty while heroically responding to the attack on the World Trade Center on September 11, 2001.

September 11, 2001 has emblazoned so many unforgettable images in our minds. Perhaps none is more vivid, however, then that of courageous men and women in uniform working so valiantly to save the lives of others. It is therefore only fitting that Officer Laszczynski be honored, in this, the permanent record of the greatest freely elected body on earth.

A sixteen-year veteran of the Port Authority Police Department and member of the Port Authority's Emergency Services Unit, Officer Laszczynski was no stranger to emergency response. Having repelled down elevator shafts, climbed the top cables of the George Washington Bridge, and rescued people from burning buildings throughout his distinguished career, Paul Laszczynski once again placed the lives of others ahead of his own on September 11th.

Trained in hazardous materials response, Officer Laszczynski was a member of the PAPD's Chemical Identification Response Team. Always one to take on additional tasks, Officer Laszczynski also served as the PATH Command's Fitness Coordinator, a Police Academy Pistol Range Instructor, and as a member of the Honor Guard.

During the bombing of the World Trade Center on February 26, 1993, Officer Laszczynski helped rescue a handicapped man by carrying him to safety from the 72nd floor. His efforts that day earned him two distinguished citations: The Meritorious Citation for Exemplary Police Actions and the Individual Valor Award.

Paul Laszczynski's dedication to serving others and the community at large did not stop with his service at the PAPD. He was a proud member of a motorcycle club made up of fellow officers that organizes charity rides for sick children and meets other community needs.

He has touched countless lives for the better, and we are all better for having him as part of our American family.

On Tuesday, September 11th that family was attacked in a way we had only seen in our very worst nightmares. The actions carried out on the people of this nation were unspeakable acts of war, targeting the very foundation of what makes us Americans. That day we all witnessed the very worst of mankind.

What the perpetrators of these acts did was not realize the unwavering commitment to liberty and humankind felt by Paul Laszczynski and his fellow heroes. The bravery and love he exhibited in the face of terror make him an example for us all.

We will honor Officer Paul Laszczynski by trying to live our lives as he lived his. We will honor Paul by loving his family as he did, and continuing his work to make our community a better place.

Mr. Speaker, I ask that you join our colleagues, Paul's family and friends, myself, and a truly grateful nation in honoring the life of a great American, Port Authority Police Officer Paul Laszczynski.

HONORING LYLE EVERINGHAM AS A GREAT LIVING CINCINNATIAN

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. PORTMAN. Mr. Speaker, I rise today to recognize a friend and constituent, Lyle Everingham, who will be honored by the Greater Cincinnati Chamber of Commerce on February 20 as a Great Living Cincinnatian. The recipients of this prestigious award are selected on the basis of special achievement in the world of work, but the criteria also includes an awareness of the needs of others; civic service; leadership; and distinctive accomplishments.

Lyle Everingham's success is a classic American story of ''working your way to the top.'' Fresh from a tour of duty with the U.S. Army in the South Pacific, twenty-one year old Lyle applied for a temporary position stocking shelves at a Kroger store in Adrian, Michigan. He thought it would be a nice summer job until school started that fall. Instead, he stayed on with the company, and decades later, oversaw the Kroger Company's entire operation—retiring as Chairman of the Board in 1991. Along the way, he assumed greater responsibility—as store manager, district manager, general district manager and manager of operations. He served as manager of merchandising in the company's Toledo Division, and it was there that he sharpened his administrative skills. Under Lyle's leadership, Kroger became one of the nation's largest food chains and retained its ownership, fending off a hostile takeover attempt by two out-of-town investors. He consistently championed innovative ideas to improve the customer's experience—such as incorporating bank branches right into the Kroger store.

Kroger is truly all in the family for the Everinghams. Lyle's brother, Bob, four sisters, mother and wife Rlene have all worked for Kroger. Rlene and Lyle have three children and six grandchildren.

Lyle's volunteer activities are many. He led the first capital campaign for Hospice of Cincinnati and the second capital campaign for St. Rita's School for the Deaf. He served on the Smale Infrastructure Commission, the Buenger Education Commission, and was active in United Way. A past president of the Commercial Club and a past co-chair of the Cincinnati Business Committee, Lyle also served as a trustee of the University of Cincinnati and on the board of Bethesda, Inc.

All of us in the Cincinnati area salute Lyle Everingham as he is recognized as a Great Living Cincinnatian.

HONORING THE AMERICAN HERITAGE ACADEMY, CHEROKEE COUNTY, GEORGIA

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. BARR of Georgia. Mr. Speaker, in 1999, a private school opened its doors to the north Georgia community in Cherokee County. Since its inception the American Heritage Academy has become an integral component of Georgia's education system, becoming a home to advanced and gifted students, motivating new goals, and challenging students to entertain a wide range of various ideas.

The school operates on a college prep format and combines a versatile range of racial, ethnic, and religious backgrounds; giving its students a diversified look at the world from the start. At the heart of the American Heritage curriculum lies a balanced combination of academic development, community service, and individual creativity. Each class holds a maximum of 15 students, ensuring personal attention and the opportunity for every student's voice to be heard. For now, the school operates on a preschool through middle school scale, but soon it will unveil its newest extension. Students will be able to begin their formative school years at American Heritage, and continue on through high school, right up until they graduate and depart for the next phase of their education.

American Heritage has become a flagship school to Cherokee County. Its presence has initiated a partnership between public and private schools that provides an important choice to parents. The school has grown not only in numbers, but also in reputation, in just a short while; it will no doubt continue to do so in the future.

TRIBUTE TO MRS. VIRGINIA STRICKLAND ROGERS

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. THOMPSON of Mississippi. Mr. Speaker, I am pleased to honor a native of Como, Mississippi who celebrates her centennial birthday today. In 1902, the year Mrs. Rogers was born, Theodore Roosevelt was our nation's twenty-sixth President. Throughout his

tenure as President, he prided himself as a ''steward of the people''. Mrs. Virginia Strickland Rogers, whether consciously or not, has lived and continues to live by this motto as well. She has been a public servant and a distinguished member of her community for most of her lifetime. She is an active member of her church, the Cistern Hill Missionary Baptist Church, where she sits on the church's Board of Mothers and February Club. When she is not in church, Mrs. Rogers, who is a retired food service worker, drives the elderly in the community to their doctors' appointments and escorts them on shopping excursions. The latter of these tasks she does not mind though, because she reportedly is an ''avid shopper''. Also, in her spare time, Mrs. Rogers loves to show off her ''green thumb''. She enjoys gardening and is known to tinker around in her garden for hours at a time.

I cannot even begin to imagine the volumes of historically significant events Mrs. Virginia Rogers has witnessed with her own eyes over her lifetime. The town of Como is lucky to have such a resident who is so involved and committed to community. I hope that other members follow her example as well.

Among the celebrants at Mrs. Rogers' ''centennial bash'' will be her friends in the community and also her 10 grandchildren, 34 great grandchildren, and 35 great great grandchildren.

Happy one-hundredth birthday Mrs. Rogers! I wish you the best on your day and hope you see many more.

A TRIBUTE TO ROBERT HERTZBERG

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. FARR of California. Mr. Speaker, today California says goodbye to Assembly Speaker Robert Hertzberg and says hello to incoming Speaker Herb Wesson. Speaker Hertzberg served in this position with abundant personal energy and unbridled enthusiasm. He clearly loved this job and worked hard for the people of California.

Hertzberg is affectionately known as ''Speaker Hugsberg'' for his propensity to enthusiastically embrace friends, foes, and strangers. Indeed these famous hugs have spread beyond California to many of us on Capitol Hill and most recently to members of the Hazardous Materials team charged with decontaminating the Hart Senate Office building.

These hugs will never end, but Hertzberg's term-limited position as Speaker ends today. Speaker Hertzberg will also leave the Assembly seat he has represented in the Legislature since 1996 at the end of the year. Speaker Hertzberg's presence in the institution will far outlast his two years as Speaker and he leaves a permanent mark on the State Capitol.

Hertzberg instituted some groundbreaking changes during his brief tenure. He opened an on-site childcare center and upgraded technology throughout the Assembly. He founded the Capitol Institute, which now bears his name, to establish innovative training courses for freshman Members and legislative staff. California is the world's fifth largest economy and Speaker Hertzberg opened the Speaker's Office of International Relations. He injected a humorous touch of his heritage into the Capitol's culture by publishing a guide on Yiddish, so everyone in the Legislature and Capitol Press Corps could translate the colorful phrases he so frequently uttered during floor sessions.

Hertzberg understood working together means just that and maintained a continuous presence in Washington, D.C. through an Office of Federal Relations. He was quick to point out that what happens in Washington, D.C. matters in California. He frequently led delegations of legislators to D.C. to discuss state issues with federal officials. Hertzberg was determined to work with all of us in Washington, D.C. to maximize California's share of federal dollars.

Hertzberg is a gifted and tireless legislator, who worked to enact long-needed reforms of California's foster care system, significantly expand access to low-cost health insurance for working families, and help pass the two largest park bonds in state history. He was also the lead negotiator during extended discussions that led to the passage of the largest school construction bond in state history.

After September 11, he moved quickly to establish a statewide task force to assess the impact of terrorism on California's economy and to recommend steps to improve public safety and restore public confidence. He visited Washington to meet with federal officials and coordinate terrorism preparedness and response activities. In December, he led a delegation to Taiwan and Japan, to address post-September 11 tourism and to promote trade with California.

As we celebrate Speaker Hertzberg's achievements, I wish him all the best in his next endeavor. I know he will be extremely successful. All the best for the bright future to Speaker Robert Hertzberg, his wife Dr. Cynthia Telles-Hertzberg, and sons Daniel, David, and Raymond.

REMEMBERING SUKHBIR SINGH OSAN

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. BURTON of Indiana. Mr. Speaker, I was saddened to hear of the passing of Khalistani journalist Sukhbir Singh Osan. He died of a heart attack on January 19, 2002. Mr. Osan was only 31 years of age.

Mr. Osan was a terrific reporter who exposed many scandals through his website, Burning Punjab. He reported many stories showing India's pattern of terrorism against its own people. In addition to running his website, he wrote for several Indian newspapers.

The Indian government had banned the viewing of Burning Punjab in Punjab and a few neighboring states. When that did not shut down the site, India brought a fake criminal case against Burning Punjab, falsely claiming it was a ''newspaper'' operating out of Punjab. These actions make it clear that Mr. Osan's reports were greatly disturbing to the Indian government.

Sukhbir Singh Osan was a courageous reporter, one of the few who would stand up to the Indian government. He will be greatly missed by the people whose interests he served, the Sikhs of Punjab, Khalistan, and by all the people who care about freedom in South Asia.

The Council of Khalistan put out an excellent press release on Mr. Osan's passing. I am placing it in the RECORD in his memory. In addition, I would also like to insert a February 1, 2002, article from PPA News regarding the killing of Kashmiris by Indian soldiers.

IN MEMORY OF S. SUKHBIR SINGH OSAN

LONGTIME JOURNALIST, FOUNDER OF BURNING PUNJAB, EXPOSED HUMAN RIGHTS VIOLATIONS, REPORTED ON FREEDOM STRUGGLE—GOVERNMENT HAD FILED FALSE CASE AGAINST BURNING PUNJAB, BANNED IT

WASHINGTON, DC, January 21, 2002.—Sukhbir Singh Osan, 31, journalist and founder of the website Burning Punjab (http://www.burningpunjab.com), died of a heart attack over the weekend. Sardar Osan also wrote for several Indian newspapers.

''The passing of Sardar Osan is a great loss for the Sikh Nation,'' said Dr. Gurmit Singh Aulakh, President of the Council of Khalistan. The Council of Khalistan is the government pro tempore of Khalistan and leads the struggle to liberate the Sikh homeland, Khalistan, which declared its independence from India on October 7, 1987. ''He was an excellent reporter and a stalwart Sikh who exposed the human-rights violations against the Sikhs by the Indian government and reported on the sikh freedom struggle,'' he said. ''His website, Burning Punjab, is one of the best sources available for news from Punjab, Khalistan.'' Osan was also a lawyer.

Recently, the Indian government filed a false case against Burning Punjab, falsely claiming it was a ''newspaper.'' The Indian government had banned the viewing of Burning Punjab in Punjab and elsewhere in northwest India. A Deputy Inspector General was specifically assigned to ''deal with'' Sardar Osan. ''I think the stress from that false case may have brought about his heart attack,'' said Dr. Aulakh.

''Sardar Osan was one of the leading voices in exposing the Indian government's repression of the Sikhs,'' Aulakh said. ''He exposed phony Sikh leaders such as S.S. Mann, Dr. Jagjit Singh Chohan, Didar Singh Bains, and others. This was an extremely important service,'' said Dr. Aulakh.

According to a report in May by the Movement Against State Repression, India admitted that 52,268 Sikh political prisoners are rotting in Indian jails without charge or trial. Many have been in illegal custody since 1984. The Indian government has murdered over 250,000 Sikhs since 1984. Over 75,000 Kashmiri Muslins have been killed since 1988. In May, Indian troops were caught red-handed trying to set fire to a Gurdwara (a Sikh temple) and some Sikh houses in Kashmir. Two independent investigations have proven that the Indian government carried out the March 2000 massacre of 35 Sikhs in Chithisinghpora. In August 1999, U.S. Congressman Dana Rohrabacher said that for Sikhs, Kashmiri Muslims, and other minorities ''India might as well be Nazi Germany.''

''The service Sardar Osan gave to the Sikh Nation was immense,'' said Dr. Aulakh. ''He is one of the few people in Punjab who was not afraid to tell the truth. The Sikh Nation will miss him very much,'' Dr. Aulakh said. ''On behalf of the Sikh diaspora, I would like to offer my condolences to Sardar Osan's family. I can only hope that Burning Punjab will be continued in his memory.''

[From the PPA News, Feb. 1, 2002]

INDIAN SOLDIERS KILL 376 KASHMIRIS IN JANUARY 2002, 107 WOMEN, CHILDREN AMONG KILLED IN POLICE CUSTODY

ISLAMABAD (PPA).—The Indian army during its genocidal operations in the month of January 2002, killed 376 innocent citizens in held Kashmir including 107 killed in custody.

According to statistical data compiled by the Research Section of the Kashmir Media Service, those who fell victim to Indian army's brutalities included 246 men, 11 men and 12 kids.

During the month under review, 625 common people were tortured or critically injured by the Indian troops in the course of crackdowns upon villages, towns and cities. 630 people were arrested during the outgoing month without any valid charge against them while 139 houses and shops were arsoned by setting them on fire on using dynamite blasts.

Twenty-one persons had been kidnapped or reported missing. Relatives of these persons forcibly disappeared by the Indian army have no access to them and they are worried about their missing loved ones.

Molestation of women is one of the weapons being used by the Indian forces to terrorize people and 32 cases of gang rape and molestation were recorded during the month under review. Police and civilian authorities are reluctant to register complaints in this behalf and the victims are left to suffer their fate. The army personnel even threaten their victims of dire consequences if the matter was reported to the authorities.

TRIBUTE TO OFFICER JOHN SKALA

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. PASCRELL. Mr. Speaker, I am honored to call to your attention the life of an American hero, Officer John Skala of the Port Authority Police Department. Officer Skala of Clifton, New Jersey, was killed in the Line of Duty while heroically responding to the attack on the World Trade Center on September 11, 2001.

As the tragic events of that fateful morning unfolded, Officer Skala was assigned to the Lincoln Tunnel Command. He immediately responded to help evacuate the towers after the first plane struck World Trade Center Tower One.

September 11, 2001 has emblazoned so many unforgettable images in our minds. Perhaps none is more vivid, however, than that of courageous men and women in uniform working so valiantly to save the lives of others. It is therefore only fitting that Officer Skala be honored, in this, the permanent record of the greatest freely elected body on earth.

John Skala was born in Passaic, New Jersey and attended high school at nearby Clifton High. At the age of twenty-two, he received an appointment to the Port Authority Police Department. His distinguished career in law enforcement showed him to be a man with the courage of a lion, yet also someone who had a kind and gentle heart, willing to help anyone in need.

A recipient of two Meritorious Service Awards, Officer Skala exhibited the high standards of excellence associated with the traditions of the PAPD. From assisting in the arrest of armed suspects to the performance of first aid during extreme conditions, John Skala was a public servant in every sense of the word.

Officer Skala's dedication to serving the community at large extended far beyond his work at the PAPD. He dedicated his free time to serving as a paramedic with the Passaic-Clifton Mobile Intensive Care Unit, as a member of the Ukrainian American Youth Association, and as a volunteer with the New Jersey Special Olympics and the Juvenile Diabetes Foundation. John Skala was a hero, both on the front lines and behind the scenes.

He has touched countless lives for the better, and we are all better for having him as part of our American family.

On Tuesday, September 11, our American family was attacked in a way we had only seen in our very worst nightmares. The actions carried out on the people of this nation were unspeakable acts of war, targeting the very foundation of what makes us Americans. That day we all witnessed the very worst of mankind.

What the perpetrators of these acts did not realize was the unwavering commitment to liberty and humankind felt by Officer Skala and his fellow heroes. The bravery and love he exhibited in the face of terror make him an example for us all.

We will honor Officer John Skala by trying to live our lives as he lived his. We will honor John by loving his family as he did, and continuing his work to make our community a better place.

Mr. Speaker, I ask that you join our colleagues, the City of Clifton, John's family and friends, myself, and a truly grateful nation in honoring the life of a great American, Port Authority Police Officer John Skala.

''REWARDS THAT FOLLOW GENEROUS HEARTS''

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. BARR of Georgia. Mr. Speaker, something wonderful recently occurred for many folks in Rome and Floyd County, Georgia. Steve Edwards, owner of a local insurance company in Rome, and his wife Marie, read of the plight of 1200 families in Floyd County who had their gas service discontinued for lack of payment of the previous year's gas bills.

