

think the Senate should vote. I believe the Senate should vote. I believe that is what the Framers expected, and I believe they never considered a minority of this body could obstruct the will of a bipartisan majority when it comes to the nomination of a highly qualified judicial nominee.

I hope at the appropriate time there will be that unanimous consent agreement and we will continue to debate Justice Owen's nomination for a reasonable period of time—as long as anyone has anything new to say—but, in the end, that we will have an up-or-down vote, which is something currently being denied to Miguel Estrada. I certainly hope the precedent that has been set now in the case of Miguel Estrada—which I believe is a black mark on the record of this institution—will not be repeated in the case of Priscilla Owen.

I thank the Chair, and I yield the floor.

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#### RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:29 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. BURNS).

The PRESIDING OFFICER. In my capacity as a Senator from the State of Montana, I suggest the absence of a quorum. The clerk will call the roll.

The assistant 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 President, I ask unanimous consent that the order for the quorum call be rescinded.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.

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#### LEGISLATIVE SESSION

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##### CARE ACT OF 2003

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now return to legislative session and proceed to the consideration of S. 476, the CARE Act, as provided under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The bill clerk read as follows:

A bill (S. 476) to provide incentives for charitable contributions by individuals and businesses, to improve the public disclosure of activities of exempt organizations, and to enhance the ability of low-income Americans to gain financial security by building assets, and for other purposes.

The Senate proceeded to consider the bill.

Mr. GRASSLEY. Mr. President, I have a few remarks on the legislation. I am sure my good colleague, Senator BAUCUS, has remarks as the manager for the Democratic Members. We would

also like to take quick action on a managers' amendment that is in order under a unanimous consent agreement. There are a few issues that have to be cleared on the amendment.

I rise to speak on the CARE Act of 2003. I will first talk generally about the charitable provisions in the bill and then talk about those provisions designed to combat corporate tax shelters.

The CARE Act seeks to support that great American tradition—helping a neighbor in need. Our Nation's tradition of caring and charitable support goes back to the founding. When faced with tragedy or hardship in our communities, we have always been a people who have rolled up our sleeves to pitch in, rather than leaning on a shovel waiting for the government to show up.

The charitable tradition in America has certainly been for the common good. Unfortunately, there are not many K Street lobbyists for charities and for the common good.

That is why this legislation is a direct testimony to the leadership of President Bush. There is no question that but for his efforts, this legislation for the common good would not have seen the light of the Senate floor.

Let me note that commentators have rushed to state that the President's efforts to strengthen America's charitable tradition has been watered down. Nothing could be further from the truth. This legislation goes far in meeting the President's ambitious goals for a greater role for charities in assisting those most in need.

And legislation is only part of the story. The President's speeches and visits have done even more to energize the charitable sector of this country. Hardly a week goes by when I am not stopped by someone who runs a charity, or is active in a charity, and they ask me how they can get involved in the President's proposal, how they can help. Clearly, President Bush's words have been heard by America's charities and they are eager to turn his words into deeds of compassion and aid.

In addition to this legislation being a tribute to President Bush's leadership, let me also note the tremendous efforts of Senators SANTORUM and LIEBERMAN to bring this bill to the Senate floor. I commend them for their energy in making the CARE Act a reality. Finally, I'm pleased to have worked with Senator BAUCUS, the ranking member of the Finance Committee. This legislation continues our bipartisan efforts as to tax legislation.

Mr. President, for the benefit of my colleagues let me now highlight some of the major tax provisions of the CARE Act that encourage charitable giving.

First, is the creation of a charitable deduction for nonitemizers. Given that over half of Americans do not itemize their tax return, this provision will encourage taxpayers to give to charities, regardless of income. The legislation allows for charitable deduction of up to

\$500 for a married couple giving over \$500 per year. For an individual filing single, it is a deduction of up to \$250 for a person who gives over \$250 per year. For example, an individual who doesn't itemize and gives \$400 to charity, could deduct \$150 from their taxes. This provision was designed to encourage new giving and also limit possible abuses.

Next is a major provision that will provide for tax-free distribution from Individual Retirement Arrangements, IRAs, to charities. This is a provision that is important to many major charities, particularly universities. The Finance Committee heard testimony from the President of the University of Iowa about the importance of this provision in encouraging new giving. The legislation provides that direct distributions are excluded from income at the age of 70½ and distributions to a charitable trust can be excluded after the age of 59½.

We then have language that encourages donations of food inventory, book inventory and computer technology. I would note that my colleagues, Senator LUGAR, and Senator LINCOLN, a member of the Finance Committee, were strong advocates for the legislation involving food donation. I'm particularly pleased that this legislation will give farmers and ranchers a fairer deal when it comes to donation of food.

Conservation is also a part of this bill. Efforts to conserve our land and limit development benefit our Nation as well as farmers and ranchers who work on the land. The CARE Act contains language I have long supported that will encourage conservation of land through a 25-percent reduction in the capital gains tax of the sale of undeveloped land, or conservation easements. The sale must be to a charitable organization and the land must be dedicated for conservation purposes. I am pleased that President Bush also included this proposal in his budget.

The bill also encourages gifts of land for conservation purposes. This is an issue long advocated by Senator BAUCUS, which I am pleased to support.

These are the major tax provisions that encourage charitable giving contained in this bill. I would note that I am pleased that the legislation does contain provisions requiring greater sunshine and transparency in the work of charities. It is my belief that just as we are encouraging people to write more checks, we need to ensure that those checks are being cashed for a charitable purpose. In addition, the bill authorizes a serious increase in funding for the Exempt Organizations Office at the IRS to better police the few bad apples among the nonprofits.

My colleagues should also be aware that this legislation addresses the abuse of charities by terrorist organizations, making it easier to shutdown or suspend such organizations.

Let me note also that this bill contains \$1.4 billion in new funding for Social Services block grants, SSBG. This is a very important provision that will greatly benefit the States and, more