in the Federal deficit. That ought to be a principle. Two, it ought to work to try to expand the economy and create more confidence in the American people. Three, it ought to be fair. Four, it ought to be temporary. We ought not to make the mistake we made in the last Congress of laying something in law, in the process here that lasts 10 years, when we know if we were confronting the choice we confronted a year and three quarters ago, knowing we are going to have a recession, the September 11 terrorist attack, a war on terror, unprecedented corporate scandals, and a technology bubble burst—and, by the way, do you want to continue to do this, because if you do, surpluses will turn to deficits, we know the Senate would not make the same decision they made then.

Let us not make the same mistake. My feeling is let's have a tax cut to try to put the economy back on track, but let's make it temporary and get the best of the ideas that exist here. Let's do it not with a mind to what the good politics might be, but with the mind of what is the sound economic principle by which we try to jump-start this economy.

One final point. It is interesting to me that we have people trying to say, well, I don't know, Jimmy Carter is at fault, or Bill Clinton, or Calvin Coolidge, or whoever is at fault for whatever they are talking about. In fact, we have a business cycle and it has contractions and expansions. Those movements are influenced by what people perceive to be their sound or unsound fiscal policy. The plain fact is, you cannot, in my judgment, come to this town and say here is my plan and here is what it will produce, and then when it doesn't produce it, say, by the way, I had nothing to do with it. We can do better than that—Republicans and Democrats contributing the best that is available on both sides. We can, in a principled way, with temporary relief, put the economy back on track. I think ultimately by doing that, we can relieve the burden on the taxpayers' shoulders. But, unfortunately, what is being proposed these days is something that will add the burden on our children of additional taxes in the years ahead, who will be required to pay off the deficits as a result of a fiscal policy that doesn't work.

So I think we are making some progress, because for months everybody was saying the economy is doing fine, thank you. But we understand it is not. The question is, what do we do together to make this work? We will have that debate in an extended way in the months ahead. I know my colleague—I should say a word about Senator GRASSLEY, who is on the floor. He and I perhaps agree on some things and disagree on others. I must say we have worked on a lot of things together, especially in agriculture. When I say we ought to get the best everybody has in the Senate, I have great respect for Senator GRASSLEY's abilities in these areas. While we may disagree and a debate might break out, look, the American people are best served by debate. In the Washington Post one day, a fellow was talking about a dispute between Republicans and Democrats and he lamented. He said this thing has degenerated into a debate about principle. I thought, well, I sure hope so. I hope that is the case. That is why I came here. So there is room for us to have disagreements from time to time.

But let me say that, as we do, I have great respect for those who have strong feelings on the other side, and through aggressive debate we will produce something I think wholesome and healthy for the American economy and the American people.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, is it my understanding we have about 9 minutes left on our side?

The PRESIDING OFFICER. The Senator is correct.

Mr. GRASSLEY. I ask unanimous consent to have 3 minutes added to that.

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

THE ECONOMY

Mr. GRASSLEY. Mr. President, I have listened to a lot of debate yesterday and today on these subjects about the economy and about tax bills and things such as that. I want to address the tax bill as well. I think it is very legitimate for people to raise concerns about the deficit because I think a deficit is part of a measure of whether or not there is fiscal responsibility in Government. It is obviously not the only measure because you cannot have deficits and maybe still be fiscally irresponsible. I would like to hear from my colleagues who are concerned about deficits when they express these at times when we are talking about tax cuts. I have not seen that same concern about deficits when they want to spend more money. I think we ought to demand a certain amount of consistency from people who are worried about deficits; that they are equally concerned about them at the time we might be cutting taxes as well as when we are spending money. I bet before a week is out there will be—from the very same people who are concerned about tax cuts being too much right now and raising the deficit—dozens of amendments offered to spend more money on the appropriation bills for 2003.

There is another thing I would like to make some comment on, because I have heard several members, particularly on the other side of the aisle, make reference to the fact that certain wealthy people have said they don't need tax cuts. Don't cut my taxes; I don't need the tax cut. I think it is very altruistic for people to say those things and probably mean them. But one of the things I hope we will consider as we are working at cutting taxes—particularly marginal tax rates—deals with the issue of whether or not you are a corporate executive of a Fortune 500-type company that says you don't need it because that individual might say he doesn't need a tax cut, as opposed to 80 percent of the benefits from the tax cuts, cutting the marginal tax rates from 39.8, 2 years ago, eventually down to 35 percent—85 percent of those benefits go to small business.