Steve and Marie read of the plight of these families and knew they had to do something. They could not save every family, but they could save at least one. They made a gift to the local Salvation Army for one family's unpaid gas bill. The sense of reward was so powerful, the Edwards decided other families might want to experience it as well. With no budget and no organization, Steve began to challenge families within the First Baptist Church of Rome each to pay for one family's gas bill. The response to his challenge was overwhelming. His vision quickly spread beyond their congregation and beyond Baptists. He believed there were enough generous Christians in Floyd County to turn on the heat for the remaining 1180 families. Steve called an impromptu meeting of various helping organizations, and ''One Family helping One Family'' was born.

Joel Snider, Pastor of the First Baptist Church of Rome, expressed the enormity of the situation when he stated, ''Imagine being 80 years old and in poor health. All your income is represented by the $600 per month Social Security check that arrives each month. You pay $150 a month for the portion of your prescriptions not covered by Medicare. The remaining $450 covers rent, groceries, phone, utilities, and everything else. Then one day, you receive a gas bill for $800. The meter is running on your current bill also. What do you do? How do you ever scrape together enough money to catch up?''

''One Family Helping One Family,'' while working with Good Neighbor Ministries, the Salvation Army, and Floyd County Baptist Association, have helped 167 families as of January 18, 2002. Four hundred and seventeen total donations had been received by these agencies. Many contributions came from individuals and families; however, some contributions represented the combined efforts of Sunday School classes and student groups. The total amount given up until that date was $112,522. Every penny has gone to help a family in need.

The entire community, including the staff at Rome Housing Authority, Atlanta Gas Light Company, the staff of the ''Rome News-Tribune'', Rome/Carrollton District of the United Methodist Church, Good Neighbor Ministries, Major Kerns of the Salvation Army, Lynne Barton at Info Line, Bruce Day at Floyd County Baptist Association, Susan Seagraves, John Pinson, Armin Maier, Mary and Allen Shropshire, Doug Walker, and many others, have pulled together.

Imagine, if you will, what might happen if each and every community had a ''Steve Edwards?'' We owe a debt of gratitude to each person who has contributed to this effort. As Pastor Snider so eloquently phrased it in the ''Rome News-Tribune'' in December, ''On behalf of all the families that are warm today because of your gift, I ask God to grant you the richest blessings of this holiday season. May the rewards that follow generous hearts be yours into the New Year.'' Amen.

TRIBUTE TO MARGARET GOBLE MADIGAN OF LUTHERS MILLS, PENNSYLVANIA

HON. DON SHERWOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. SHERWOOD. Mr. Speaker, it is with a profound sense of loss that I inform the House that on Sunday, January 20, 2002, Margaret Goble Madigan of Luthers Mills, known across the Commonwealth of Pennsylvania as Peggy, passed away.

Although Peggy Madigan is deserving of many superlatives, to say that she was known across Pennsylvania is no exaggeration. She was the wife of Senator Roger Madigan, and she was known and loved by the many individuals whose lives she touched. She was truly unforgettable.

Peggy had an exceptional grace about her that can only come from a deep love of others. Her son, Nick Madigan, in his moving eulogy, described her rare ability to treat every

individual with dignity and respect. She genuinely enjoyed people without regard to title or position. She always—remarkably, given her hectic schedule—made time for everyone.

Peggy was a volunteer, active in many worthy causes including promoting literacy and serving as a director of the local chapter of the American Cancer Society.

A distinguished leader of the Republican Party in Pennsylvania, Peggy Madigan was a role model for all of us. She was a woman who was not only a tireless advocate of family values—her love for her family seemed boundless. They include her husband of 49 years, Roger, her daughter, Vicki Lynne of Carlisle, Annette Madigan Carr, of Annapolis, Maryland, Nicholas Jay Madigan of Towanda, and Steven Gary Madigan of Emmaus. Of all of her many accomplishments, I know that her greatest joy came from the recent birth of her grandson, Matthew Roger Madigan to her son Steven and Carrie May Madigan.

Peggy Madigan was truly family to people across our region and around the Commonwealth. I grieve her loss for her entire family.

PAYING TRIBUTE TO EMMETT HEITLER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Emmett Heitler and thank him for his extraordinary contributions to his community and to his state. As a resident of Colorado, Emmett has dedicated his life to improving the state by selflessly giving his time and energy to his job, his family and his community. His remarkable business and philanthropic accomplishments are surpassed only by the level of integrity and honesty with which he has conducted himself each and every day of his life. As we celebrate his tremendous accomplishment of being inducted into the Colorado Business Hall of Fame, let it be known that I, along with the people of Colorado, applaud his efforts and are eternally grateful for all that he has done for our state and our community.

Born in Denver in 1909, Emmett excelled academically, graduating with honors from the University of Colorado with a degree in engineering before he was twenty years old. Shortly after, he took a job with General Electric as an electrical engineer, and later became a partner and founder of Fashion Bar stores in Denver. After marrying his wife, Dot, in 1937, Emmett went to work for Shwayder Bros. Inc., a manufacturer of Samsonite Luggage. Over the course of his career with Shwayder Bros. and Samsonite, Emmett advanced to General Manager, and eventually to Executive Vice President. He was instrumental in building Samsonite from a small local business into the world's largest luggage manufacturer and pioneered Samsonite's movement into new, cutting edge technology, most notably using plastics in manufacturing sleeker, more durable luggage.

Emmett was not only an extraordinary businessman, but he was also a true philanthropist. Despite his demanding schedule, he always found time to give back to his community and lend a helping hand to anyone who might need it. He was active with the Jewish Community Center, serving as Chairman of the Board of Trustees, and was a founding member of the Mile High United Way. He served as Executive Trustee of the Eleanor Roosevelt Institute for Cancer Research, was Chairman of the Board of the National Jewish Hospital and was a Member of the Board of the Denver Chamber of Commerce. Additionally, Emmett has contributed a significant amount of time to the Anti-Defamation League, chaired the effort to build Temple Emanuel and was instrumental in renovating Green Gables Country Club.

Mr. Speaker, it is clear that Emmett Heitler is a man of unparalleled dedication and commitment to his job, his community and his family. It is his unrelenting passion for each and every thing he does, as well as his spirit of honesty and integrity with which he has always conducted himself, that I wish to bring his efforts before this body of Congress. He is a remarkable man who has achieved extraordinary things and enriched the lives of so many people. It is my privilege to extend to him my sincere congratulations on his induction into the Colorado Business Hall of Fame and wish him all the best in the future.

A TORCH OF LIBERTY AWARD—THOMAS C. GALLAGHER

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. TOWNS. Mr. Speaker, on May 8, 2002, a good friend of America's consumers will receive the prestigious Torch of Liberty Award from the well-respected Jewish Anti-Defamation League. This honor has been bestowed on Thomas C. Gallagher, president and chief operating officer of Genuine Parts Company-NAPA, for his unfailing promotion of diversity and tolerance in the workforce in general and in the Office Products industry in particular, as well as his continued dedication in working for tolerance in the community.

The Anti-Defamation League has never veered from its mission of obliterating hate and bigotry. Since 1913, the ADL has moved forward to quash hatred whenever it raised its ugly head. So, this May, when the ADL in the fine state of New York bequeaths Thomas Gallagher with its Torch of Liberty Award, it will be because of its acknowledgement of people like Mr. Gallager who never fail to take a stand to do what is right and just.

At a time when America stands unified to protect our precious freedoms, it gives us all pause that organizations like the ADL have fought the ''good'' battles when those battles weren't popular, that they continue to strive to recognize individuals and will continue to march forward and shine as a beacon of light with truth and justice in what sometimes seems like a world of darkness.

It has been my pleasure to personally know Tom Gallagher and see first-hand his commitment to America's consumers. It is with pride in Tom as a fellow American that I place his name in the Congressional Record for others to know the merits and values of one of America's foremost business leaders.

TRIBUTE TO SUSAN CLYNE

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. ISRAEL. Mr. Speaker, I received this compassionate letter earlier this month from a constituent of mine. The letter once again gives us a sense of how many amazing people we lost in the attack on the United States of America on September 11, 2001, such as Susan Clyne. Susan was a hard working and loving individual who always fought to achieve the goals she set for herself. I ask all of my colleagues to recognize Susan and her husband, Charlie Clyne, who wrote the letter. We will never forget the innocent victims of September 11. I ask that Mr. Clyne's letter be made part of the RECORD.

Sue loved her job at Marsh and loved the view from her 96th floor office. She had just recently been promoted to SVP and she deserved it. She went to school nights after high school to get her degrees. After graduating in three years she set her sights on law school all the while working a full time job. She graduated law school and passed the N.Y.S. bar on the first try. She never stepped foot into a courtroom. She loved computers and since computer law wasn't very popular at the time, she choose to stay in insurance where she carved her niche first as a programmer (self-taught) then up the ladder to manager, AVP, VP, and SVP. She continued going to night school through the 90's for her MBA. She was upset that she could not graduate before the birth of our twins in 1990. However, as soon as she felt up to the task she completed her MBA just before the birth of our second son in 1991. Did I mention that she loved computers? She also shared her love with our kids. She would mesmerize them with cd roms of Mickey starting with shapes and colors then on to pre ''K'' cd's, math blaster reader rabbit etc. They could work a mouse by the time they were two and were programming by the time they were six. Her education didn't stop with three children. She continued on for various certifications all pertaining to computers until the birth of our last child in 1997. Another change took place in 1997. Her company continued to expand and decided to lease space at the World Trade Center. She was thrilled to move. She let education take a back seat for a while by taken home study courses for her CPCU. She juggled work, family and studying. Her children were her treasures. She adored them and they worshipped her. Her office was filled with their pictures. She developed a family web site with pictures, slide shows and most recently streaming video. (*www.clyne.com*) They were truly her angels. Sue got up every morning at 4:45 and was on the 6:00 train to the city. We never saw her that morning. We never even had a chance to say good-bye. In an instant, some radical religious moron decided it was her time.

IN HONOR OF WILLIAM F. MILLER

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. KUCINICH. Mr. Speaker, I rise today to honor William F. Miller upon his reception of the German Service Cross of the Order of Merit.

The Donauschwaben's German-American Cultural Center and Consul General Michael Engelhard of the Consulate General of the Federal Republic of Germany are honoring Mr. Miller for his 39 years of reporting German-American affairs for the Plain Dealer. In this period he has served as a columnist, reporter and assistant editor.

In 1990 Miller covered the lives of Germans, among other central and eastern Europeans, in the wake of the fall of communism. From this experience he wrote a series of articles entitled ''Life After the Wall.'' This series won the 1991 National Writing Award of the First Catholic Slovak Union of the United States and Canada. Additionally the series was nominated for a Pulitzer Prize.

Miller was named German-American Journalist of the Year in January 1996 by the Federation of German-American Societies of Greater Cleveland. Miller also received the Distinguished Service Award from the National Journalistic Society's Cleveland Chapter in May of 1991.

Miller has also been recognized by numerous other ethnic groups. The Asian/Pacific Federation in Cleveland presented him with their Community Service award for his writings in 1989. In 1994, Miller became the first non-Greek to be awarded the Hellenic Award from the Greek Orthodox Church of North America and Canada. In addition Miller has received awards for his coverage of the Greater Cleveland German, Irish, Filipino, Italian, Vietnamese, Japanese, Chinese, Korean, Ukrainian, Latvian and Czech communities.

I ask you to join me in honoring William F. Miller upon his reception of this distinguished award.

PERSONAL EXPLANATION

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. BECERRA. Mr. Speaker, on Tuesday, January 29, 2002, I was unable to cast my floor vote on rollcall Number 5, on the Motion to Suspend the Rules and Agree to H. Res. 335, a resolution honoring the contributions of Catholic schools.

Had I been present for the vote, I would have voted ''aye'' on rollcall vote 5.

PAYING TRIBUTE TO FRANKLIN AND JOY BURNS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Franklin L. and Joy S. Burns for their extraordinary contributions to their community and to their state. As residents of Colorado, Franklin and Joy dedicated their lives to improving Colorado by selflessly giving their time and energy to their jobs, their family and their community. Although Franklin has passed, it is impossible to forget his extraordinary accomplishments, and we are all tremendously grateful to Joy for all that she has done and for carrying on Franklin's legacy of achievement, philanthropy and success. As we celebrate their induction into the Colorado Business Hall of Fame, it is an honor for me to pay tribute to such extraordinary people.

In 1938, Franklin, a Denver native, went to work the D.C. Burns Realty & Trust Company, which was founded by his uncle, Daniel Cochran Burns. The company was dedicated to providing affordable housing for low-income families, selling houses for only ten percent down long before the Federal Housing Authority came into existence. At the age of 28, Franklin became President of the company and began developing subdivisions and shopping centers in and around Denver. Under Franklin's leadership, the company developed more than 13,000 pieces of property totaling $129 million.

In 1958, Franklin met Joy Steelman Colwick at a golf tournament at Cherry Hills Country Club, and by 1960, they were married. Joy immediately contributed to the success of her husband and his company and by the 1970s she was making quite an impact of her own. Having studied business at the University of Houston, she founded The Women's Bank, now known as the Colorado Business Bank, in 1976. She then remodeled the Hampshire House, which her husband's company had bought, and turned it into what is known today as the Burnsley Hotel, a Denver landmark. The hotel opened in 1985 and Joy remained involved with it, serving as President until 1993. She now serves as President of her husband's company, the D.C. Burns Realty & Trust Company.

Not only were Franklin and Joy extraordinarily successful in the business world, but they also made significant philanthropic contributions to their community, city and state. Franklin was active in a number of charitable organizations in Denver, including the Inter-County Regional Planning Commission, Mount Airy Psychiatric Center, the United Way and Mercy Hospital. Joy, too, has devoted a significant amount of her time and energy to the community. She has been a long-time volunteer at the University of Denver, serving as the Chair of the Board of Trustees and as the President of the University of Denver's Pioneer Sportswoman. In appreciation of her tremendous contributions to the University, DU named the Joy Burns Ice arena in her honor. Joy is also the founder of the Women's Foundation of Colorado, was the only female member of the Metropolitan Football Stadium Board and serves as President of the Sportswomen Colorado Foundation.

Mr. Speaker, it is clear that Franklin and Joy Burns have, for over fifty years, made extraordinary contributions to the community of Denver through both their business and charitable endeavors. It is not only their unparalleled business savvy that I wish to bring before this body of Congress, but also their selflessness and love for their community. Though deeply saddened by Franklin's passing, I wish to extend my sincere congratulations to Joy on their joint induction into the Colorado Business Hall of Fame, and want to take this opportunity to thank her for carrying on her husband's legacy. We are proud of you both!

HONORING NANCY PELOSI

HON. TAMMY BALDWIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Ms. BALDWIN. Mr. Speaker, I join with my colleagues in honoring my esteemed colleague, Representative NANCY PELOSI of California, and celebrating her election to the post of Democratic Whip of the House.

This is not just an important moment for Representative PELOSI, it is an historic moment for this great body, and a deciding moment for women in our country.

This year, we celebrate the 85th anniversary of the swearing in of Jeannette Rankin of Montana to the Congress. Representative Rankin, the first woman elected to Congress, and a leader of the women's suffrage movement, would, indeed, be pleased and proud to see NANCY PELOSI ascend to her position of leadership in the House. And she probably would have asked, ''What took you so long?''

We've never had a woman whip. We've never had any woman in one of the top leadership positions in either house of Congress.

In the race, NANCY got encouragement from unexpected places. The elevator operators, the high school pages in the hallways, the wait staff in the dining room, were whispering, ''Go NANCY, Go'' as she walked past.

They cheered because they saw in her a little bit of themselves—people who, traditionally, have no seat at the table or in the back room. Every time a woman or a person of color or a person with a disability enters the halls of power, they bring with them the multitudes of people whose voices, typically, are not heard.

By being in those halls, in those Chambers, in those boardrooms and backrooms, and on the podium, we make those places look a little bit more like America.

As women we bring our life experiences to the job. We can effect change because we prioritize issues as we know them, as we understand them. And because of that, having a seat at the table matters. Having a seat at the head of the table matters even more.

NANCY PELOSI brings a woman's perspective to the House leadership and it is long overdue. She also brings her keen intelligence, her political savvy, her deep-seated principles, her energy, and her desire to make our world more decent and democratic.

NANCY PELOSI now makes the leadership of our great House of Representatives look a little bit more like America and we are all better for it.

TRIBUTE TO JESSE FAYE FIELDS

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. OXLEY. Mr. Speaker, today I rise to commemorate the life, community service, and family devotion of Jesse Faye Fields, the mother of my good friend and former congressional colleague, Jack Fields, Jr. Mrs. Fields recently passed away at the age of 76. With her late husband, Mrs. Fields owned and operated Rosewood Funeral Homes and Cemeteries in Humble, TX, for several decades. Together they built the business into one of the

most successful cemeteries in the area. They had a special ability to comfort and console others in their time of need.

Mrs. Fields was a true child of Texas. She was born in Pearsall, TX, and graduated from Aldine High School. The eldest child in her family, she helped raise her siblings after her father died when she was 9. Nothing in her life was more important to her than her family. An example of her loving spirit can be found in her custom of cooking dinner for her family and other relatives after church each Sunday.

Mrs. Fields touched numerous lives through Rosewood. But she touched even more as a respected citizen of the community, church attendee, and as a family beacon. Her love and steady direction served as an inspiration to her children, and with Jack, made her the mother of an esteemed U.S. Congressman. Jesse Faye Fields will be remembered as a devoted wife, loving mother, and cherished citizen of her community.

