age 62 the minimum Survivor Benefit Plan, SBP, annuity from 35 percent to 40 percent of the SBP covered retired pay. The bill would provide a further increase to 45 percent of covered retired pay as of October 1, 2006.

As I outlined in my many statements in support of this important legislation, the Survivor Benefit Plan advertises that if the service member elects to join the plan, his survivor will receive 55 percent of the member's retirement pay. Unfortunately, that is not so. The reason that they do not receive the 55 percent of retired pay is that current law mandates that at age 62 this amount be reduced either by the amount of the Survivors Social Security benefit or to 35 percent of the SBP. This law is especially irksome to those retirees who joined the plan when it was first offered in 1972. These service members were never informed of the age-62 reduction until they had made an irrevocable decision to participate. Many retirees and their spouses, as our constituent mail attests, believed their premium payments would guarantee 55 percent of retired pay for the life of the survivor. It is not hard to imagine the shock and financial disadvantage these men and women who so loyally served the Nation for many years experience when they learn of the annuity reduction.

Uniformed services retirees pay too much for the available SBP benefit both, compared to what we promised and what we offer other Federal retirees. When the Survivor Benefit Plan was enacted in 1972, the Congress intended that the Government would pay 40 percent of the cost to parallel the Government subsidy of the Federal civilian survivor benefit plan. That was short-lived. Over time, the Government's cost sharing has declined to about 26 percent. In other words, the retiree's premiums now cover 74 percent of expected long-term program costs versus the intended 60 percent. Contrast this with the Federal civilian SBP, which has a 42 percent subsidy for those personnel under the Federal Employees Retirement System and a 50 percent subsidy for those under the Civil Service Retirement System. Further, Federal civilian survivors receive 50 percent of retired pay with no offset at age 62. Although Federal civilian premiums are 10 percent retired pay compared to 6.5 percent for military retirees, the difference in the percent of contribution is offset by the fact that our service personnel retire at a much younger age than the civil servant and, therefore pay premiums much longer than the federal civilian retiree.

Although the House conferees thwarted my previous efforts to enact this legislation into law, I am ever optimistic that this year we will prevail. I base my optimism on the fact that the National Defense Authorization Act for fiscal year 2001 included a Sense of the Congress on increasing Survivor Benefit Plan annuities for surviving spouses age 62 or older. The Sense of the Congress reflects the concern addressed by the legislation I am introducing again today.

Since I introduced S.145, 37 of my colleagues joined as cosponsors to the bill. I hope they will join me in speaking in support of this important legislation and the Senate will adopt this amendment.

MORNING BUSINESS

Mr. REID. I ask unanimous consent the Senate proceed to a period of morning business, with Senators permitted to speak therein for a period not to exceed 5 minutes each.

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

THE MIDDLE EAST

Mr. WELLSTONE. Regarding the Middle East, I make two points, although in a few minutes it is hard to give justice to what is happening.

First, yesterday was a horrible day not just for Israel and Israelis but for Israel's neighbors, as well: The murder of 19 innocent people, and God knows how many were injured. Some of those people, young men and women, were teenagers. Murder is never legitimate. That is what this is. This is terroristic murder of innocent people.

It is not for me, as a Senator, to come to the floor and say the people of Israel or supporters in the United States are not to have indignation. We should condemn it. I condemn it on the floor of the Senate. I condemn it.

Second, Prime Minister Rabin said when confronted with terrorist attacks, something like: We will go after the terrorists; we will defend ourselves, and we will go forward with the peace process—in other words, we are not going to let the extremists, Hamas terrorists and others, completely destroy the peace process or completely prevent us from getting back on a political track. It is extremely important.

I support what has been courageous work of Secretary of State Powell. I believe the Secretary is right in what I think he is proposing; that is that our Government has to play a positive and proactive role. We cannot zig and zag. It cannot be a contradictory policy. We should be strong in our condemnation of the terrorism, of the murder of innocent people, and we also should be a part of the denunciation and the enunciation of a political goal that goes in the direction of two states, side by side, people living side by side with one another, in secure borders.

Ultimately, that is what is going to happen. The question is, How wide and how deep a river of blood has to be spilled beforehand? I know the dynamics are swirling around in terms of domestic politics, but I believe it is extremely important the President, the administration, step forward with our support and be clear in our condemnation and be clear in the call for demands of reform within the Palestinian Authority and the rest. But at the same time we should not come away from the role we can play in laying out a political goal, laying out the goal of two states side by side and trying to bring the parties together.

With the status quo, the present course, more Israeli children and Palestinian children will die. There have been innocent Palestinians who have died, innocent Palestinians who also have, unfortunately, been killed, though never deliberately. I ask unanimous consent for 1 more minute.

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

Mr. WELLSTONE. It is extremely important that this administration lay out this goal. It is extremely important the President be strong. It is extremely important we condemn the violence but we also be part of the political process.

I believe the vast majority of people, Israelis and their neighbors, do not want to see this continuing killing of innocent people. Enough.

I yield the floor.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. 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 September 30, 2001 in San Diego County, CA. A 51 year-old Sikh woman was attacked by two men who stabbed her twice in the head and threatened to kill her. As she was sitting in her car, the two assailants pulled up next to her on a motorcycle, opened her door, and one of them yelled, ''This is what you get for what your people have done to us. I'm going to slash your throat.'' The attackers fled when another car approached the scene.

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 and changing current law, we can change hearts and minds as well.

CIVIL SERVICE REFORM AND THE RIGHTS OF FEDERAL EMPLOYEES

Mr. AKAKA. Mr. President, as we consider proposals for creating a Department of Homeland Security to protect our Nation's borders and critical infrastructure, we must not forget the 170,000 federal employees who will staff this new agency.

This new department should not be used as a vehicle to advance broad changes to existing laws that would