It happens that small business is a class of people that create about 80 percent of the jobs in America. A lot of small business people regularly are investing in their own business to create more jobs, to expand their business and, in the process, living throughout their lifetime relatively modestly in order to expand their business and be successful. We are talking about a jobs bill and marginal rate cuts, 80 percent of which are going to small entrepreneurs to create jobs, which ought to be something we would separate from the CEO who may make a lot more money and doesn't need a tax cut.

I want to speak generally about taxes and some reference to the tax bill of 2 years ago that the President's proposals are going to be building on, because I was chairman of the Senate Finance Committee when that bill passed. I had a good working relationship with my colleague, Senator BAUCUS, in getting that bill to the floor and to the President.

On June 7, 2001, President Bush signed tax relief legislation. For the first time in a generation, every income tax paying American received much needed tax relief. Unfortunately, in the period since Americans first started to receive their rebate checks, the effect of this legislation has been distorted. The distortion comes in the form of often-repeated bogus criticisms of the tax cut. This repetition has created what I will call three myths of the tax cut.

The first myth is that the bipartisan tax relief was a partisan Republican product. The second is that the bipartisan tax relief package is the primary source of our current budget problems. The third myth is that the tax relief favored the wealthy over low and middle income taxpayers.

Compare the first myth against the record. Often we hear the phrase Republican tax cut or partisan tax cut. In fact, the tax cut was bipartisan. Twelve Democratic Senators voted for the conference report. Senator JEFFORDS also voted for the conference report. That's over one-fourth of the Democratic Caucus.

Let's take a look at the second myth. How many time have we heard in debate or seen written in the media the charge that the bipartisan tax relief caused the current and projected deficits. Cold hard numbers tell a different story. Cold hard numbers from the Congressional Budget Office, the Office

of Management and Budget, and private sector sources reveal the truth.

Here is what the numbers say. You can check it out on the CBO Web site. According to CBO, for the current fiscal year, the tax cut represents barely 8 percent of the total change in the budget since last year. For instance, for the same period, increased appropriations outranked the tax cut by $6 billion. So, spending above baseline, together with lower projected revenues, accounted for 92 percent of the change in the budget picture. Let me repeat that. Bipartisan tax relief was a minimal, 8 percent factor, in the change in the budget situation.

Over the long term, the tax cut accounts for 33 percent of the change in the budget picture.

There is a third myth about the tax relief package. According to this myth, the tax relief package was a tax cut only for the wealthiest Americans. Most often this myth comes in the form of a statistic. The statistic is that 40 percent of the benefits of the tax cut went to the top 1 percent of taypayers?

Where did the statistic come from? Did it come from the non-partisan Joint Committee on Taxation? The answer is no. The statistic cited by the media and the Democratic Leadership critics comes from a liberal think tank.

Once again, facts can be ugly things for harsh critics of the bipartisan tax relief package. According to the Joint Committee on Taxation, Congress's official non-partisan scorekeeper, the tax code is more progressive with the tax relief package. Joint Tax, concludes that the bipartisan tax relief returns to taxpayers, on a progressive basis, a small portion of the record level of Federal taxes.

Joint Tax's analysis shows that the largest reduction in tax burden went to taxpayers in the lower and middle income brackets. For instance, taxpayers with incomes between $10,000 and $20,000, will see their taxes reduced by almost 14 percent when the tax cut is fully in effect. Taypayers with over $200,000 will see their taxes reduced by barely 6 percent. This analysis shows that the third myth, like the first two, does not stand up when compared to the facts.

It is understandable that the largest tax relief package in a generation would spark continuous opposition from those that prefer record levels of Federal taxation. That is a good political debate that should play out. The terms of the debate, however, should be based on facts, not myths.

Now, I raise this point because we are about to embark on a new effort at aiding the recovery of the economy. As chairman of the Senate Finance Committee, I am open to all ideas, Republican and Democrat, aimed at boosting investment and consumer demand. The Finance Committee will begin to examine these proposals in our usual bipartisan manner. When we examine these proposals, however, we will use facts, not myths as our guide.