STRONG STUDENT VISA SYSTEM CRITICAL TO NATIONAL SECURITY

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. BEREUTER. Mr. Speaker, this Member wishes to commend to his colleagues the February 4, 2002, editorial from the Omaha World-Herald entitled ''Loosey Goosey Borders IV.''

This editorial is one in a series of editorials published by the Omaha World-Herald which illuminate why it is entirely appropriate for the U.S. to enact strict immigration laws and, subsequently, to actively enforce those laws. Specifically, this editorial focuses upon the student visa system.

Indeed, the U.S. should be pleased that its higher education system attracts many foreign students, and, while it is important to continue the student visa system to bring vibrancy and diversity to universities and colleges, those interests must continuously and consistently be balanced against U.S. security interests. Failure to do so could place American lives at risk to terrorist attacks—among other threats—committed by those in the U.S. fraudulently under the guise of educational purposes.

Even with the strictest possible enforcement of visa controls, the system will always be susceptible to visa fraud. However, that does not mean that the U.S. should throw up its hands in surrender and throw open its borders.

[Omaha World-Herald, Feb. 4, 2002]

LOOSEY GOOSEY BORDERS IV

Slow progress is made in controlling foreign student visas.

Progress on tightening up the United States' free-and-easy borders has been slow but steady since Sept. 11—not spectacular, but at least things are moving.

Before the terrorist attack, student visas were issued to foreign nationals, some of whom came to this country and, in essence, disappeared into the general population. The Immigration and Naturalization Service didn't check whether they actually went to school or whether they left after their education was done.

Things changed on Sept. 11. Security became a greater concern. The INS is setting up a computer system to track student visa holders. The agency has been struggling with a system for years, but it appears that it will be in place, INS officials said, by 2003.

The tracking system is not without its critics. A group dealing with foreign students withdrew its opposition after the September attack, but many individual schools have expressed the concern that a tracking system will discourage foreign students.

Security trumps that concern. So long as a student visa is the gateway to an easy and unmonitored existence in the United States for people whose motives might be other than scholarship, this is a security matter. If keeping tabs on foreign students discourages a few from coming to the United States or inconveniences a college's administration, too bad.

Besides the INS system, the Senate is expected to join the House soon in passing legislation that, among other things, would forbid the issuance of student visas to anyone from a country that sponsors terrorism unless the State Department investigates and approves the individual.

Some local INS offices are on the ball, too. Omaha-based INS officials, for instance, have been in contact with colleges and universities within their jurisdiction. But not all INS offices across the country have been as aggressive.

Better monitoring of guests to discourage those who would abuse the privilege is not onerous or unreasonable. Rather, these precautions are sensible and understandable in light of the credible threat terrorism poses to Americans. The faster security can be improved, the better for the nation.

MASSACHUSETTS SECRETARY OF STATE JAMES JAJUGA'S ELOQUENT TRIBUTE TO HIS MOTHER

HON. MARTIN T. MEEHAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. MEEHAN. Mr. Speaker, I was saddened last week to learn of the death of Sophie Jajuga, the mother of my good friend James Jajuga, the Secretary of Public Safety for Massachusetts and a former State Senator.

At the funeral service for his mother on February 5 at St. Lucy's Church in Methuen, Massachusetts, Secretary Jajuga delivered an eloquent tribute to his mother that deeply touched me and all others who were present. He described in vivid terms the lifelong love and support that Mrs. Jajuga gave to her family.

Secretary Jajuga's beautiful eulogy to his mother should be of interest to all of us. I ask for unanimous consent to submit it to the record:

Good morning, on behalf of my entire family, I want to thank you for attending this beautiful service here at St. Lucy's this morning, as well as for the many kindnesses you have extended to me and to both the Bednez and Jajuga families over the past few days. I would also like to thank Fr. Loscocco for his support and guidance during this difficult time and for celebrating today's mass, and Camille Peters for her beautiful voice and organ playing.

I was asked by my family to share with you some thoughts about my mother, Sophie, and am both humbled and honored to do so with you now.

In life we tend to take some things for granted. One of these things is that our mother will always be there for us, in good times and, especially, in bad times. No one shares a child's happiness, pain, or sorrow, more than his or her mother. No one understands more how a child is feeling—really feeling deep down inside—than his or her mother.

My mother, Sophie, was a wonderful mother to me and to my two sisters, Jane and Mary. We grew up in Haverhill and moved to Lawrence. Some of us took that move better than others, but that is a story for another day . . .

A story I would like to share with you today that exemplifies the kind of person my mother was is this: When we were young children things would disappear from our house, ''things'' like clothes, dolls and toys, and, of course, my favorite jacket that I had only worn for a short period of time. Finally, mother told us that she had been sending our personal belongings to our relatives back in Poland because, in her own words ''they need them more than you do!'' When we came home from school or play, we never knew what would be missing next, and if we really valued something we knew we better find a very good hiding place to keep it safe from mother's reach.

Mother called all of us ''Honey'' or ''Dear'' and when she did call us by name it was usually someone else's name. In fact, for a while there I really wasn't sure whether my name was ''Jimmy'', ''Stanley,'' or ''Eddie,'' because she called me all three names regularly! She continued to do this with the grandchildren and great-grandchildren as well.

My mother loved us all—her children, her grandchildren, her great-grandchildren, her brothers, Stanley and Eddie, her sister, Helen, and her many dear friends. Sophie's love knew no bounds. She loved to laugh, and she especially loved to spend time with her grandchildren and her great-grandchildren. She used to play cards with the grandchildren, a variation of the game of poker called ''No Peek.'' A game where no one was supposed to look at the cards. But of course she would always peek. They'd call her on it all the time, but she would swear that she only saw one card, when they knew she had seen them all. But they always let her get away with it.

I asked everyone in the family, including the grandchildren, what they felt were mother's strongest attributes. By unanimous proclamation they all agreed her greatest strengths were her kindness, her generosity, and her thoughtfulness.

My mother never had a bad word to say about anybody. She was always there ready to help out whoever needed it. She did not—could not—say no to anyone, no matter what was asked of her and regardless of her own situation. She shared whatever she had with others unselfishly. She never asked for anything in return.

She was a gentle woman.

She went out of her way to show she cared, always putting family and friends first even before herself.

Today, we say goodbye—for now—and though we are all deeply saddened by her untimely passing, we are comforted in our firm belief that she is in a better place, reunited with our father and with those members of our family who have gone before us.

Ma, thank you for a lifetime of memories that we will cherish forever. Thank you for always being there for all of us. We love you, we miss you, and we all look forward to playing ''No Peek'' with you again someday.

God bless you, Ma, and God bless you all.

THE EDUCATION, ACHIEVEMENT, AND OPPORTUNITY ACT

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. SMITH of New Jersey. Mr. Speaker, today I am introducing legislation designed to ensure the federal government appropriately assists parents with the financial burdens associated with their child's education. The legislation gives parents more options, and helps them as they search out the best educational setting and tools for their children.

To this end, the Education, Achievement, and Opportunity Act will provide refundable tuition tax credits per year, per child, for educational expenses incurred by parents for elementary and secondary school. The legislation would allow parents sending their child to an elementary school up to $2,500 in tax relief, and parents with children in a Catholic or parochial high school could claim up to $3,500 in assistance.

Parents who send their child to a Catholic school already pay twice for their child's education: once through their taxes, and a second time for the tuition. These out-of-pocket expenses can really add up and pose an enormous obstacle to the child's lifetime learning opportunities. Without federal support, many parents struggle—and in some cases forgo—a Catholic school education, or any education in a spiritual setting, because the costs are so high.

In my own district in New Jersey, a parent who feels Catholic schools are best suited for their child will pay somewhere between $1,840 and $2,566 in tuition costs. If you want to send your child to a parochial high school in the central New Jersey area, a parent is looking at an average tuition bill of $5,571 per student, per year. In other areas of the country, the costs are very similar.

Middle-class and lower-income families just cannot—and should not have to—absorb these kinds of costs without some help or recognition from the government. America's children have unique educational needs and goals, and parents are the ones who are best qualified to decide what's in their child's best interest. It just isn't fair to deny a child the ability to pursue the educational program best suited to his/her needs simply because the child's parents do not have the resources to afford the education program of their choice.

We have 59,000,000 youngsters in elementary and secondary school across the U.S.; about 10 percent of these students are enrolled in private, parochial and rabbinical schools. Those families who are already sending their children to such schools, and others planning to send their children to them, would benefit enormously from this proposal, because they are often struggling to make ends meet.

Importantly, my education proposal is a tax credit, rather than a voucher, so the total amount of education resources available for all school age children will increase. Under a voucher system, if a school loses enrolled students to a competing school, that school may lose funding and have fewer resources available for their educational program. Under my plan, that outcome is avoided, because it is a "win-win" scenario, whereas voucher programs can become a zero-sum situation with "winners and losers."

I was very pleased that President Bush's $1.35 trillion tax cut reform legislation—The Economic Growth and Tax Relief Reconciliation Act of 2001, now P.L. 107–16 included several child and family tax credits to help individuals with their educational priorities. The Bush Tax Cut was a solid down payment to help parents meet the educational needs of their children. Parents can now save up to $2,000 per year in their Education Savings Accounts, and the interest that builds up in them is tax free. When the parent withdraws money for elementary or secondary school expenses, the withdrawal is excluded from their taxable income.

If we are to truly make good on our promise that "no child is left behind," we must ensure that Catholic schools are included in this national promise and goal. A child is a child, regardless of what school system they are enrolled. The children enrolled in Catholic, private, and rabbinical schools deserve nothing less than our full support and compassion.

The benefits of my legislation are available to any child, no matter what their race, creed, or national origin. And make no mistake: the public school system will continue to remain the backbone of our nation's education system. But we must never forget that the public school system was created to serve students—not the other way around. If a student is performing poorly at a particular school, a parent should have the opportunity to enroll the child in another appropriate setting which has a better chance to meet the child's needs.

I urge my colleagues to support the Education, Achievement, and Opportunity Act.

PAYING TRIBUTE TO JOE WAGNER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to recognize an outstanding civic and economic leader from the State of Colorado. Joe Wagner of Denver, Colorado has been actively involved in improving citizens lives through his many activities in the region. He is the founder and operator of one of the state's most successful businesses, Wagner Equipment Co, and is a well known activist and leader in many community activities. As he celebrates his induction into the Colorado Business Hall of Fame, I would like to take this opportunity to highlight the many achievements and incredible dedication that have led to this extraordinary honor.

Joe founded Wagner Equipment Co., a Caterpillar tractor dealer, in 1976 after gaining experience as a senior manger for a similar operation in North Texas. His desire to begin a business of his own led Joe to Colorado, where his business today thrives after 25 years of dedicated service to his community. As a result of this success, the company is now the Caterpillar dealer for the state, enjoying over 20 locations in Colorado and internationally in Mongolia and Siberia. Wagner equipment employs over 900 workers who serve customers in mining, agriculture, forestry, power generation, construction, manufacturing, and government, as well as supplying quality Caterpillar products to consumers.

Joe's success in business is one, but not the only, reason for his selection as a recipient of this award. Part of the award is based on commitment to the community and giving back to those who have supported you and allowed for your success. In this endeavor, Joe has been a valuable participant. He has been active helping Colorado's youth in the Denver Area Council Boy Scouts, the Denver Boys & Girls Club, Children's Hospital and the Children's Hospital Foundation. As a local businessman, he plays an active role in the Denver Metro Chamber of Commerce and as a board member for Wells Fargo Bank. He also remains an active member of his church as an elder with Presbyterian Church of the Covenant.

Mr. Speaker, it is truly a pleasure to bring forth before this body of Congress the names of individuals who have done so much for Colorado communities. Joe Wagner has been an active civic, business, and religious leader and patron for Colorado. I would like to further extend my congratulations on the award and thank him for all his efforts in improving his fellow Coloradoan's lives. Congratulations Joe, and good luck in your future endeavors.

IN HONOR OF JANET SARINGER

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. KUCINICH. Mr. Speaker, I rise today to recognize a truly remarkable woman, one who genuinely exemplifies what it means to be a respected civil servant and community activist.

Janet Saringer has dedicated her life to public service and to the North Olmsted community. She has actively participated in public service since 1971 when she was elected to city Council Ward 2. She has served as ward Councilwoman, council member-at-large, and president of council pr-tem. For the past 8 years she has served as President of the Council chairing and serving on seven committees of Council. She will be truly missed as she begins her retirement after 25 years of devoted service as Department Head of the Cuyahoga County Recorders Office.

Janet has volunteered her time in the community and touched the lives of many people in the area. As a graduate of St. Augustine Academy, she has served as the alumnae association president. She also acted as president of the Greater Cleveland Suburban Council and the Stoneybrook Women's Club. She has been active on the North Olmsted Community Council as well as the North Olmsted Democratic Club and the Cuyahoga County Democratic Executive Committee. Her involvement has also benefited the Irish American community as a member of the West Side IA Club, IPAC and the IACREOT.

Janet continues to live a fulfilling and active life. Janet has been a committed wife who was recently widowed after 35 years of marriage to Robert N. Saringer, a Cleveland Police Officer. She has also been a wonderful mother of five children, Jack, Debbie, Janet, Bob and Bill. She is a grandmother to 12 children and a great grandmother to three children with one on the way. Janet is loved by

her family and the many lives in her community that she has touched.

My fellow colleagues, please join me in honoring Janet Saringer, an extraordinary woman and devoted civil servant.

TRIBUTE TO THOMAS B. ARCIERO

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. ISRAEL. Mr. Speaker, I rise today to recognize one of my constituent's great service to the United States of America. I ask for the text of this letter to be put in the RECORD. Thomas B. Arciero joined the Suffolk County Police Department on January 21, 1963. Upon his graduation from the Police Academy, he was assigned to the First Precinct as Patrolman #653. In January of 1967, Patrolman Arciero became Detective #322 and was assigned to the First Squad. In October of 1967, he returned to patrol, and shortly thereafter, was promoted to Sergeant #418 on January 5th, 1970 remaining in the First Precinct. He was a Sergeant in the First Precinct for seven years before being promoted to Lieutenant where he remained in the First Precinct.

In 1987, Lieutenant Arciero was transferred to the Marine Bureau. He was promoted to Captain on January 23d , 1989 and was transferred to Special Patrol Bureau as Executive Officer. After seven years, Thomas Arciero was promoted to Deputy Inspector becoming the Commanding Office of the Special Patrol Bureau. He remained there until his promotion to Inspector on February 23, of 2001 at which time he was transferred to the Chief of Patrol's Office in Headquarters, the position he currently holds. As can be seen, Lieutenant Arciero is a man worth many praises and we will be sad to see him retire on February 19th 2002. Thank you for all of your hard work, Thomas. I ask all of my colleagues to join in the acknowledgement of Thomas and his generous service to the state of New York and the United States of America.

MORE INDIAN REPRESSION OF TRIBAL AND CHRISTIAN MINORITIES

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. TOWNS. Mr. Speaker, I was disturbed to learn of more Indian repression of its tribal Christian minorities. According to a statement issued by the All India Christian Council, the Sangh Parivari, a wing of the pro-Fascist Rashtriya Swayamsewak Sangh (RSS), the parent organization of the ruling BJP, has been distributing weapons to Hindu militants in the tribal areas of Gujarat, Madhya Pradesh, and Rajasthan.

In recent months, according to the statement, it has distributed 350,000 trishuls to be used as weapons. It has set up new temples in Madhya Pradesh. In the Hindu schools, the curriculum already rewrites history. The All India Christian Council calls the curriculum "outside the pale of any academic and public scrutiny" and says it "poisons young minds."

The statement calls this RSS plan "an effort to polarize and communalize the tribal society" in these and several other states. This is a well-established part of India's ongoing campaign to establish itself as the hegemonic power in South Asia.

Given these activities, it is time to strike a blow for freedom by suspending all American aid to India until it respects all human rights for all people and by supporting an internationally-monitored vote on independence for Christian Nagaland, for Punjab, Khalistan, for Kashmir (which it promised in 1948), and for all the other nations seeking their freedom. These are very moderate measures, Mr. Speaker, but they are measures that can go a long way to help promote real freedom and democracy in South Asia.

I would like to place the recent statement from the All India Christian Council into the RECORD for the information of my colleagues.

[From the All India Christian Council, Jan. 17, 2002]

SANGH PARIVAR ACTIONS COMMUNALISING ADIVASI AREA

(The following is the text of the statement issued by Dr. Joseph D. Souza, President, and Dr. John Dayal, Secretary General, of the All India Christian Council on recent moves by the Sangh Parivar to aggravate the communal situation in the Adivasi tribal belt of North India.)

The All India Christian Council thanks Madhya Pradesh Chief minister Digvijay Singh and his government for taking effective steps to reassure the small Christian community in the Adivasi-majority district of Jhabua, which had seen much tension on the eve of the meeting organized today by the Rashtriya Swayamsewak Sangh wing Seva Bharati.

The All India Christian Council deputed its Gujarat unit secretary and well-known Human rights activist Mr. Samson Christian to Jhabua yesterday in solidarity with the Christians of the district, which was scene of the infamous mass rape of Catholic nuns three years ago. A vicious Hindutva communal rhetoric preceded the holding of the Sangh meeting, targeting Christians in the region. Much of the social educational and Medicare work in the Madhya Pradesh Tribal belt has been by Christian missions.

The Council has repeatedly expressed its deep apprehension at the activities of the Sangh Parivar in the contiguous tribal areas of Gujarat, Madhya Pradesh and Rajasthan. In recent months, more than 3.5 lakh trishuls machined as weapons and not as innocuous religious symbols, have been distributed in the Rajasthan area. In Madhya Pradesh, the Sangh has announced the setting up of 3.5 lakh Devals, or family temples. These areas are already penetrated by Sangh's Shishu mandirs manned by RSS cadres. These schools follow a curricula and textual material, which is outside the pale of any academic and public scrutiny, blatantly rewrites history, and poisons young minds.

Taken together, these actions constitute a well thought out strategy to polarize and communalise the tribal society in the state of Madhya Pradesh and also in the states of Gujarat, Rajasthan, Orissa, Jharkand and Chhatisgarh to serve the political agenda of the Sangh Parivar. The Adivasis have strongly objected to these efforts to obliterate their culture and their identity.

The Council has called upon the governments of the concerned states, as also on the Central government to ensure that this insidious conspiracy against the Adivasi identity is not allowed to succeed.

PERSONAL EXPLANATION

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. BECERRA. Mr. Speaker, due to official business on Wednesday, January 23, 2002, and Thursday, January 24, 2002, I was unable to cast my floor vote on rollcall numbers 1, 2, 3, and 4. The votes I missed include rollcall vote 1 on the Quorum Call of the House; rollcall vote 2 on Motion to Suspend the Rules and Agree to the Senate Amendment to H.R. 700, to Reauthorize the Asian Elephant Conservation Act; rollcall vote 3 on Motion to Suspend the Rules and Pass, as Amended, H.R. 2234, the Tumacacori National Historical Park Boundary Revision Act; and rollcall vote 4 on Passage of S. 1762, the Higher Education Act Amendments.

Had I been present for the votes, I would have voted "present" on rollcall vote 1, and "aye" on rollcall votes 2, 3, and 4.

COACH BILL BELISLE OF MOUNT SAINT CHARLES ACADEMY

HON. PATRICK J. KENNEDY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. KENNEDY of Rhode Island. Mr. Speaker, I wish to insert into the CONGRESSIONAL RECORD letters that attest to the true spirit of competition in addition to the sportsmanship of Mr. Bill Belisle of the Mount Saint Charles Academy of Woonsocket, Rhode Island. As these letters show, Mr. Belisle has had astonishing success as head coach of the Mount Saint Charles Mounties, the school's phenomenally successful hockey team. On January 5th, 2002, Coach Belisle earned his 696th career victory, and set a new national high school hockey record for all-time coaching victories. From his 24 consecutive state championships to the multitude of talented hockey players he has developed, Coach Belisle demonstrates the fact that hard work, dedication and commitment to a goal do pay off. I hope that, with this placement in the CONGRESSIONAL RECORD, my colleagues here in the Congress can look to him as a model of the type of success that all Americans should aspire to.

NATIONAL HOCKEY LEAGUE,
New York, NY, January 22, 2002.

Mr. BILL BELISLE, Hockey Coach,
Mount St. Charles Academy, Logee Street, Woonsocket, RI.

DEAR COACH BELISLE: I am writing to offer my most sincere congratulations on a remarkable achievement.

On January 5, 2002, you earned your 696th victory with the hockey team from Mount St. Charles Academy. The win over Toll Gate High School set a national high school hockey record for all-time career coaching victories. It is even more impressive that you reached this milestone in only your 27th season, while the previous record was set over a career which spanned 49 seasons.

The National Hockey League is pleased to recognize accomplishments, which recently have been highlighted by stories in Parade Magazine and USA Today. The fact that your team has won 24 straight Rhode Island

Interscholastic League championships is a credit to your coaching abilities and a testament to you as a motivator and role model. Your record of winning 88 percent of all your games is a mark that any coach at any level would love to emulate.

That six of your former players—Bryan Berard, Brian Boucher, Garth Snow, Mathieu Schneider, Keith Carney and Jeff Jillson—have skated this season in the NHL is a tribute to you and your program. All these players are outstanding individuals who obviously received great training.

On behalf of the NHL, please accept my best wishes on this most impressive accomplishment. I look forward to learning about what I am certain will be even more milestones ahead for you and the Mount St. Charles Academy program.

Sincerely,

GARY B. BETTMAN,
Commissioner.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, January 22, 2002.

Coach BILL BELISLE,
Mount St. Charles Academy, Logee Street, Woonsocket, RI.

DEAR COACH BELISLE: Please accept my very best wishes on another amazing milestone in your hockey coaching career at Mount St. Charles Academy.

When Congress returns to session tomorrow after our annual winter recess, I will make certain that the rest of the nation is also aware of your latest accomplishment. The *Congressional Record* will reflect the fact that on January 5, 2002, you earned your 696th career victory. This win by a score of 6–2 over Toll Gate High School at Thayer Arena in Warwick set a new national high school hockey record for all-time career coaching victories.

It is even more incredible that you established this record in your 27th season at Mount. The old record, held by Ed Burns at Arlington High School in Massachusetts, was set over a 49-year career.

It is certainly impressive that you have led the Mounties to 24 consecutive state championships and that you have won 88 percent of all the games you have coached. But even more impressive to me is the caliber of first-class individuals that have graduated from the Mount St. Charles' program.

Dozens and dozens of your players have earned full-tuition college scholarships to major academic institutions. While many have gone on to play for the United States in the Olympic Games, or to play professionally in the National Hockey League and in Europe, even more have experienced successful careers off the ice. Their journey through adult life has been made smoother because of the great discipline and work ethic you have taught them at an early age. The ''Mount Style'' that you are so proud to instill in them has served these young men well in their careers well beyond their hockey-playing days.

Please accept my wishes for many more victories both on and off the ice. I also wish to extend congratulations to your wife Yvette, who has been your partner through this whole Mount Dynasty; your son David, who also doubles as your highly successful assistant coach; and the rest of the Belisle family. Congratulations again!

Sincerely,

PATRICK J. KENNEDY,
Member of Congress.

PAYING TRIBUTE TO KEVIN DOWDELL

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. McINNIS. Mr. Speaker, it is with profound sadness that I pay tribute to New York City firefighter Kevin Dowdell who passed away on September 11, 2001. Kevin died tragically while carrying out the very acts of selflessness and bravery that were the hallmark of his life. As his family mourns this loss, I believe it is appropriate to remember Kevin and pay tribute to him for his many contributions to his country.

As a distinguished firefighter in the New York City Fire Department, Kevin dedicated his life to serving and protecting others, and embodied the spirit of courage and bravery that has sustained this country during these times of tragedy and mourning. Not only was Kevin one of New York's bravest, but he was also one of this country's bravest. It is because of men like Kevin Dowdell that all of us, as Americans, can hold our heads high and take comfort in the fact that we live in the greatest country on Earth, and among the most courageous and extraordinary people on Earth.

Kevin's mother, Gloria—a long-time resident of Colorado—remembers that Kevin had dreams of becoming a firefighter from the time he was four years old. After realizing that lifelong dream, Kevin excelled as a firefighter, becoming an expert in difficult rescues and garnering high praise from both his colleagues and superiors alike. Not only was Kevin an exceptional firefighter, but he was, perhaps more importantly, an exceptional father, husband, brother and son. The selflessness that propelled him to a career as a firefighter was even more evident in his family life. He tirelessly gave his time, love and energy to each and every member of his family, taking them on tours through New York, playing in his son's band and organizing family vacations. He is survived by his loving wife RoseEllen and his two sons Patrick and James.

Mr. Speaker, we are all terribly saddened by the loss of Kevin Dowdell, but take comfort in the knowledge that our grief is overshadowed only by the legacy of courage, selflessness and love that Kevin left with all of us. His life is the very embodiment of all that makes this country great, and I am deeply honored to be able to bring the attention of this body of Congress to his life. It is in times of great tragedy and hardship that true heroes emerge, and I am proud to say Kevin Dowdell is a hero not only to me, but to his family, his friends and to this country.

NATIVE SON OF SAN MATEO SHINES IN SUPER BOWL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. LANTOS. Mr. Speaker, the victory of the New England Patriots in last night's Super Bowl was not just an incredibly good football game—one of the closest and most exciting games in Super Bowl history—but it was also a cause for celebration that spanned our nation from coast to coast. Today the City of San Mateo and Peninsulans join fans in New England in celebrating the Patriots' victory. It is a shared celebration because New England Quarterback Tom Brady first showed signs of football greatness as the quarterback for Junipero Serra High School in his hometown of San Mateo in my congressional district.

Mr. Speaker, Tom Brady was the youngest quarterback ever to lead a team to a Super Bowl victory and was also selected Most Valuable Player in the game. This was a fitting end to a truly magnificent season for Tom Brady. As a sixth round draft choice in the 2000 NFL draft, Tom started his second season as the back-up quarterback, whose goal for the 2001–2002 season was simply to become a better football player. Fate, however, had different plans as he was thrust into the starting role during the third game of the season. The newfound responsibility never fazed this calm young man. He accepted his new role and led the Patriots from a 0–2 start to the season to end with eleven wins in the regular season and a trip to the playoffs.

During the playoffs, Tom faced and conquered a wide variety of adversities, from snowballs to ankle sprains, he never wavered and refused to back down as he lead his team to the Super Bowl. Entering the game as heavy underdogs, Tom Brady played the greatest game of his young career in the same way he played throughout the regular season—calm, cool, and under control. After three quarters the Patriots lead 17–3, but then the Rams made a comeback and Tom Brady found himself on his own 17 yard line, facing the daunting task of moving the ball sixty yards with 90 seconds left in the game, and his team with no time outs remaining.

Mr. Speaker, many thought he should run out the clock and move the game into overtime. Brady, a true competitor, walked onto the field to begin a drive to win in the remaining 90 seconds. As he said, ''I was going out to win the game.'' And that is exactly what he did, as he threw pass after pass to march his team into field range and set up his kicker to win the game. Adam Vinatieri's kick sailed through the uprights just as time expired, and the Patriots were champions. A roar not only erupted from the stadium in New Orleans, but a similar outburst erupted from the house on Portola Drive in San Mateo, where friends and family of the Brady family had gathered to watch the game.

Mr. Speaker, from his days of flag football on Portola Drive in San Mateo, to the fields at Serra High, to the University of Michigan, to the National Football League and being named Most Valuable Player of Super Bowl XXXVI, Tom Brady always played with confidence and charisma and found success at every level. It is obvious from watching Tom Brady play that he truly loves the game of football. He always smiles, and his enthusiasm and confidence is infectious to his team. As one of his wide receivers said, ''You can't say enough about the kid. He has a tremendous amount of confidence, and it rubs off on everyone else.''

Mr. Speaker, I invite my colleagues to join me in congratulating Tom Brady on an incredible game and wishing him continued success. All of us from San Mateo and the Peninsula are proud of our native son.

COMMEMORATING THE 90TH ANNIVERSARY OF HADASSAH

HON. LOIS CAPPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mrs. CAPPS. Mr. Speaker, today I rise to honor the 90th anniversary of one of America's foremost organizations, Hadassah, the Women's Zionist Organization of America. This organization has grown to become the largest women's and Jewish membership organization in the United States, comprised of over 300,000 individuals. Hadassah will begin to celebrate its 90th year on February 26, 2002.

Since its founding in 1912, Hassadah's devoted members have helped improve the lives of women and indeed, all of humanity. Foremost among these contributions is Hadassah's incredible contributions to health care in Israel. Their flagship project, the Hadassah Medical Organization, provides health care of the highest caliber to a myriad of individuals from throughout the Middle East, without racial, religious or national prejudice, and also aids the training of health care workers. In addition, Hadassah's humanitarian mission has long made the organization a supporter of a peaceful and stable Middle East.

Within the United States, Hadassah is an active player on a number of critical public policy concerns. This includes a program for breast cancer detection and awareness, Jewish family programs, and the encouragement of civic participation. Hadassah also places an emphasis on education of both its members and the general public, especially in regard to American-Israeli relations, separation of church and state, and women's health.

I congratulate Hadassah on its commitment to improving the lives of countless people in the Middle East and here in America. The past 90 years have demonstrated the need for organizations such as Hadassah, and I wish its members nothing but continued success in the future.

TRIPARTITE MEETING ON CLIMATE CHANGE AND RENEWABLE ENERGY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. GILMAN. Mr. Speaker, I recently participated in the Tripartite Meeting on Climate Change and Sustainable Energy, sponsored by GLOBE USA, the affiliate of Global Legislator's Organization for a Balanced Environment (GLOBE), a voluntary non-partisan educational association comprised of Senators and Representatives from our Congress that is dedicated to promoting a balanced and informed policy regarding our environment. I applaud the work of our distinguished colleagues Representatives SHAYS, the chairman of GLOBE USA; JIM GREENWOOD, president of GLOBE International; MARK UDALL, vice president of GLOBE International and co-chair, House Renewable Energy and Efficiency Caucus, and all of our colleagues who attended and contributed to the informative sessions with our colleagues from Canada, the UK, and the EU.

One thing we all agree upon is the important role that renewable and alternative sources of energy play in our national energy policy and debate. H.R. 4, which passed in the House on August 2, 2001, contained provisions for alternative and renewable sources of energy. On December 5, 2001, the Senate Energy Committee chairman introduced S. 1766, an omnibus energy bill that responds to H.R. 4, which also contains provisions for research and development funding for alternative and renewable sources of energy. H.R. 4, drew much criticism as a result of its provisions allowing for oil exploration and drilling in ANWR and for not adequately increasing the CAFE Standards of light trucks and SUV's. It is imperative that our two legislative bodies reconcile their differences, so that our nation may have a comprehensive energy plan that makes sense for the American people. Today's meeting reemphasized the importance of renewable and alternative sources of energy in our ever evolving and dynamic global community.

I have long advocated renewable energy and strongly believe that we can not continue to utilize fossil fuels at the rate of our consumption. It is only through research and development of renewable and alternative sources of energy that our Nation can be free from its reliance on foreign sources of oil from nations that are hostile to our Nation, our democratic system of government and our way of life.

Mr. Speaker, when the price of crude oil trades at $38 a barrel, we hold hearings, send letters to the President, the Secretary of Energy, the Secretary of Commerce and the Secretary of State seeking their intervention with the OPEC nations to bring the price of oil down. Congress threatens sanctions and passes resolutions condemning OPEC. Now that the price of oil is low, and where we can purchase a gallon of gasoline for less than $1.10, there is a tendency for all of us to become complacent and we fail to remember the exorbitant price of gasoline. The fact is, that the Organization of Petroleum Exporting Countries (OPEC) is a cartel, and in a very short period of time the price of imported crude may spike, and for the most part there is very little that we can do when OPEC shuts off the spigot, but watch oil prices soar. We can not out pump OPEC and the only way to beat them at their own game is to develop a robust ''portfolio'' of alternative and renewable sources of energy. There is an energy crisis confronting our Nation, and like cancer it is in temporary remission, waiting to rear its ugly head when we think we have defeated it and when we least expect it. When that occurs it is at the expense of the hard working people of our nation, impacting every sector of our economy.

By incorporating renewable and alternative sources of energy such as wind, biomass, hydropower, geothermal, photovoltaic, fuel cells and the hybrid-vehicle technology, not just as part of our national energy plan, but as part of our national persona, we not only accomplish our goal of energy self-sufficiency, but we will also fulfill one of our national security priorities. Former CIA Director Woolsey asserts that our reliance on foreign oil is one of the top three national security threats to our nation. By adopting a comprehensive program of research and development in renewable and alternative sources of energy, we not only will reduce a major threat to our national security, but we will also strengthen our homeland defense initiatives, by taking a threat out of the equation.

By establishing realistic goals, utilizing and harnessing the entrepreneurial and technological spirit, drive, creativity and ingenuity of the American people in developing alternative and renewable sources of energy; we will also reduce the catastrophic effects that fossil fuel has on our environment, thereby preserving our precious environment and our resources for generations to come.

Moreover, I believe that the Administration should continue to be engaged in the Kyoto negotiations process and we should continue to use our leadership and consensus building to enter into an agreement that is both realistic and enforceable for our nation, and is amenable to its prospective signatories.

Mr. Speaker, I urge our colleagues to make alternative and renewable sources of energy a national priority. By working with our colleagues throughout the world we can achieve our shared energy goals.

IN HONOR OF EDUCATORS IN CLEVELAND

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. KUCINICH. Mr. Speaker, I rise today in honor of Cleveland teachers for today's event: Salute to Teachers—Celebrating Cleveland's Educators.

Today's event celebrating the efforts of Cleveland teachers originated from the work of Fox 8 photojournalist Herb Thomas and Assistant News Director Sonja Thompson who, while working on special assignment on the issue 14 campaign, became familiar with the work and efforts of Cleveland educators. Their discovery compelled them to hold this event to inform the public and recognize the many good works of Cleveland area teachers.

Teachers are often a source of inspiration and success to many of us. Indeed, Cleveland teachers have a most important responsibility of giving our children the educational tools needed to equip them to face any challenge in their future lives. Being in contact with their students almost daily, a teacher's influence goes beyond just textbook reading, writing and arithmetic. Teachers are, by virtue of their position, often charged with the responsibility of caring and nurturing each student's personal, social and emotional development. They come to develop strong interpersonal relationships with their students which often last well beyond the elementary and secondary school years. Cleveland educators deserve high recognition for their efforts in enriching the minds and hearts of many of our community's children.

Mr. Speaker, please join me in honoring Cleveland educators who are touching the lives of thousands of students. They have given their time and dedication to the local community and have earned the respect of students, faculty, and the entire Cleveland community.

INDIA MUST RELEASE SIKH POLITICAL PRISONERS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. TOWNS. Mr. Speaker, many of my colleagues are strong supporters of India. They apparently believe India's claim that it is ''the world's largest democracy.'' But why does a democracy have political prisoners?

According to a report last year by the Movement Against State Repression (MASR), the Indian government admitted to holding 52,268 Sikhs as political prisoners. Amnesty International has reported that tens of thousands of other minorities are also being held as political prisoners. These prisoners are being held without charge or trial, illegally. Some of them have been in illegal custody for many years, despite the provisions of the law. Many of the Sikh political prisoners have been in detention since 1984. That's 18 years, Mr. Speaker. Eighteen years! How can a democratic state justify this?