Now, let's look at some facts about the President's proposal. These are facts developed by the Treasury Department. These facts tell the story about who benefits from the President's proposal.

I have five examples, and then I will yield the floor.

Example No. 1: A married couple with one child making $40,000 gets a tax cut of $732. That is a tax bill of $2,235 goes down to $1,503. For that married couple with one child making $40,000, that is a 33-percent tax cut.

Example No. 2: A married couple with two children making $40,000 will get a cut of $1,133; in other words, a reduction of their $1,178 tax bill down to only $45, and that is a 96-percent tax cut.

Example No. 3: A married couple with two children making $20,000 more, $60,000, will get a tax cut of $900, a reduction, then, from $3,750 down to $2,850. That married couple with two children gets a 24-percent tax cut.

Example No. 4: A married couple with two children making $75,000 gets a tax cut of $1,122, and that is from a $5,817 present tax bill reduced to $4,695, and that is a 19-percent tax cut.

Example No. 5, the last example: A married couple, both age 65, making $40,000, of which $2,000 might be dividends and $15,000 Social Security benefits, will get a tax cut of $380—their tax bill down from $930 down to $550—or a 41-percent tax cut.

I ask everybody to stick to the facts, use the facts, let the facts speak for themselves, and I think we will have a more intellectually honest debate.

I yield the floor, and since I do not see any colleagues wanting recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. 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. DURBIN. I ask unanimous consent to speak as in morning business.

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

Mr. DURBIN. Mr. President, throughout the course of the day, those who have followed the debate know we have been discussing the state of the economy and what we can do in Washington—if anything—to improve it. I listened with great interest to my friend and colleague from Utah, Senator BENNETT, who came to the floor and admonished us to remember that government did not create jobs. He was very specific in saying jobs are created by business, by the capital investment, the creativity, the entrepreneurship, and risk taking of individuals. It is hard to argue with that. My own experience in business confirmed as a basic premise that the success of business and the private sector depends to a great extent on individuals.

It is naive to suggest that is all it takes in order for a businessperson to be successful. There are several things they have to turn to. One is the rule of law which, fortunately, we have for the most part in this country. Some countries do not have that. They also have to look to a basic infrastructure in a country to serve that business, whether it is the telephone communications or the Internet or highways, which of course involve government, and of course the educational training of the people in the business; that usually involves the government, as well—things that we do create a climate for business to succeed or fail.

What we are talking about now is how to improve the business climate in America: What is it we can do that will encourage entrepreneurs—businesses large and small—to expand and create employment with the production of goods and services, create the kind of economic activity that leads to economic growth and the improvement of the quality of life in America? That is what the debate comes down to.

I would not argue with Senator BENNETT's premise, but I conclude that a good government with good policies can certainly help businesses prosper. We need it at this point in time. The unemployment data we have been given by official government sources suggests we are facing unemployment levels that we have not seen for 50 years in the United States. It is hard to imagine we are at that point, but we are. The economy lost 101,000 jobs in December, 188,000 over the last 2 months; 188,000 wage earners and employees in America are unemployed. What can we do to create a business climate to put them back to work?

The President came in with his so-called stimulus or growth package. He said, by analysis, that it would create 123,000 jobs after the next year. Think about that for a second. The President's plan would create 123,000 over the next 12 months, and we have lost almost twice that number in the last 2 months. So if you say that the President's commitment to this is half-hearted or not complete, it is fair. We should be talking about what we can do, if anything, to invigorate this economy overall. Many believe the President's package falls far short of the mark.

Look at what the President has said on how much he would spend on a stimulus plan. Here are the Democratic alternatives. Senator BAUCUS, the ranking Democrat on the Senate Finance Committee, would spend $160 billion in the first year; Congresswoman PELOSI, the Democratic leader in the House of Representatives, $136 billion in the first year. Look at the President's plan: $35 billion in the first year. No wonder it does not create jobs. No wonder it does not invigorate the economy.

But stay tuned. The President's plan, after the first year, spends a massive amount of money, $674 billion, and, with interest, almost $1 trillion for the President's plan.