Now, all of us want good relations with India and with all nations, as the President said in his State of the Union speech. But we also want to support the cause of freedom for all the people in the world. That is one of the main reasons we are fighting terrorism. We should use our increasing ties to India to pressure them to release all their political prisoners. As the bastion of democracy, it is our duty to speak up for these oppressed minority people.

Leading activists like Jaswant Singh Khalra, former Jathedar Gurdev Singh Kaunke, and so many others have been killed by the Indian government after being made to disappear. Christians have suffered an ongoing wave of persecution, which many of us in this House have detailed repeatedly. It is time for the civilized world, under the leadership of the United States, to speak out strongly against this repression. But in addition, we must take prudent, peaceful, measured action to stop the repression of these minorities.

The Sikh leadership and the leadership of the other minorities should nominate the political prisoners for office as a way to help secure their release. This would make it much more difficult for India to continue holding them.

I might note that India has also been a practitioner of terrorism. It created the Liberation Tigers of Tamil Eelam (LTTE), a Tamil militant group that our government designates as ''terrorist,'' and harbored its leaders in the most elegant hotel in Delhi. It has been reported that the Indian Defense Minister has raised money and supplied arms for the LTTE. It has also been reported that the Indian government sponsors terrorist activity in Sindh, a border province of Pakistan. As you know, Pakistan has been a strong supporter of our efforts in the war on terrorism until India's troop movements forced them to divide their effort and pull troops off the Afghan border to counter an impending threat from India.

In addition, India paid the late governor of Punjab a lot of money to generate terrorism in Punjab and Kashmir. Indian troops were caught trying to set fire to a Sikh Gurdwara. There are numerous other incidents, such as the Air India bombing, the Chithisinghpora massacre, and other incidents, where the evidence points strongly to the Indian government.

If India cannot behave like a civilized, democratic nation, it does not deserve to be treated like one. We should stop American aid to India until the political prisoners are released and the minorities can enjoy their full rights and liberties, and we should strongly urge India to hold a free and fair plebiscite in Kashmir, Khalistan, Nagaland, and all the nations seeking their freedom. Remember that India promised a plebiscite in Kashmir in 1948. I call on India to deliver on that promise. We should work with them to bring this about. That is the way that we can help secure the blessings of liberty for all the people of South Asia.

KAZAKHSTAN AND THE U.S.: A GROWING PARTNERSHIP IN NEED OF OUR SUPPORT

Mr. Speaker. The terror that struck our country on September 11 brought anguish to the hearts of all caring people. Events that followed have focused the world's attention on Central Asia and the war against the terrorists.

Kazakhstan, the largest nation in that region, has offered cooperation in every area of the war effort. Kazakhstan has stood with us, and we, as Americans, must join hands with them, helping Kazakhstan and our other new allies in the area as they work to stabilize this critical region.

''Kazakhstan plays a crucial role for the international community as a bulwark against regional instability and conflict,'' President Bush said in a recent letter to President Nazarbayev of Kazakhstan. ''America especially appreciates Kazakhstan's strong support in fighting the international scourge of terrorism,'' the President added.

As we are nearing the end of the military phase of the Afghan campaign and turning our attention to rebuilding that country, Kazakhstan, lying 200 miles to the north of Afghanistan, can play a crucial role in the success of these efforts. There are many reasons for this: most important are Kazakhstan's strong economic record, enormous potential, political stability and success in providing equal opportunities for all of its 130 ethnic groups, and, last, but not least, its willingness to participate fully in rehabilitation efforts in Afghanistan. Kazakhstan's largely Muslim community, although secular, has a special appreciation for the suffering and the hopes of the Afghan peoples. Already 25,000 tons of grain from the fertile lands of Kazakhstan have reached the hungry in that war-torn region. More will be coming.

For Kazakhstan to be able to realize its potential to help to the rebuilding of Afghanistan and restore regional stability, the country needs firm and long-term support from the United States. There are many reasons we should become more involved with this strategically important country. Not the least are the vast oil reserves of Kazakhstan that could potentially rival those of Saudi Arabia and will help guarantee our future energy needs. Kazakhstan's cooperation in the war on terrorism coupled with our energy concerns mean that now is the time for us to support Kazakhstan and their bright future.

President Nazarbayev's recent visit to Washington strengthened the Administration's recognition of the need to develop closer ties with Kazakhstan. The Government in Astana obviously wants closer ties, and America can only benefit from working more closely.

In the Joint Statement Presidents Bush and Nazarbayev adopted after their meeting, they confirmed a ''commitment to strengthen the long term strategic partnership and cooperation''. I particularly welcome the Energy Partnership Declaration, which identified ''a long-term energy partnership'' as ''one of the key elements of the strategic interaction'' between Kazakhstan and the USA. I fully support those intentions, and I ask unanimous consent to put the joint statement of these world leaders in the CONGRESSIONAL RECORD.

I believe that the decade of growing friendship and cooperation, and particularly the strong support shown to us by Kazakhstan in fighting terrorists, has proved Kazakhstan to be our true friend and worthy of all help we can provide.

Friends help friends. There are a number of very real steps Congress must take:

First, we should work to graduate Kazakhstan from an outdated Jackson-Vanik amendment to the Trade Act of 1974 and grant Kazakhstan permanent normal trade relations status. I welcome the U.S. administration's stated intention to work with Congress on this issue and I call on my colleagues to support H.R. 1318 which I proudly cosponsored. It will repeal Jackson-Vanik in relation to Kazakhstan. This step needs to be taken during the current session. It will provide a much-needed boost for the expansion of the U.S. trade ties with Kazakhstan and will directly benefit hundreds of American businesses there. I remind my fellow members of Congress, and the American nation, that American investment in Kazakhstan over the past decade totals 5 billion dollars. That makes the U.S. the largest single foreign investor in the country, and makes Kazakhstan the clear focus of American investment in Central Asia.

Second, Congress should consider earmarking assistance to Kazakhstan in the next year's budget. The assistance should go to further solidifying Kazakhstan's successes in reforming its economy and society, as well as to strengthening its military and border protection. This move will send a clear message to the people of this important ally that the U.S. is serious about its intentions to stand by Kazakhstan as they move to become the main driving force behind the development of Central Asian stability and prosperity.

Mr. Speaker, we are truly committed to seeing the whole of Central Asia develop into a truly stable and prosperous region. Only then will it cease to be a breeding ground for terrorism and a source of threats to our homeland and other peaceful nations. The time to act is now.

JOINT STATEMENT BY PRESIDENT GEORGE W. BUSH AND PRESIDENT NURSULTAN NAZARBAYEV ON THE NEW KAZAKHSTAN-AMERICAN RELATIONSHIP

[The White House, December 21, 2001]

We declare our commitment to strengthen the long-term, strategic partnership and cooperation between our nations, seeking to advance a shared vision of a peaceful, prosperous and sovereign Kazakhstan in the 21st Century that is increasingly integrated into the global economy and the community of democratic nations. To this end, we will advance our cooperation on counterterrorism and non-proliferation, democratic political and free-market economic reform, and market-based investment and development of energy resources.

These goals further reflect our recognition that the threats of terrorism and proliferation of weapons of mass destruction endanger the security not only of the United States and Kazakhstan, but of the world at large. We therefore seek to develop our security cooperation to address these challenges and foster cooperation among Kazakhstan, its Central Asian neighbors, the United States, and our European friends, partners, and allies. In pursuit of these objectives, we are determined to deepen cooperation bilaterally and within NATO's Partnership for Peace.

We reiterate our intent to cooperate in the war against terrorism to its conclusion and within the framework of the international coalition. We underscore our support for a broad-based Afghan government at peace internally and with its neighbors. We also pledge our readiness to cooperate in Afghanistan's reconstruction.

Recognizing that Kazakhstan was the first country to renounce its nuclear-weapons status voluntarily, we reaffirm our mutual commitment to the non-proliferation of weapons of mass destruction. Both sides agree on the need for urgent attention to improving the physical protection and accounting of all nuclear, chemical, and biological weapons materials in all possessor states, and to preventing illicit trafficking in these materials. We pledge to expand our cooperation on these matters under the United States-Kazakhstan Cooperative Threat Reduction Agreement.

In the spirit of partnership, Kazakhstan and the United States intend to strengthen joint activity in ensuring security and stability in Central Asia. We agree that the expansion of trade and economic ties among the states of Central Asia, and deepening of regional integration in important areas, such as the environment, water resources, and transportation systems are a basis for regional security. The United States will consider enhancing assistance programs to Kazakhstan to strengthen border security and to increase the defensive capabilities of the Armed Forces of the Republic of Kazakhstan.

We recognize that free market economies and the rule of law provide the most effective means to advance the welfare of our citizens and the stability of our societies. The United States and Kazakhstan pledge to advance our bilateral economic, trade, and investment relations, including through expanded contacts between the business communities of our countries. We will strive to further develop an attractive, transparent and predictable investment climate. Achieving this goal requires removal of legislative and administrative barriers to investment, strengthening respect for contracts and the rule of law, reducing corruption, and enhancing Kazakhstan's strong record on economic reform.

We also intend to cooperate to advance Kazakhstan's integration in the global economy by supporting Kazakhstan's accession to the World Trade Organization on the basis of standard and agreed criteria, and its graduation from the Jackson-Vanik Amendment.

We affirm our desire to strengthen our energy partnership to diversify export options for Kazakhstan's oil and gas and to diversify global energy supplies. We share the view that a key element of this effort is development of multiple pipelines that will ensure delivery of Caspian energy to world markets, unfettered by monopolies or constrained by geographic chokepoints. We welcome the recent opening of the Caspian Pipeline Consortium (CPC) Pipeline and underscore our support for development of the Aktau-Baku-Tbilisi-Ceyhan oil export route on commercial terms. We will also work together to protect the rights of foreign investors and to abide by decisions of courts, particularly of international courts of arbitration.

Recognizing that democracy is a cornerstone of long-term stability, we reaffirm our desire to strengthen democratic institutions and processes, such as independent media, local government, pluralism, and free and fair elections. We also reiterate our mutual commitments to advance the rule of law and promote freedom of religion and other universal human rights as promoted by the United Nations and the Organization for Security and Cooperation in Europe, of which we are both members. Finally, we pledge to enhance understanding between the citizens of our two countries by promoting people-to-people exchanges, initiatives of nongovernmental organizations, and contacts between business people.

PAYING TRIBUTE TO MORLEY BALLANTINE

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Morley Ballantine and thank her for her contributions to the State of Colorado and the Durango community. Morley will always be remembered as a dedicated pillar and leader of the community. She has been honored and idolized throughout the years for her hard work and commitment to preserving the Southwestern heritage and culture. As we celebrate her exceptional honor of being inducted into the Colorado Business Hall of Fame, I would like to take the time to highlight her career and bring several of her accomplishments to the attention of this body of Congress.

Morley became a member of the community when she and her husband, Arthur, relocated to Durango in 1952 and established a local newspaper, the Durango Herald. Their passionate, lifelong pursuit of providing quality, trustworthy news to Colorado citizens has been rewarded and praised throughout the region for over fifty years. As the Durango Herald passes this recent milestone, it enjoys the ranking as one of Southern Colorado's most influential news sources in the region. Morley, along with son Richard, have led the paper's efforts to produce quality journalism and are additionally responsible for several other successful outlets, notably the Mancos Times, the Cortez Journal, and local magazine Inside/Outside.

In their quest to continue and promote our Western roots, the Ballantines have dedicated their resources and energy to preserving our historic cultures. Beginning in 1964, the family contributed $10,000 to fund the Center for Southwest Studies located at Ft. Lewis College in Durango. The center is responsible for the collection and maintenance of artifacts, records, and accounts of Colorado history, most notably the ancient Anasazi Indian culture. Their initial donation was just a prelude to the enormous and generous donations of $500,000 over the last century.

Mr. Speaker, Morley Ballantine, as well as her family, have been model citizens and icons of the State of Colorado. Throughout her life, Morley has dedicated her time and energy to improving her fellow citizen's lives through organizations such as the Colorado Forum, Women's Foundation, and ensuring our younger generations are provided with a quality education as a trustee emeriti for Fountain Valley School in Colorado Springs. She has been a true leader for Colorado and her efforts certainly deserve the praise and adulation of this body of Congress, and this nation. Congratulations on your recent honor Morley, and good luck in your future endeavors.

NATIONAL LAMPOON ARTICLE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. STARK. Mr. Speaker, I encourage my colleagues to take a moment to read the following article from the satirical website magazine, National Lampoon Dotcom. Sometimes irony is the most revealing truth.

[From the National Lampoon, Jan. 29, 2002]

COMPANIES LINE UP TO HIRE ARTHUR ANDERSEN

NEW YORK—Accounting firm Arthur Andersen stunned observers when, in the wake of the Enron scandal, the red-faced auditors reported a huge leap in new business.

''We were worried that the allegations of signing off on fake partnerships, covering up millions in losses and shredding documents would tarnish our image,'' stated Andersen CEO Joseph Berardino. ''But it turns out that a lot of companies have seen that we here at Arthur Andersen are willing to go the extra mile for their business.''

Business experts agree.

''There are a lot companies, particularly on the NASDAQ, that could stand to have $600 million in bogus profits right now,'' noted Mike Farnsworth, CEO of Temblor Telecommunications. ''It makes management look good.''

''Look, most of my compensation is based on options,'' continued Farnsworth. ''Why would I hire an accounting firm that might insist on the spirit of the law, when I could hire Arthur Andersen and cash out? Those guys are pros! When I saw that guy [David Duncan] refuse to testify in front of Congress, I knew that the boys at Andersen had balls. There's no 'I' in 'Team' with them.''

The rest of the big 5 accounting firms have taken note.

''At KPMG, we're not just a rubberstamp,'' stated Global Chairman Stephen Butler. ''We're a respected rubberstamp.''

Farnsworth is unmoved. ''I'm going to stand in front of all my employees this afternoon and tell them that there's no better time to buy our stock, even though at the same time, I'll be dumping my shares faster than I ditched my second wife. The only reason I can do this is because I can rest-assured that the $500 million of debt hidden in off-shore partnerships will be just between me and Arthur Andersen.''

''Every time they invoke the 5th Amendment, they prove they're a name I can trust,'' finished Farnsworth.

PAYING TRIBUTE TO WILLIAM HERMAN FAIRBROTHER

HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. ROGERS of Michigan. Mr. Speaker, I rise to pay tribute to William Herman

Fairbrother for his service to our country. Mr. Fairbrother served his country for forty-three years and did what he loved.

William Herman Fairbrother was born in Endicott, New York, on March 28, 1923, the son of Lieutenant Herman and Caroline Fairbrother. He grew up on a variety of Infantry Posts, to include the Panama Canal Zone, and Manila, Philippine Islands. Bill entered the United States Military Academy at West Point on a Congressional appointment from the 34th District of New York. When he arrived at West Point he knew the prepared sling, the hasty sling and had qualified with the 30-caliber water-cooled machine gun. This made it easy to shoot expert with the MI Garand plebe year. Academics, however, were something else. With the help of ''Sully's Cram School'' in Washington, DC the previous year he did fairly well in the first half year. But after that it was a continuing struggle to stay proficient. Because of many moves, High School had been rushed and spotty, and the four years of Academy study being rushed into three because of World War II made the task even harder. On the other hand, flying, which was his first love went smoothly. Primary flight training in Texas and then Basic and Advanced at Stewart during the three years went without problems. It was during the Plebe year that he picked up the nickname ''Fair-Bee'' in keeping with the academy tradition to reduce the spoken word to its simplest form.

Fair-B graduated with the class of 1944, the D-Day class, albeit rather far down the list. On the very next day, in the Cadet Chapel, he married his childhood sweetheart, Patricia Ross of Kenmore, New York and they lived happily ever after. P–40 and P–47 training, together with those of the class selected for the Fighter business, followed with time at many different bases, as the Service endeavored to stuff as much military experience into the class as they could before sending them overseas. Shortly thereafter it was Ie Shima Flying P–47's against the Japanese. After the war the unit moved over to Okinawa and Patricia joined him there in 1946. They, along with many other pioneer souls set up housekeeping in a Quonset hut. Number one daughter, Bonnie was born in Okinawa in 1947. In December 1947, Fair-B brought the family back to the US to Selfridge, Michigan. The duty was with the 56th Fighter Group flying F–80's and F–86's, where he was squadron adjutant and group adjutant. It was during this time, in 1948, that daughter number two, Nancy, was born. In 1951 it was off to Minneapolis in the Air Defense Control Center business. There he was assigned as an aircraft controller and control center chief with the 31st Air Division. Flying time was cadged from the local guard squadron, which was equipped with P–51s. Then in 1953 cold weather assignments continued, this time to Rapid City, South Dakota and the 54th Fighter Interceptor Squadron at Ellsworth Air Force Base. This was probably the happiest assignment in his career, with over two years of the time there being in command of the squadron. Initially, the airplanes were P–51s, then F84Gs and finally F–86Ds. He had always said that next to being a Captain and Fighter Squadron Flight commander, the position of Fighter Squadron Commander was the best job in the Air Force.