But it does not meet the first test. The first test is: Does it stimulate the economy? Does it get us moving again? Will it encourage businesses to expand and encourage people to invest? Will it create jobs? Will it create wealth? The honest answer is, for this downpayment of $35 billion, it is not much of a commitment. The sad part is that even though it is not much of a commitment, the overall cost of the President's plan over the 10-year period of time, $939 billion for the President's plan, comes directly out of the Social Security trust fund. So, not only does the President's plan fail to stimulate the economy, the money that is being spent, the tax breaks being given, are coming right out of the Social Security trust fund.

Remember the ''Saturday Night Live'' routine where Al Gore, during the campaign, was being chided for always talking about the lockbox and people wondering: What is this politician raving about—a lockbox? What could this mean? It was a shorthand term used on the floor of the Senate over and over again by Democrats and Republicans to suggest we were creating a lockbox for Social Security; we were never going to reach into Social Security; we were going to protect it at all costs. That debate disappeared 2 years ago. And now we have a wholesale raid on the Social Security trust fund. The lockbox has been busted open and is now being spent right and left at the very time when we know the Social Security trust fund is going to need to have extraordinary resources in order to meet its obligations.

Let me show this illustration. This is the Social Security trust fund that is going to face a cash deficit as baby boomers retire. People born immediately after World War II reach their Social Security eligibility after having paid a lifetime into Social Security and will turn to their Government for this pension protection into which they paid. We know they are coming in large numbers—the largest numbers in our history. The question is: Will we be prepared? The answer is: No, if you follow President Bush's plan.

What I am about to show gets even worse. This is an illustration of what happens to the Social Security cash deficit. This period shows a surplus of Social Security. It is because we were drawing more from payroll taxes and we were trying to create surpluses in Washington which would not raid the Social Security trust fund. For years in the Clinton administration, we had surpluses for the first time in 30 years. The surpluses meant that the Social Security trust fund was showing a surplus.

Look at what happens. In the year 2017, right as the baby boomers start arriving in huge numbers, we now see all the accumulated surpluses in Social Security trust fund, the green ink disappearing into red ink. Look at what is coming. One would say a good steward, a President who saw this, would think twice about a tax plan which would create a deeper pool of red ink in the Social Security trust fund. But, in fact, he is not. President Bush's plan, $939 billion over 10 years, as I mentioned earlier, creates even greater deficits in Social Security.

Will we meet our obligations in these years? I might not be here to attest to it, but I would guess we would. We will not break our faith with the American people. But it basically means we will be drawing money from other government spending to put it into Social Security to make up for the deficit which we are creating and aggravating today.

Would anyone consider that in terms of your own family and children? Would anyone consider it fair to enter into a debt today that your children would have to pay—a substantial debt that you know your children would have to sacrifice to pay? I don't think that is fair for a family. I don't think it is fair for America. So the President's plan not only betrays the baby boom generation which is expecting its payment and deserves it, it is entitled to it, it betrays their children and grandchildren who will have to pay off the debts created by the President's economic policies and decisions today.

Of course we know about Medicare, another plan that is critically important for seniors across America. This chart shows health insurance for senior citizens. About the same thing is happening with Medicare, as shown on this chart, as happens with Social Security. As the baby boomers arrive, taking advantage of Medicare, with escalating health care costs, less and less money is available, creating deficits. Nothing is being done by this administration to deal with this crisis. In fact, the President's economic stimulus plan will make the crisis worse. We take the money out of Medicare, out of the Social Security trust fund, and make it more difficult to meet those obligations which we know we will face. This cannot be ignored. It is reality.

As we look at this, we find ourselves going more deeply into debt because of the plans of the President. These are projections the President's administration came up with. When we said ''the debt to be held by the public of the United States in the year 2008,'' the President told us in January of 2001 not to worry, the first round of his tax cuts would be so good for the economy, would encourage so much growth, that we would see the debt of America by the year 2008 shrink to $36 billion. I wish that were true. In fact, his administration came back 2 years later and said: Slight miscalculation. We have to recalculate the anticipated debt in 2008, and it will not be $36 billion, it will be $4.7 trillion.

So the President's first economic stimulus plan fell flat on its face. It gave tax breaks to the wealthiest people in America. It did not invigorate the economy. It created more deficits and more debt, and the President has said to us: We want to continue doing that, we want to continue moving in that direction.

That is not healthy for America. That kind of debt will have to be paid for by our children, and the Government borrowing this money will be at the expense of the capital available for businesses in the private sector.