Exchange duty with the Royal Air Force at RAF Manby, England followed in June of 1956. The assignment was attendance at the RAF Flying College. The family thoroughly enjoyed this short tour living in the small East Anglia town of Sutton-on-Sea, going to English Schools, learning the language, dealing with pounds, schillings and pence, and driving the left side of the road. Fair-B accumulated a respectable amount of time in British Aircraft to include the Gloster meteor, Hawker Hunter and British Electric Canberra. In January 1957 the family arrived in Rabat Morocco. The assignment here was Chief, Combat Operations in the 316th Air Division. Further broadening and true sophistication took place during this time. Not only was the Division partially manned with French Air Force personnel but also, the family lived in a French villa and had an Arab houseboy. In addition, flights on military aircraft, with family, up to the European continent were allowed once a year. They took full advantage of this privilege and managed to visit Spain, Portugal, Italy, France, Germany and Switzerland during their Moroccan stay. The Division Fighter Squadrons were equipped with F–86D and F–100 aircraft so Fair-B was able to keep his hand in. There were many trips to Wheelus Air Force Base in Tripoli, Libya, where the squadrons when TDY for gunnery and rocketry training.

The three and a half years in North Africa went by quickly, and the return to the US happened in June 1960 with attendance at the Air War College. Following graduation from the Air War College he spent a long five years in the Pentagon, first on the Air Staff in War Plans and then as Executive Assistant in the Office of the Air Force Chief of Staff. One year with Curtis LeMay and one year with John McConnell provided rare and valuable staff experience.

After the fast pace of the Washington area, duty on the CINCPAC staff in Hawaii, starting in 1966, seemed slow indeed. Here Fair-B served on the staff of the Commander in Chief, Pacific, at Camp Smith. Not only did they take off for the weekends, but Wednesday afternoons as well. The duty was good, with many evaluation trips to the MAAG supported countries in the Far East. This, together with quarters on Hickam, and the benevolent Hawaiian weather made for a delightful tour.

Patricia stayed in Hawaii when Fair-B went to the Republic of Vietnam to join the 14th Special Operations Wing. As Vice Commander and then Commander he was kept busy monitoring the varied activities of the Wing, which were performed from nine separate bases. The little command O–2 spent a lot of time touring the country. In addition to the clandestine operations, the Wing had the AC–47 and AC–119 gunships, the psychological warfare business with O–2s and C–47s and the only armed helicopter squadron in the Air Force, flying UH–1Ns. He served the Wing from September 1969, to September 1970.

After Vietnam the next assignment as Deputy Chief of Staff at Headquarters Air Force Logistics Command at Wright-Patterson Air Force Base, Ohio with the job of DCS Distribution. The assignment was not because of any logistics experience but mainly because the boss man wanted some operational talent on the staff. The job was fascinating and of enormous scope. Fair-B jumped in with his typical enthusiasm and his performance helped in getting him promoted to Brigadier General on April 1, 1972. Separation from the Air Force came in 1974 with Fair-B being allowed to keep the wife and kids and the Air Force keeping the airplanes. His decorations and awards include the Legion of Merit, Distinguished Flying Cross with oak leaf cluster, Air Medal with two oak leaf clusters and the Meritorious Service Medal. He was a command pilot.

Fair-B and Patricia, hand in hand then returned to Hawaii, their choice of all the places they had tried throughout the years. They moved into an apartment on Waikiki beach and then took the time to read what there wasn't time for before, and work on the projects that had long ago been put aside. Other activities during this eight-year idyll included working with the House Republican Whip in the Hawaii State Legislature, activities with the Retiree Affairs Council at Hickam and work with the Oahu Chapter of the Air Force Association. 1982 found them in San Antonio, Texas, and in 1987 they made their next-to-the-last PAC move into a cottage at Air Force Village II. Fair-B served three years as a Trustee on the Board of the Air Force Village Foundation, and over three years as a Director on the Air Force Village 11 Board of Directors.

He died at 6 am on January 27th at Air Force Village II. He is survived by Patricia; daughters and sons-in-law Bonnie and Jerold Kreidler, Nancy and James Councilor and granddaughters Katherine and Patricia Councilor.

While it can be said he never single handedly moved the world around, he certainly participated in many worthwhile events that did. As a result those who knew him well can look back over his busy years and say, ''Not too shabby, old son, not too shabby.''

William H. Fairbrother lived his life according to the Cadet Prayer spoken so many decades ago.

O God, our Father, Though Searcher of Human hearts, help us to draw near to Thee in sincerity and truth. May our religion be filled with gladness and may our worship of Thee be natural.

Strengthen and increase our admiration for honest dealing and clean thinking, and suffer not our hatred of hypocrisy and pretence ever to diminish. Encourage us in our endeavor to live above the common level of life. Make us to choose the harder right instead of the easier wrong, and never to be content with a half truth when the whole can be won.

Endow us with courage that is born of loyalty to all that is noble and worthy, that scorns to compromise with vice and injustice and knows no fear when truth and right are in jeopardy.

Guard us against flippancy and irreverence in the sacred things of life. Grant us new ties of friendship and new opportunities of service. Kindle our hearts in fellowship with those of a cheerful countenance, and soften our hearts with sympathy for those who sorrow and suffer.

Help us to maintain the honor of the Corps untarnished and unsullied and to show forth in our lives the ideals of West Point in doing our duty to Thee and to our Country.

All of which we ask in the name of the Great Friend and Master of all. Amen.

Therefore, Mr. Speaker, I respectfully ask my colleagues to join me in paying tribute to Mr. William Herman Fairbrother. I salute his service to our country.

PERSONAL EXPLANATION

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. WELLER. Mr. Speaker, on January 24, 2002, I inadvertently missed a vote because of an electrical failure in my office which caused the buzzer system to malfunction. Had I been present, I would have voted ''aye'' on this important legislation which amends the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers.

SIXTH GRADE ALL-STAR BASKETBALL EXCHANGE

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mrs. MORELLA. Mr. Speaker, I rise today in recognition of thirteen of my young constituents, and in recognition of the organizers of the Thirty-seventh Annual Potomac, Maryland/Windsor Locks, Connecticut sixth Grade All-Star Basketball Exchange, which took place this past weekend, February 1–3.

For the past thirty-seven years, the best sixth grade basketball players from Potomac, MD and Windsor Locks, CT have met to compete and to forge friendships that span 300 miles of Atlantic coastline. The exchange began in 1965 when two gentlemen, an Allegheny Airline pilot from Maryland and a Bradley Airport manager from Connecticut made a friendly bet on whose sixth grade basketball team was better. Every year since, parents and children from Potomac and Windsor Locks have contributed memories to the history of the exchange. This year, the weekend culminated in a Saturday night showdown at the MCI center, here in Washington. I can proudly announce to you that the game was won by the team from Potomac. The big weekend followed a January trip to the Basketball Hall of Fame in Springfield, Massachusetts, where the boys got a chance to learn about the history and development of the game.

The Potomac team, coached by Rick Brown, consisted of Jamie Bloom, A.J. Brown, Brian Casey, Ben Chernow, Matt Grady, Mike Giannangeli, Ian Hendrie, Kyle Moshkin, Matt Nunez, Brendan Oldham, Colter Phillips, Blake Toll, and Ezra Weisel. The Connecticut team was coached by Mike Heneghan and Mike Barile. The team's players were Kevin Barile, Spencer Bernard, Kyle Cirillo, Bryan Doherty, Jose Forbes, Ryan Gilbert, Kevin Landry, Steve McVey, Geoff Oliveira, Tyler Pepin, Tim Quagliarolli and Matt Wadsworth.

In these days when the term ''National Unity'' seems to be heard on a daily basis, these boys and their parents have bridged a geographic gap and come together on the basketball court. While this tradition has been wonderful for each of its thirty-seven years, this year it serves a special role in reminding us all that while our country is vast and diverse, we need not a national tragedy to bring us together, but instead only a common interest.

I am proud of these athletic young constituents, their parents, and all those who have gone before them to make this anniversary possible. Please join me in applauding these young people, and in wishing the organizers the best of luck in continuing to bring together the sixth graders of Maryland and Connecticut.

HONORING THE PUBLIC SERVICE COMMITMENT OF KAREN PAPASODORA-COCHRANE

HON. J. RANDY FORBES

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. FORBES. Mr. Speaker, last week, the President in his state of the union address called upon all Americans to reveal the better side of their nature and to take time to contribute to their communities through a variety of volunteer activities. I rise today to honor a Chesapeake, Virginia woman who heeded that call long before it was made.

Karen Papasodora-Cochrane is an attorney and mediator, a loving wife and mother for four. But, she is also an active member of her community, volunteering her time, energy, and skills to a variety of causes. Since moving to Chesapeake in 1989, Karen has volunteered to help her neighbors most in need of assistance. She has offered her time raising money for the Chesapeake Care Free Clinic, serving meals to the homeless, and working at the Clothing Closet and Food Pantry at Kempsville Presbyterian Church. Karen has also given of her legal skills, providing pro bono services at the Chesapeake Juvenile and Domestic Relations Court to help victims of domestic violence and supervising a free legal clinic in a low-income community.

Furthermore, Karen has been an active participant in the civic process that keeps our democracy moving at its most basic levels. She has been an active member and leader in the Republican Party of Chesapeake and the Central Chesapeake Republican Women's Club for many years. Later this month, she will be honored by her colleagues for this commitment as Chesapeake's Grassroots Volunteer of the Year. I can hardly imagine anyone who is more deserving of this award.

We can all learn from her commitment and dedication to the principle of public service. I am honored to know her and to have had the privilege of working by her side for the betterment of the city I call home. Her energy has been an inspiration, and I feel privileged to have the opportunity to share her spirit with this chamber today.

PAYING TRIBUTE TO CHARLES HANSEN

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to the life and memory of Charles Hansen, a Colorado newspaperman and visionary whose life and dedication to his community is being inducted and honored by the Colorado Business Hall of Fame. Though Charles has passed away, I am honored today to bring his good deeds and contributions to light before this body of Congress. Charles began his career in journalism and later was instrumental in establishing the gathering of the West's most precious resource, water.

As a young newspaperman, Charles came to the town of Greeley, Colorado in hopes of furthering his career in journalism. His first job was working as a part-time reporter/editor for the Greeley Tribune, where he covered stories throughout the Western Slope of Colorado. Several years later, he bought several small local newspapers and combined their resources and created the ''Greeley Republican.'' He further merged his resources with the Greeley Tribune in 1913 and successfully operated both endeavors as publisher and eventually as President of the ''Greeley Tribune Republican Publishing Co.''

Charles Hansen was a great cultural contributor to the region and was instrumental in bringing well known musicians and talent to the area. He was responsible for establishing the Greeley Philharmonic Orchestra, which enticed symphony orchestras from New York and Los Angeles to visit the state, as well as bringing in notables such as the John Philip Sousa Marching Band. As a member of his community, he was active in the Greeley Chamber of Commerce and dedicated his time and energy to the Northern Colorado Water Conservancy Districts. It was for his dedication to bringing water to the plains from the mountains that Charles will be most remembered.

As any Westerner knows, water is our most precious resource. The water in our state not only satisfies our human requirements, but also is necessary to provide moisture for our agricultural industries. Charles, well aware of the need for this resource, lobbied Congress on behalf of the region and secured funding for what came to be known as the Colorado-Big Thompson Water Diversion Project. The project not only satisfied northern Colorado's water needs but also became a model for aspiring agricultural communities throughout the world. His contributions to the project were later honored when a portion of the canal was named in his honor.

Mr. Speaker, it is with great pride that I have risen today to pay tribute to a patriarch of the State of Colorado. Charles Hansen dedicated his life to improving his fellow Coloradan's lives through contributions to his community, commitment to quality journalism, and dedication to providing his region with its most precious resource. I would like to take this time to congratulate his family on Charles' recent award and let them know that all his fellow Coloradans have benefited from his vision and sacrifice, which had made the region strong and viable today.

AMERICAN MACHINIST MAGAZINE'S 125TH ANNIVERSARY

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. KUCINICH. Mr. Speaker, I rise today in recognition of American Machinist magazine's 125th Anniversary, the oldest metalworking publication in existence.

Since 1877, American Machinist has been dedicated to informing readers about advances in manufacturing technology. This publication has evolved with the industry. American Machinist has documented the manufacturing industry's path from the worker to the machine, and now to computers and robotics.

This vital publication to the industry includes methods and practices of metalworking, cutting, forming, tooling, robotics, quality control, plant operation, and finishing. Its technical depth and cutting edge graphics to illustrate and support each concept separate American Machinist from all other metalworking publications.

American Machinist is written to provide management amd engineers in the field of metalworking with the most up to date technological information and insight into the future of the industry . . . the intent of every issue is to help readers to increase production, cut costs and to stay competitive in the global market.

My fellow colleagues, American Machinist magazine deserves the highest respects for its role and dedication to advancing the manufacturing industry. Management within the industry rely on this magazine to find the most up-to-date information on their industry. I commend this long standing publication for its 125 years of work in the manufacturing industry.

TRIBUTE TO MR. STANLEY MARCUS

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise to commemorate the passing of a great American, Mr. Stanley Marcus. During his lifetime, Mr. Marcus pioneered advances in the retail clothing market, helped make the Neiman Marcus department store a Texas institution and made substantial contributions to the social and cultural life of North Texas.

Mr. Marcus's father, aunt and uncle founded Neiman Marcus in downtown Dallas in 1907. Mr. Marcus graduated from Harvard University in 1925 and received a master's degree in business administration from Harvard's business school a year later.

In 1926, at the age of 21, he took over as the company's secretary, treasurer and director. He went on to become executive vice president, president, chairman of the board, chief executive officer and chairman of the executive committee. Mr. Marcus retired from the company in 1975 with the title Chairman Emeritus.

Stanley Marcus was part of the first generation to celebrate and to sell designer fashion in the United States. In the 1920s, Neiman Marcus was the first to offer personalized gift wrapping for customers and created the first weekly retail fashion show in the country. Neiman Marcus became the first retail apparel store outside New York to advertise in national fashion magazines.

His merchandising genius became legendary. Stanley Marcus believed in elegance, equating it with a keen understanding of appropriateness. He transformed a modest downtown Dallas shop into a world-renowned synonym for quality. ''Vogue'' magazine in 1953 described the store as ''Texas with a French accent.'' One example of his marketing prowess was the introduction of exotic his and-her gifts in 1960, which turned the arrival of the Neiman Marcus Christmas catalog into a major news story each year. Today, Neiman Marcus has 32 stores nationwide, from Honolulu to Boston.

While creating a retail empire was one of his greatest achievements, Mr. Marcus contributed to the lives of North Texans in other ways. He published books, wrote articles for the ''Dallas Morning News'', lectured, and founded the Stanley and Linda Marcus Foundation, which benefits endeavors of art and culture. He helped create the Dallas Opera and helped save the Dallas Symphony when it experienced financial difficulties. He was an art collector and connoisseur who defended the right of the Dallas Museum of Art to display controversial works. Even in his 90s, his civic devotion never flagged. Stanley Marcus is a recipient of Dallas's prestigious Linz Award, which is given for significant humanitarian and civic efforts.

I have a special place in my heart for Stanley Marcus. When I first ran for the Texas House of Representatives in 1972, I was working at the Veteran's Hospital in Dallas. Under the Hatch Act, government employees could not seek elected office. Mr. Stanley provided me a job and critical moral support during my campaign, and this opportunity gave me the political beginning that ultimately brought me to Congress.

Mr. Speaker, when we think about Neiman Marcus, we think about style, elegance, and a joie de vivre. Mr. Marcus epitomized these characteristics. His death on Tuesday, January 22, at the age of 96 is a great loss for the city of Dallas and the nation.

NEW ENGLAND PATRIOTS' SUPER BOWL WIN

HON. RONNIE SHOWS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. SHOWS. Mr. Speaker, I rise today in recognition of the New England Patriots' outstanding Super Bowl victory this past Sunday. It was undoubtedly one of the most exciting Super Bowl triumphs in recent memory.

I commend the New England Patriots for the teamwork that enabled them to overcome the 17–17 tie score that held until the last seconds of the game. While the residents of New England deservedly claim pride for their winning team's feats, I am pleased that this team's success was also born from true Southern talent. Indeed, we are all Patriots.

In Mississippi we are quite proud of the fine contributions to the New England Patriots from Bobby Hamilton, of Columbia, who attended my alma mater, University of Southern Mississippi. I also wish to commend Grant Williams, of Oak Grove and Clinton, Terrel Buckley of Pascagoula and Antowain Smith, former student of E. Mississippi Community College. These men are fine athletes and outstanding citizens and exemplify how to succeed through dedicated teamwork.

Mr. Speaker, please join me in paying tribute to the New England Patriots' triumphant success on Super Bowl Sunday.

THE CAREER OF ALLEN D. FREEMYER

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. HANSEN. Mr. Speaker, I rise today Mr. Chairman to honor and celebrate the career of one of my longtime staff members, Allen D. Freemyer. For nine years, Allen has faithfully served me, the people of Utah and our country as senior staff on the U.S. House of Representatives Committee on Resources.

It is rare that a Member of Congress finds an aide with the combination of intellect, talent and commitment that Allen offers.

Allen served six years as staff director for the Parks and Public Lands Subcommittee—the largest and most active Resources subcommittee. During those years, he shepherded more than 500 bills through the subcommittee, the full committee and the House. Most are now law. In the 106th Congress alone, more than 100 Parks and Public Lands bills became law. His track record in the 104th and 105th Congresses was equally as impressive. With Allen's assistance, Congress enacted legislation that protects, preserves and enhances millions of acres of public land throughout our beautiful country. He accomplished this while simultaneously defending the rights and interests of landowners and local communities, recreationists and sportsmen. Many a battle has been waged in the Resources Committee in recent years. With Allen's guidance and political instinct we have been able to protect our cherished way of life in the West.

This past year, he served as the Chief of Staff of the Committee on Resources. He organized the Full Committee into the same legislative workhorse the subcommittee had been. Under Allen's guidance, the House Resources Committee reported 61 bills, more than almost any other House committee.