Going back to Senator BENNETT's point, a business wanting to create a job many times needs capital to expand. A businessperson, if he or she doesn't have the money to put in the business, will borrow it. The interest rates paid will depend on the competition for that money. If the competition is fierce for limited money, interest rates go up.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DURBIN. I ask unanimous consent for 10 additional minutes.

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

Mr. DURBIN. If there is competition for this money, the interest rates go up. If the Government is borrowing to cover its own debt, that means interest rates go higher so the businessperson, whether he is in Chicago or she is in Springfield or New York City, is going to pay a higher interest rate for the capital needed in order to expand the business. That is what we are doing here. We are deepening the debt of the United States of America and increasing the deficit.

If you look at why we are doing it, I think it tells another part of the story. This plan being proposed by the President for tax cuts is one that does not pass the fairness test. That is critically important. Issues have been raised during the course of the day, interesting issues about sacrifice in America. Since September 11, we have been proud of the unity of America and the spirit of sacrifice. People have said: We are coming forward to help.

I remember, in the days after September 11, how many of us went to blood banks all across the United States, believing if there was a national emergency and a need, we wanted to make sure there would be an adequate blood supply. I remember seeing that in Chicago and other places, being a participant myself. There was an actual belief that we had an obligation as citizens to do something extra for America, the belief that we should sacrifice for the good and strength of this country.

That belief is always out there in America. The right leader can tap it, and Americans will step forward time and time again. They won't disappoint you. The people will be there to stand behind their country. We are still in that time of testing. Mr. President, 130,000 military personnel in the United States are now positioned for the invasion of Iraq; 130,000 men and women, civilian and military, who are there prepared to risk and, sadly—I hope it is never necessary—maybe even give their lives in service to their country. We cannot ask a greater sacrifice of

any person than what we are asking of those 130,000.

Some of them are full-time military. Others are Reservists and National Guardsmen who were called up and left their families and jobs to serve their country. The point raised on the floor today was: What does the President's plan do for these Reservists and Guardsmen and their families? What does it do for people in their income categories? The sad reality is that it does little or nothing.

Take a look at these numbers as an indication of what the President's plan would do when it comes to tax cuts for those in different income categories. If someone is earning from $21,000 to $38,000 in income—that is certainly the low end of the middle class—the President's tax cut is $265 a year. What is that, $5.50 a week under the President's tax plan. How does that change the economy? Now look at the 260,000 people in America with incomes over $1 million a year who would see an annual tax benefit of $88,873 from the President.

Does this make sense? Is this fair? We are saying to people in lower income categories: Sacrifice for the good of America and stand unified. Be prepared. We need your help. We need to be together.

Then you say to people who are better off than virtually anyone else in America: We are going to make certain that you receive the lion's share of the benefit in the President's tax cut package.

As my friend from Minnesota and others have said, this is clearly ''no millionaire left behind.'' That is the policy of the Bush administration when it comes to tax cuts.

If it worked, if it were a winning formula, I would swallow hard and say, do it again. But the President tried this 2 years ago, and it failed. It failed to invigorate the economy. That is why we are still in this drastic circumstance today. Giving more tax breaks to wealthy people, the trickle-down theory of economics, the philosophy that this administration has pushed time and time again, has failed to invigorate this economy, and the President wants more of the same.

That is not going to work. I am hoping some of my Republican colleagues who are now in the majority of both the House and the Senate understand that, too, and will prevail on the President to move beyond this whole notion that somehow taking the personal tax off corporate dividends is going to turn the American economy around and somehow giving $89,500 a year in tax breaks to the wealthiest people will invigorate this economy.

Mr. DAYTON. Will the Senator yield?

Mr. DURBIN. I am happy to yield to my colleague.

Mr. DAYTON. I thank the Senator for bringing these facts to our attention.

Regarding the last chart the Senator had, regarding the benefits for those making more than $1 million, as I recall, isn't that in addition to a tax cut that was about $45,000 per multimillionaire in 2001? So this $88,000 would be in addition to the $45,000 a year tax cut those individuals received 2 years ago?

Mr. DURBIN. My understanding is the Senator is correct. There is a minority group which the President clearly wants to speak for and stand up for. The $44,000 in tax benefits given 2 years ago the President and the administration believe were not enough; they need to give more tax breaks to people in those higher categories.