With Allen's help, we were able to pass the mammoth 1996 Parks Omnibus Bill, which created the Presidio Trust, an entirely new concept in parks management; the Concessions Policy Act of 1998 and The Securing America's Future Energy Act of 2001. Each of these bills has a profound and positive impact on the management of our nation's parks, public lands and resources. The energy bill, which codified President Bush's energy policy, sailed through the House on a strong bipartisan vote despite the long odds and predictions of its demise that persisted through the eleventh hour. Allen's veteran legislative skills deserve considerable credit for this victory.

His service has been unfaltering. His knowledge, expertise and manner has been exemplary. This year, Allen and I are both moving on to new challenges. Allen's service and talents have been very beneficial to me, the Resources Committee and the United States Congress.

I will miss Allen's wise counsel, legislative skill and political savvy. I wish Allen much success and happiness as he pursues new challenges. I am confident, the talent and tenacity he has shown for his work for nearly a decade here on Capitol Hill, will assure his continued success.

Allen good luck and God bless.

HONORING THE RETIREMENT OF PAMELA McCARTHY

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Ms. McCARTHY of Missouri. Mr. Speaker, I rise today to honor someone very dear to my heart and very dear to the people of Missouri: my sister Pamela G. McCarthy. After 34 years of dedicated public service, she retired from the Missouri Department of Social Services on January 31, 2002.

Pamela has been a foot soldier in the evolution of social policy in Missouri. She began her service with the State of Missouri as a Caseworker II on August 8, 1967 in the Income Maintenance unit of the Division of Family Services in the Jackson County office. At this time the Department of Social Services had not been established. The department did not become a reality until seven years after Pam began her fight for adequate social services for Missouri's most needy families. Throughout the following 34 years, Pam became an expert in many areas serving as: Caseworker Supervisor, Social Services Supervisor, Program Development Specialist, Planner, and Assistant Area Director.

Since its establishment in 1974, the Missouri Department of Social Services has grown into a comprehensive department encompassing five agencies that previously operated social programs under separate administrations. The efficient umbrella structure at the organization's core innovatively combines the efforts of related agencies and promotes a cooperative approach toward delivering social programs to Missourians in need. With the efforts of Pamela and her associates, the department has developed sound policy initiatives that: provide assistance to children and their parents, help the elderly with in-home services and institutional services, aid troubled youth and furnish health care for the poor. The hallmark of these social services is the fundamental goal of helping those in need reach their full potential, a life long dream of Pamela's.

As a result of Pamela's selfless leadership the State of Missouri was able to implement many important and far reaching social policy programs that have positively impacted the lives of Missouri's working families. During her tenure with the Department of Social Services, Pam was an integral part of the implementation and evaluation of the Title XX Children's Services Block grant for western Missouri. She also established the Silver Citizen Discount Program for the Division of Aging and developed policy for the Division of Child Support Enforcement.

In 1985, Pam left the Department of Family Services central office in Jefferson City and became the Kansas City Assistant Area Director. Under her capable and devoted leadership, two new satellite offices were built, one in south Kansas City and one in Midtown. She also spearheaded the relocation of the East Jackson county office and the remodeling of the downtown Department of Family Services office on two occasions. Pam's ongoing efforts to streamline the Family Services network was demonstrated by her devotion to ensuring that all offices had access to the latest technological advancements in order to better serve the families and children in the State of Missouri. All of these improvements grew out of her desire to facilitate access to the services provided by the Department to families.

Though Pam's retirement on January 31 is official, her service to providing adequate family services is never ending. Many colleagues and friends do not believe Pam is retiring because she has worked through her previous retirements. And Pam's dedication has proven them right again. Starting February 3, she will continue her work on behalf of children and families in a part time capacity.

Mr. Speaker, please join me in congratulating my sister, Pamela G. McCarthy, on her 34 outstanding years of service to the State of Missouri. Many people speak about dedication, but rarely do you find one like Pamela who lives it and breaths it everyday. She has truly made our state a better place.

IN HONOR OF FOREST FARLEY

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. KUCINICH. Mr. Speaker, I rise today to honor Mr. Forest Farley, who has been highly committed to our nation's veterans and has just been appointed Medical Center Director of the Lexington, Kentucky V.A. Medical Center.

Mr. Farley came to Cleveland, Ohio in 1996 as the Associate Medical Center Director for the Cleveland V.A. Medical Center. In his present role, Mr. Farley is the Chief Operations Officer (COO) for the Louis Stokes Cleveland V.A. Medical Center where he is responsible for directing and coordinating all operations for the Wade Park and Brecksville Divisions. His dedicated service to Cleveland veterans since 1996 has been greatly appreciated.

Forest Farley earned his Bachelor's Degree in mass communications from the University, of South Florida in Tampa, Florida, in 1984. He continued his education by completing graduate studies at the University of Chicago, Chicago, Illinois and earned graduate certificates from the Harvard School of Public Health of Harvard University, Wharton of the University of Pennsylvania, and the University of Illinois in Chicago.

His great dedication to V.A. medical centers stems from being a Vietnam Veteran himself. During his military career with the United States Marine Corps, Mr. Farley was awarded three Purple Hearts.

Mr. Forest Farley began a career in Veteran Affairs in 1981 at the St. Petersburg, Florida, Vietnam Veteran's Outreach center. His honorable career has also included assignments as Deputy Regional Manager of the Central Regional Adjustment Counseling Service at the Hines V.A. Medical Center, Acting Regional Manager, Acting Director, Acting Associate Director and Associate Director-Trainee at the Chicago West Side V.A. Medical Center. Additionally, Mr. Farley has served the Vietnam Veteran's Outreach Center in both Tampa and St. Petersburg, Florida.

We in Ohio will greatly miss Mr. Farley's devoted service to our veterans, but wish him the best in his future career in Lexington, Kentucky. Mr. Farley is respected by many including his wife and five children.

My fellow colleagues, please join me in congratulating the noble achievements of Mr. Forest Farley and his recent appointment as Medical Director of the Lexington, Kentucky V.A. Medical Center.

ACADEMY NOMINEES FOR 2002

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. FRELINGHUYSEN. Mr. Speaker, every year, more high school seniors from the 11th Congressional District trade in varsity jackets for Navy peacoats, Air Force flight suits, and Army brass buckles than any other district in the county. But this is nothing new—our area has repeatedly sent an above average proportion of its sons and daughters to the Nation's military academies for decades.

This shouldn't come as a surprise. The educational excellence of our area is well known and has long been a magnet for families looking for the best environment in which to raise their children. Our graduates are skilled not only in mathematics, science, and social studies, but also have solid backgrounds in sports, debate teams, and other extracurricular activities. This diverse upbringing makes military academy recruiters sit up and take note—indeed, many recruiters know our towns and schools by name.

Since the 1830's, Members of Congress have enjoyed meeting, talking with, and nominating these superb young people to our military academies. But how did this process evolve? In 1843, when West Point was the sole academy, Congress ratified the nominating process and became directly involved in the makeup of our military's leadership. This was not an act of an imperial Congress bent on controlling every aspect of the Government. Rather, the procedure still used today was, and is, one further check and balance in our democracy. It was originally designed to weaken and divide political coloration in the officer corps, provide geographical balance to our armed services, and to make the officer corps more resilient to unfettered nepotism that handicapped European armies.

In 1854, Representative Gerritt Smith of New York added a new component to the academy nomination process—the academy review board. This was the first time a Member of Congress appointed prominent citizens from his district to screen applicants and assist with the serious duty of nominating candidates for academy admission. Today, I am honored to continue this wise tradition in my service to the 11th Congressional District.

The Academy Review Board is composed of nine local citizens who have shown exemplary service to New Jersey, to their communities, and to the continued excellence of education in our area—many are veterans. Though from diverse backgrounds and professions, they all share a common dedication to seeing that the best qualified and motivated graduates attend our academies. And, as is true for most volunteer panels, their service goes largely unnoticed.

I would like to take a moment to recognize these men and women and to thank them publicly for participating in this important panel. Being on the board requires hard work

and an objective mind. Members have the responsibility of interviewing upwards of 50 outstanding high school seniors every year in the academy review process.

The nomination process follows a general timetable. High school seniors mail personal information directly to the Military Academy, the Naval Academy, the Air Force Academy, and the Merchant Marine Academy once they become interested in attending. Information includes academic achievement, college entry test scores, and other activities. At this time, they also inform their Representative of their desire to be nominated.

The academies then assess the applicants, rank them based on the data supplied, and return the files to my office with their notations. In mid-December, our Academy Review Board interviews all of the applicants over the course of 2 days. They assess a student's qualifications and analyze character, desire to serve, and other talents that may be hidden on paper.

Last year, the board interviewed over 40 applicants. Nominations included 10 to the Naval Academy, 10 to the Military Academy, 5 to the Air Force Academy, and 4 to the Merchant Marine Academy—the Coast Guard Academy does not use the Congressional nomination process. The Board then forwards their recommendations to the academies by January 31, where recruiters review files and notify applicants and my office of their final decisions on admission.

As these highly motivated and talented young men and women go through the academy nominating process, never let us forget the sacrifice they are preparing to make: to defend our country and protect our citizens. This holds especially true at a time when our nation is currently fighting the war against terrorism. Whether it be in Afghanistan as part of ''Operation Enduring Freedom'', Bosnia, the Persian Gulf or in other hot spots around the world, no doubt we are constantly reminded that wars are fought by the young. And, while our military missions are both important and dangerous, it is reassuring to know that we continue to put America's best and brightest in command.

And while a few people may question the motivations and ambitions of some young people, the academy review process shows that the large majority of our graduates are just as highly motivated as the guidance from loving parents, dedicated teachers and schools, and from trusted clergy and rabbis. Indeed, every time I visit a school, speak at a college, or meet a young academy nominee, I am constantly reminded that we as a nation are blessed with fine young men and women.

Their willingness and desire to serve their country is perhaps the most persuasive evidence of all.

ACADEMY NOMINEES FOR 2002, 11TH CONGRESSIONAL DISTRICT, NEW JERSEY

AIR FORCE ACADEMY

Matthew C. Bloemer, Sparta, Sparta H.S., Edwin Fairfield, Morristown, Morristown H.S., Scott A. Pontzer, Sparta, Pope John XXIII H.S., William G. Rock, Caldwell, James Caldwell H.S., Eric R. Dittman, Hackettstown, United States Air Force Academy.

MERCHANT MARINE

Edmond Grant, Chatham, Oratory Prep, Mark A. Levis, Chatham, Chatham H.S., Matthew J. Pulitano, Randolph, Morris Catholic H.S., Luke O. Saalfield, Basking Ridge, Ridge H.S.

MILITARY ACADEMY

Lee W. Barnes, Mendham, Morris County College, Robert Brougham, Randolph, Berkshire School, Christopher Cimorelli, Pompton Plains, Pequannock H.S., Geoffrey Crater, Chatham, Chatham H.S., Philip Durkin, Sparta, Pope John XXIII H.S., Edward Gibbons, Jr., Chatham, Chatham H.S., Nicole Miller, Chester, West Morris Mendham H.S., Peter H. Newman, Kinnelon, Kinnelon H.S., Lisa Torsiello, Morristown, Morristown H.S., Todd Trautz, Long Valley, West Morris Central H.S.

NAVAL ACADEMY

Zachary Alpern, Morristown, Newark Academy, Benjamin DeWitt, Mendham, West Morris Mendham H.S., David Faherty, Sparta, Pope John XXIII H.S., James Flannery, Jr., Bridgewater, Saint Joseph's H.S., Matthew Gonabe, Lake Hopatcong, Pope John XXIII H.S., Robert Hayes, Chatham, Chatham H.S., Katelyn McCormick, Stirling, Morris Catholic H.S., Stanford Shaw III, Basking Ridge, Ridge H.S., Ross Towers, Stanhope, University of Pittsburgh, James Wyatt, Randolph, Randolph H.S.

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S311–S381

Measures Introduced: Three bills and one resolution were introduced, as follows: S. 1910–1912, and S. Res. 204. **Page S348**

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 S322–35**

Adopted:

Bunning/Inhofe Modified Amendment No. 2699 (to the language proposed to be stricken by Amendment No. 2698), to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies. **Pages S322–23**

Pending:

Daschle/Baucus Amendment No. 2698, in the nature of a substitute. **Pages S322–35**

Reid (for Baucus) Amendment No. 2721 (to Amendment No. 2698), to provide emergency agriculture assistance. **Page S322**

Hatch/Bennett Amendment No. 2724 (to the language proposed to be stricken by Amendment No. 2698), to amend the Internal Revenue Code of 1986 to allow the carryback of certain net operating losses for 7 years. **Page S322**

Domenici Amendment No. 2723 (to the language proposed to be stricken by Amendment No. 2698), to provide for a payroll tax holiday. **Page S322**

Allard/Hatch/Allen Amendment No. 2722 (to the language proposed to be stricken by Amendment No. 2698), to amend the Internal Revenue Code of 1986 to permanently extend the research credit and to increase the rates of the alternative incremental credit. **Page S322**

Smith (NH) Amendment No. 2732 (to the language proposed to be stricken by Amendment No. 2698), to provide a waiver of the early withdrawal penalty for distributions from qualified retirement plans to individuals called to active duty during the national emergency declared by the President on September 14, 2001. **Page S322**

Smith (NH) Amendment No. 2733 (to the language proposed to be stricken by Amendment No. 2698), to prohibit a State from imposing a discriminatory tax on income earned within such State by nonresidents of such State. **Page S322**

Smith (NH) Amendment No. 2734 (to the language proposed to be stricken by Amendment No. 2698), to provide that tips received for certain services shall not be subject to income or employment taxes. **Pages S322–23**

Smith (NH) Amendment No. 2735 (to the language proposed to be stricken by Amendment No. 2698), to allow a deduction for real property taxes whether or not the taxpayer itemizes other deductions. **Page S323**

Sessions Amendment No. 2736 (to the language proposed to be stricken by Amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide tax incentives for economic recovery and provide for the payment of emergency extended unemployment compensation. **Page S323**

Grassley (for McCain) Amendment No. 2700 (to the language proposed to be stricken by Amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide a special rule for members of the uniformed services and Foreign Service in determining the exclusion of gain from the sale of a principal residence. **Page S323**

Kyl Amendment No. 2758 (to the language proposed to be stricken by Amendment No. 2698), to remove the sunset on the repeal of the estate tax. **Page S323**

Reid Modified Amendment No. 2764 (to Amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide a refundable credit for recreational travel, and to modify the business expense limits. **Page S323**

Reid (for Durbin) Amendment No. 2766 (to Amendment No. 2698), to provide enhanced unemployment compensation benefits. **Page S323**

Lincoln Amendment No. 2767 (to Amendment No. 2698), to delay until at lease June 30, 2002, any changes in medicaid regulations that modify the medicaid upper payment limit for non-State Government-owned or operated hospitals. **Page S323**

Thomas Amendment No. 2728 (to the language proposed to be stricken by Amendment No. 2698), to amend the Internal Revenue Code of 1986 to modify the qualified small issue bond provisions. **Page S323**

Craig Amendment No. 2770 (to the language proposed to be stricken by Amendment No. 2698), to amend the Internal Revenue Code of 1986 to expand the availability of Archer medical savings accounts. **Page S323**

Grassley Amendment No. 2773 (to the language proposed to be stricken by Amendment No. 2698), to provide tax incentives for economic recovery and assistance to displaced workers. **Page S323**

Sessions (for Kyl) Amendment No. 2807 (to Amendment No. 2721), to remove the sunset on the repeal of the estate tax. **Pages S323, S324–35**

Dorgan Amendment No. 2808 (to Amendment No. 2764), to preserve the continued viability of the United States travel industry. **Pages S323–24**

A unanimous-consent agreement was reached providing for further consideration of the bill at 11:30 a.m., on Wednesday, February 6, 2002, with a vote to occur on the motion to close further debate on Daschle/Baucus Amendment No. 2698 (listed above). **Page S381**

Messages From the President: Senate received the following message from the President of the United States:

Transmitting, pursuant to law, the Economic Report of the President dated February 2002 with the Annual Report of the Council of Economic Advisers for 2002; to the Joint Economic Committee. (PM–69) **Pages S347–48**

Nominations Confirmed: Senate confirmed the following nominations:

By a unanimous vote of 93 yeas (Vote No. EX. 12), Philip R. Martinez, of Texas, to be United States District Judge for the Western District of Texas. **Pages S312–314, S381**

Nominations Received: Senate received the following nominations:

Guy F. Caruso, of Virginia, to be Administrator of the Energy Information Administration.

Jose A. Fourquet, of New Jersey, to be a Member of the Board of Directors of the Inter-American Foundation for a term expiring September 20, 2004.

Adolfo A. Franco, of Virginia, to be a Member of the Board of Directors of the Inter-American Foundation for the remainder of the term expiring September 20, 2002.

Adolfo A. Franco, of Virginia, to be a Member of the Board of Directors of the Inter-American Foundation for a term expiring September 20, 2008. (Reappointment)

Roger Francisco Noriega, of Kansas, to be a Member of the Board of Directors of the Inter-American Foundation for a term expiring September 20, 2006.

Eugene Scalia, of Virginia, to be Solicitor for the Department of Labor.

Daniel L. Cooper, of Pennsylvania, to be Under Secretary for Benefits of the Department of Veterans Affairs for a term of four years.

1 Coast Guard nomination in the rank of admiral.

A routine list in the Navy. **Page S381**

Executive Communications: **Page S348**

Additional Cosponsors: **Pages S348–49**

Statements on Introduced Bills/Resolutions: **Pages S349–51**

Additional Statements: **Pages S343–47**

Amendments Submitted: **Pages S351–80**

Notices of Hearings/Meetings: **Page S380**

Authority for Committees to Meet: **Page S380**

Record Votes: One record vote was taken today. (Total—12) **Page S313**

Adjournment: Senate met at 10 a.m., and adjourned at 6:26 p.m., until 10:30 a.m., on Wednesday, February 6, 2002. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S381).