I will bet the Senator from Minnesota knows families in his State, as I do in mine, at much lower levels who could use assistance, a few extra dollars to help pay for the necessities of life and pay a few extra dollars to put in savings for their children's education. These sorts of things are the realities of life of families. I think millionaires and people who have been fortunate to be that well off can take care of themselves. I am curious as to why this administration continues to want to throw out the life preserver to people who are floating around in their yachts. I don't get it.

Mr. DAYTON. I share the view of the Senator. For someone making more than $1 million, if they can't live on what they are making, they should not come to the rest of taxpaying Americans and ask for these handouts. Most Minnesotans don't make as much in income as these tax breaks for these people who are making these amounts. The facts speak for themselves. The facts tell the American people who gets everything out of this bill and who gets very little.

Mr. DURBIN. This is another chart, I might say to my friend from Minnesota, which tells the story as well in terms of whom it benefits.

Mr. President, 78 percent of the benefits in the President's proposal are to people in the top 20 percent of income. If you divide all the wage earners in America into five groups based on how much they make, the top 20 percent get 78 percent of the President's benefits, more than $68,000 a year. Then, when you get down to the lower 40 percent of wage earners, they are getting less than $21,000. It really tells the story. If you are going to give tax benefits to a majority of Americans, and a majority of benefits to those Americans, you really have to take a look at the distributional charts here.

First, it strikes me it is not good economics. Good economics suggest if you want to increase demand for goods and services, you give spending power to people who will spend rather than save. That is basic as principles of economics. So it is not good economics to stimulate an economy by rewarding the wealthiest people, who are more likely to save the money than spend it.

Second, it is fundamentally not fair. I think many of the people who propound the President's proposal before us really do not believe and agree with progressive income tax. They don't believe that people who are more comfortable and better off should pay more than those who are struggling. Frankly, over the last several weeks we have heard some of those arguments. I still recall a statement on the floor from the Senator from Pennsylvania, who got up and said a third of the wage earners in America pay no taxes at all. I invite him again to go out and meet with those wage earners who will show to the Senator their payroll stubs. They are paying taxes every hour of every day of every week they work, and to say they are not taxpayers I think is an indication that that Senator is out of touch with the reality of working America.

These are the things we have to deal with here. I hope in the days ahead when we deal with the economic stimulus package we will not overlook the real challenges facing America to fund education.

I voted with the President's No Child Left Behind proposal. I think there are many good things in there. But I was warned by my colleague who sat at this desk, Senator Paul Wellstone of Minnesota, who voted against it. He said when the time comes, the President will not put the money on the table for schools. Sadly, I have to say in Paul Wellstone's memory, he was right. The President has refused to fund the program for No Child Left Behind which he has created. He has established the standards and mandates on school districts across America, but has refused to fund them.

We will give the Senate a chance, I hope, in the next few days to vote for the funding.

Second, we have to do something about health care in this country. The cost of health insurance is prohibitive. The increases are so high we now have employees of companies such as General Electric going on strike because the employees cannot sustain the increased costs of health insurance. And not a word comes from this White House and this administration to address this national crisis.

A hospital administrator in Illinois came to see me last week. He said, Senator, we have a perfect storm here. Health insurance costs are beyond the reach of families and businesses. The costs of maintaining hospitals are going up, and the Government is totally unresponsive to any of these elements. He is right, sadly. The President's State of the Union Address will give him a chance to really show he is even aware of this problem. I hope he is.

In the meantime, $89,000 breaks to millionaires is hardly the kind of assistance Americans need.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, it is my understanding that morning business has expired.

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

EXTENSION OF MORNING BUSINESS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the period for morning business be extended until 2:30 with the time equally divided, with Senators allowed to speak for 10 minutes each.

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

Mr. MCCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MCCONNELL. 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. MCCONNELL. Mr. President, with reference to the previously propounded unanimous consent request, I ask unanimous consent that the time be divided equally on the quorum call.

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

Mr. MCCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

CIVIL RIGHTS

Mr. BINGAMAN. Mr. President, I first want to offer a few comments about the very important birthday of the greatest civil rights leader of our time, Dr. Martin Luther King, and give some thoughts about the issue of civil rights and our commitment to equal opportunities for all Americans.