Committee Meetings

(Committees not listed did not meet)

FIREFIGHTING

Committee on Appropriations: Subcommittee on VA, HUD, and Independent Agencies held hearings to examine firefighting issues, focusing on urban search and rescue task forces response requirements, and funding needs for firefighting training, equipment, apparatus, communications, safety and health issues, and staffing, receiving testimony from Stephen D. Paulsell, Boone County Fire Protection District/Missouri Task Force 1, Columbia; Carlos P. Olaguer, Baltimore City Fire Department, Baltimore, Maryland; Peter H. Morris, CNN, Chevy Chase, Maryland, on behalf of the Bethesda-Chevy Chase Rescue Squad; Philip C. Stittleburg, LaFarge, Wisconsin, on behalf of the National Volunteer Fire Council; Harold A. Schaitberger, International Association of Fire Fighters, Washington, D.C.; and John M. Buckman III, German Township Volunteer Fire Department, Evansville, Indiana, on behalf of the International Association of Fire Chiefs.

Hearings recessed subject to call.

DEFENSE AUTHORIZATION

Committee on Armed Services: Committee concluded hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, and the Future Years Defense Program, after receiving testimony from Donald H. Rumsfeld, Secretary, and Dov S. Zakheim, Under Secretary, (Comptroller), both of the Department of Defense; and General Richard B. Myers, USAF, Chairman, Joint Chiefs of Staff.

BUSINESS MEETING

Committee on Armed Services: Committee met with Members of the Canadian Senate Committee on National Security Defense.

FINANCIAL LITERACY

Committee on Banking, Housing, and Urban Affairs: Committee held hearings to examine the need to improve financial literacy and learning for American consumers, focusing on Federal efforts to increase familiarity with new technological and financial tools to promote economic prosperity, receiving testimony from Paul H. O'Neill, Secretary, and Sheila C. Bair, Assistant Secretary for Financial Institutions, both of the Department of the Treasury; Alan Greenspan, Chairman, Board of Governors of the Federal Reserve System; and Harvey L. Pitt, Chairman, U.S. Securities and Exchange Commission.

Hearings continue tomorrow.

2003 BUDGET

Committee on the Budget: Committee held hearings on the President's proposed budget request for fiscal year 2003, focusing on the cost of the recession, homeland security, and economic stimulus, receiving testimony from Mitchell E. Daniels, Jr., Director, Office of Management and Budget.

Hearings continue tomorrow.

BUSINESS MEETING

Committee on Commerce, Science, and Transportation: Committee met and approved the issuance of a subpoena to compel testimony from Kenneth Lay, former CEO and current board member of the Enron Corporation.

AVIATION AND TRANSPORTATION SECURITY ACT

Committee on Commerce, Science, and Transportation: Committee concluded hearings to examine the implementation of the Aviation and Transportation Security (TSA) Act (P.L. 107–71), focusing on the hiring of tens of thousands of new employees, additional employee background screening tools, airport security operations studies, test TSA deployment techniques and technology, and begin senior management training, after receiving testimony from Michael P. Jackson, Deputy Secretary, John W. Magaw, Under Secretary, and Kenneth M. Mead, Inspector General, all of the Department of Transportation.

BIOTERRORISM

Committee on Commerce, Science, and Transportation: Subcommittee on Science, Technology, and Space concluded hearings to examine issues concerning bioterrorism, focusing on harnessing American scientific and entrepreneurial expertise to develop effective defense capabilities to protect our forces and nation, after receiving testimony from Anna Johnson-Winegar, Deputy Assistant Secretary to the Defense for Chemical and Biological Defense; Lisa A. Simpson, Deputy Director, Agency for Healthcare Research and Quality, Department of Health and Human Services; Richard Klausner, Special Advisor for Counterterrorism, National Academy of Sciences; Georges C. Benjamin, Maryland Department of Health and Mental Hygiene, Baltimore; John G. Edwards, Photonic Sensor, Atlanta, Georgia; Richard J. Hatchett, Memorial Hospital/Sloan-Kettering Cancer Center, New York, New York, on behalf of the Civilian Medical Reserve Working Group; Una Ryan, AVANT Immunotherapeutics, Inc., Neeham, Massachusetts; and Bruno W. S. Sobral, Virginia Polytechnic Institute and State University/Bioinformatics Institute, Blacksburg.

PRESIDENT'S BUDGET REQUEST

Committee on Finance: Committee concluded hearings to examine certain revenue proposals within the President's proposed budget request for fiscal year 2003, after receiving testimony from Paul O'Neill, Secretary of the Treasury.

FOREIGN AFFAIRS BUDGET

Committee on Foreign Relations: Committee concluded hearings to examine United States foreign policy and the President's proposed budget request for fiscal year 2003 for foreign affairs, after receiving testimony from Colin L. Powell, Secretary of State.

RETIREMENT INSECURITY/ENRON COLLAPSE

Committee on Governmental Affairs: Committee concluded hearings to examine the impact of the Enron Corporation collapse on the company's 401(k) retirement investors, after receiving testimony from William D. Miller, Jr., International Brotherhood of Electrical Workers, Portland, Oregon; Catheryn Graham, Hewitt Associates, The Woodlands, Texas; Cindy Olson and Mikie Rath, both of Enron Corporation, Houston, Texas; Joseph P. Szathmary, Northern Trust Retirement Consulting, Atlanta,

Georgia; Karen W. Ferguson, Pension Rights Center, James A. Klein, American Benefits Council, Erik Olsen, American Association of Retired Persons, and Stephen M. Saxon, Groom Law Group, on behalf of the Society of Professional Administrators and Record Keepers (SPARK Institute), all of Washington, D.C.; Susan J. Stabile, St. John's University School of Law, New York, New York; and Deborah G. Perrotta, Kingwood, Texas.

HUMAN CLONING

Committee on the Judiciary: Committee held hearings to examine issues surrounding scientific and medical aspects of human reproductive cloning, including the protection of human subjects, and to clarify how human reproductive cloning differs from stem cell research, receiving testimony from Representatives Weldon and Greenwood; Irving L. Weissman, Stanford Medical School, on behalf of the National Academies Panel on Scientific and Medical Aspects of Human Cloning, and Henry T. Greely, Stanford University Center for Law and the Biosciences, on behalf of the California Advisory Committee on Human Cloning, both of Stanford, California; R. Alta Charo, University of Wisconsin Law School, Madison; and Kris Gulden, on behalf of the Coalition of the Advancement of Medical Research, Andrew Kimbrell, International Center for Technology Assessment, and Father Kevin T. FitzGerald, Georgetown University Medical Center, all of Washington, D.C.

Hearings recessed subject to call.

House of Representatives

Chamber Action

Measures Introduced: 14 public bills, H.R. 3673–3686; and 4 resolutions, H.J. Res. 82; H. Con. Res. 312–314, were introduced. **Pages H140–41**

Reports Filed: Reports were filed today as follows:

H. Res. 342, providing for consideration of motions to suspend the rules (H. Rept. 107–356); and

H. Res. 343, providing for consideration of H.R. 3394, to authorize funding for computer and network security research and development and research fellowship programs (H. Rept. 107–357). **Page H140**

Speaker Pro Tempore: Read a letter from the Speaker wherein he appointed Representative Ballenger to act as Speaker pro tempore for today. **Page H111**

Recess: The House recessed at 12:48 p.m. and reconvened at 2 p.m. **Page H113**

Private Calendar: On the call of the Private Calendar, the House passed over without prejudice, H.R. 392, for the relief of Nancy B. Wilson. **Page H113**

Presidential Messages: Read the following messages from the President:

Economic Report of the President: Message wherein he transmitted the Economic Report of the President together with the annual report of the Council of Economic Advisers—referred to the Joint Economic committee and ordered printed (H. Doc. 107–158); **Page H115**

Budget of the United States Government: Message wherein he transmitted the Fiscal Year 2003 Budget of the United States Government—referred to the Committee on Appropriations and ordered printed (H. Doc. 107–159); **Page H114**

National Emergency re Iraq: Message wherein he transmitted a 6-month periodic report on the National Emergency with respect to Iraq—referred to the Committee on International Relations and ordered printed (H. Doc. 107–179); and **Page H121**

Fisheries off the Coast of the United States: Message wherein he transmitted an agreement between the United States and the People's Republic of China extending the agreement of June 24, 1985, concerning Fisheries off the Coasts of the United States—referred to the Committee on Resources and ordered printed (H. Doc. 107–180). **Page H121**

Recess: The House recessed at 3:12 p.m. and reconvened at 6:30 p.m. **Pages H121–22**

Suspensions: The House agreed to suspend the rules and pass the following measures:

Contribution Disclosure for Presidential Libraries: H.R. 577, amended, to require any organization that is established for the purpose of raising funds for the creation of a Presidential archival depository to disclose the sources and amounts of any funds raised (agreed to by a yea-and-nay vote of 392 yeas to 3 nays, Roll No. 6); **Pages H115–18, H122**

Horatio King Post Office, Paris Hill, Maine: S. 970, to designate the facility of the United States Postal Service located at 39 Tremont Street, Paris

Hill, Maine, as the "Horatio King Post Office Building" (agreed to by a yea-and-nay vote of 394 yeas with none voting "nay," Roll No. 7)—clearing the measure for the President; and

Pages H119–20, H122–23

Joseph E. Dini, Jr. Post Office, Yerington, Nevada: S. 737, to designate the facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, as the "Joseph E. Dini, Jr. Post Office"—clearing the measure for the President. **Pages H120–21**

Suspension Proceedings Postponed—Technical Correction to Protect Olympic Trademarks: The House completed debate on the motion to suspend the rules and pass S. 1888, to amend title 18 of the United States Code to correct a technical error in the codification of title 36 of the United States Code. Further proceedings were postponed until Wednesday, Feb. 6. **Pages H123–25**

Amendment: Amendment ordered printed pursuant to the rule appears on page H142.

Quorum Calls—Votes: Two yea-and-nay votes developed during the proceedings of the House today and appear on pages H122 and H122–23. There were no quorum calls.

Adjournment: The House met at 10 a.m. and adjourned at 9:18 p.m.

Committee Meetings

ADMINISTRATION'S BUDGET

Committee on the Budget: Held a hearing on the Administration's Budget for Fiscal Year 2003. Testimony was heard from Mitchell E. Daniels, Jr., Director, OMB.

ENRON FINANCIAL COLLAPSE

Committee on Energy and Commerce: Subcommittee on Oversight and Investigations began hearings on the Financial Collapse of Enron Corp. Testimony was heard from William C. Powers, Jr., member, Board of Directors and Chairman, Special Investigation Committee, Enron Corporation.

Hearings continue February 7.

ENRON COLLAPSE

Committee on Financial Services: Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises continued hearings on the Enron Collapse. Testimony was heard from Joseph F. Berardino, Chief Executive Officer, Arthur Andersen LLP.

Hearings continue February 14.

CYBER SECURITY RESEARCH AND DEVELOPMENT ACT

Committee on Rules: Granted, by voice vote, an open rule providing 1 hour of debate on H.R. 3394, Cyber Security Research and Development Act. The rule waives clause 4(a) of rule XIII (requiring a three-day layover of committee reports) against consideration of the bill. The rule authorizes the Chairman of the Committee of the Whole to accord priority in recognition to Members who have pre-printed their amendments in the Congressional Record. Finally, the rule provides one motion to recommit with or without instructions. Testimony was heard from Chairman Boehlert and Representatives Smith of Michigan and Hastings of Florida.

MOTIONS TO SUSPEND RULES

Committee on Rules: Granted, by voice vote, a resolution providing that certain suspensions will be in order at any time on the legislative day of Wednesday, February 6, 2002.

ADMINISTRATION'S BUDGET PROPOSALS

Committee on Ways and Means: Held a hearing on the Administration's fiscal year 2003 Budget Proposals. Testimony was heard from Paul H. O'Neill, Secretary of the Treasury.

Hearings continue tomorrow.

Joint Meetings

U.S. ECONOMY

Joint Economic Committee: Committee concluded hearings to examine the economic report of the President, after receiving testimony from R. Glenn Hubbard, Chairman, and Mark B. McClellan and Randall S. Kroszner, both Members, all of the Council of Economic Advisers.

COMMITTEE MEETINGS FOR WEDNESDAY, FEBRUARY 6, 2002

(Committee meetings are open unless otherwise indicated)

Senate

Special Committee on Aging: with the Committee on Health, Education, Labor, and Pensions, Subcommittee on Aging, to hold joint hearings to examine women and aging, focusing on long term care, 9:30 a.m., SD–106.

Committee on Banking, Housing, and Urban Affairs: to continue hearings to examine the state of financial literacy and education in America, 10 a.m., SD–538.

Committee on the Budget: to hold hearings to examine the President's proposed budget request for fiscal year 2003, 10 a.m., SD–608.

Committee on Energy and Natural Resources: to hold hearings on S. 1766, to provide for the energy security of the

Nation, focusing on the effects of Subtitle B, amendments to the Public Utility Holding Company Act on energy markets and energy consumers, 9:30 a.m., SD–366.

Committee on Finance: to hold hearings to examine the status of ongoing U.S. trade negotiations, 10 a.m., SD–215.

Committee on Foreign Relations: to hold hearings to examine a new strategic framework, focusing on implications for U.S. security, 10:15 a.m., SD–419.

Subcommittee on African Affairs, to hold hearings to examine U.S. policy options in Somalia, 2:30 p.m., SD–419.

Committee on Health, Education, Labor, and Pensions: Subcommittee on Aging, with the Special Committee on Aging, to hold joint hearings to examine women and aging, focusing on long term care, 9:30 a.m., SD–106.

Select Committee on Intelligence: to hold hearings to examine issues surrounding world threats, 10 a.m., SH–216.

Full Committee, to hold closed hearings to examine issues surrounding world threats, 2:30 p.m., SH–219.

Committee on the Judiciary: to hold hearings to examine accountability issues surrounding the fall of Enron Corporation, 10 a.m., SD–226.

House

Committee on Appropriations, Subcommittee on Military Construction, on Quality of Life in the Military, 9:30 a.m., and on Senior Enlisted from each Service, 2 p.m., 2362A Rayburn.

Subcommittee on Transportation, on the Transportation Security Administration, 10 a.m., 2358 Rayburn.

Committee on Armed Services, hearing on the fiscal year 2003 National Defense Authorization budget request, 10 a.m., 2118 Rayburn.

Committee on the Budget, hearing on the Department of the Treasury Budget Priorities Fiscal Year 2003, 10 a.m., 210 Cannon.

Committee on Education and the Workforce, hearing on ''The Enron Collapse and Its Implications for Worker Retirement Security,'' 10 a.m., 2175 Rayburn.

Committee on Energy and Commerce, to consider a resolution authorizing the issuance of subpoenas in connection with the Committee's investigation of the financial collapse of Enron Corp, and related matters; followed by a hearing on developments relating to Enron Corp., including its relationship with Andersen LLP, 12:30 p.m., 345 Cannon.

Committee on Financial Services, Subcommittee on International Monetary Policy and Trade, hearing entitled ''Argentina's Economic Meltdown—Causes and Remedies,'' 10 a.m., 2220 Rayburn.

Committee on Government Reform, hearing on ''The History of Congressional Access to Deliberative Justice Department Documents,'' 10 a.m., 2154 Rayburn.

Committee on International Relations, hearing on the Administration's International Affairs Budget Request for Fiscal Year 2003, 10:15 a.m., 2172 Rayburn.

Committee on the Judiciary, hearing on H.R. 2341, Class Action Fairness Act of 2001, 10 a.m., 2141 Rayburn.

Subcommittee on Immigration and Claims, oversight hearing on ''The Operations of the Executive Office for Immigration Review (EOIR),'' 2 p.m., 2237 Rayburn.

Committee on Resources, oversight hearing on Indian Trust Fund Accounts: the Department of the Interior's Restructuring Proposal and the Impacts of the Court Order Closing Access to the Department's Computer System, 10 a.m., 1334 Longworth.

Committee on Small Business, hearing on Small Business Access to Health Care, focusing on H.R. 1774, Small Business Health Fairness Act of 2001, 10 a.m., 2360 Rayburn.

Committee on Transportation and Infrastructure, to consider pending Committee business, 11 a.m., 2167 Rayburn.

Committee on Ways and Means, to continue hearings on the Administration's fiscal year 2003 Budget Proposals, 10 a.m., and 2 p.m., 1100 Longworth.

Permanent Select Committee on Intelligence, Subcommittee on Human Intelligence, Analysis and Counterintelligence, executive, hearing on Warfare Support Effort, 3 p.m., H–405 Capitol.

Next Meeting of the SENATE

10:30 a.m., Wednesday, February 6

Senate Chamber

Program for Wednesday: After the transaction of any morning business (not to extend beyond 11:30 a.m.), Senate will continue consideration of H.R. 622, Adoption Tax Credit Act, with a vote on the motion to close further debate on Daschle/Baucus Amendment No. 2698.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Wednesday, February 6

House Chamber

Program for Wednesday: Consideration of Suspensions:

1. H. Con. Res. 312, 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;

(2) H. J. Res. 82, recognizing the 91st birthday of Ronald Reagan; and

(3) H. Res. 340, recognizing and honoring Jack Shea, Olympic gold medalist in speed skating.

Consideration of a motion to go to conference on H.R. 2215, 21st Century Department of Justice Appropriations Authorization Act; and

Briefing on the War on Terrorism for Members by Deputy Secretary of Defense Paul Wolfowitz, Deputy Secretary of State Richard Armitage, and Vice Chairman of the Joint Chiefs of Staff, General Peter Pace, USMC.

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