Obviously, we need to continue to fight to protect the rights of all Americans by supporting and ensuring full implementation of the antidiscrimination laws. But we also need to ensure that programs designed to create equal opportunity for all groups and for all individuals in our society in critical areas such as education and health care are fully implemented.

I believe an important test of our commitment to equality is an examination of the broader policy choices we make and the priorities we set as we allocate Federal dollars.

We have heard a great deal from the administration, and continue to, about their championing of minorities and the disadvantaged. But, unfortunately, there seems to me to be a pattern of shortchanging the programs and the policy initiatives that are most meaningful to those very groups, at least those groups as I visit with them in my home State.

In the context of education—which the Presiding Officer is extremely well versed in—the administration's position has embraced the Children's Defense Fund slogan, which is: We Should Leave No Child Behind.

Last Congress, on a bipartisan basis, we enacted the No Child Left Behind Act which, for the first time, demands that our educational system demonstrate progress for all children by closing existing achievement gaps. I believe the accountability provisions in that law can have a revolutionary impact on our educational system and can bring us a great distance toward ensuring equal educational opportunities for all children.

But we need to back up these mandates and these requirements by working in partnership with State and local governments to provide the resources the schools and the teachers need to help all of our children to succeed. And I do not believe we have seen a real commitment to do that from this administration.

The pending fiscal year 2003 budget, which we are getting ready to debate, even as soon as this afternoon, underfunds the No Child Left Behind Act by $7 billion. The President included a small increase from the title I program—the program targeted to districts and schools with large numbers of disadvantaged students—but even with this increase, the program remains underfunded by $5 billion. The proposed funding level will not be sufficient to keep pace with the growth in child poverty. It will mean over 6 million poor children will be left behind.

In addition, the President's budget zero funds programs that are targeted at assisting minority groups. One of those is the dropout prevention program which we wrote into that law.

The dropout rate for Hispanic students in this country is almost three times that for non-Hispanic white students. Most recent data—1999 through 2000—shows a dropout rate among white non-Hispanic students of 10 percent; among Hispanic students, just over 27 percent. These children are being left behind. Yet despite bipartisan agreement during the negotiations on the No Child Left Behind Act to include this program, to include this initiative at the Federal level, to assist with dropout prevention efforts in our high schools and in our middle schools, the administration has proposed zero funding for the program. They propose zero funding in the 2003 fiscal year budget, which we are going to be debating later today or tomorrow; and I fear they may propose zero funding for the dropout prevention program in the new budget we see at the beginning of February.

The refusal to fund this program is an even greater problem in light of the new focus on student performance and assessment. The increased focus on assessments has led many to fear dropout rates will increase as States strive to meet their academic performance goals. There is a danger that kids who are not doing well on tests will be the ones most likely to drop out. We tried to address the issue by including a provision in the new law that requires schools to show that increased test scores do not come at the expense of increased dropout rates. But the administration's recent regulations interpreting the new law gut this protection by allowing schools to claim progress even if dropout rates for some groups increase.

If we truly intend to leave no child behind—and I do believe there was good faith in the effort to put this bill together—educational funding, particularly funding for programs such as this I have just discussed that are targeted toward the most disadvantaged children—and this includes a disproportionately large number of minorities—these programs need to be our top priority, not our lowest priority.

We also see misconceived priorities in the area of health care. The Institute of Medicine at the National Academy of Sciences said in a report they issued.

[A] large body of published research reveals that racial and ethnic minorities experience a lower quality of health services, and are less likely to receive even routine medical procedures than are white Americans.

One of the number of recommendations the report made—and has been ignored, thus far, by the administration—is the recommendation to ensure public health care payors—that means Medicaid and the Children's Health Insurance Program, specifically—that the health beneficiaries of those programs are brought to the same level in their benefits as those who get their benefits through the private sector.

In the area of providing coverage to low-income pregnant women, the administration first supported and then turned its back on a bipartisan approach to cover low-income pregnant women with access to the full array of prenatal, delivery, and postpartum care that is typical in the private sector. This bipartisan effort—Senator BOND was very involved in this, as were other Senators on both the Republican side and Democratic side—the bipartisan effort would improve the outcomes of deliveries for both pregnant women and their children, particularly among racial and ethnic minorities who are disproportionately enrolled in these public sector programs.

According to the Centers for Disease Control and Prevention, CDC, African