

forward. We passed that tax cut and in that we provided things such as bonus depreciation, providing incentives for business to make expenditures. When they make expenditures and capital expenditures, they are going to grow jobs.

There were many who said, How can you cut taxes at a time when we are in economic distress? The reality is, we do it because that is the way you grow jobs, and we are seeing that. We are seeing it in the data that is coming out. I will talk a little bit about that. But I want to step back and say the reason I am so passionate about this is not because it is part of a political party's platform, not because it is an ideological statement; it is because I have seen it work.

I was mayor of a capital city. I got elected in 1993. When I was elected, the city was economically dying. It was not doing well. One of the ways to value that is the value of taxable property. In downtown St. Paul, it was over \$700 million. When I got elected to office in 1993, took office in 1994, the value of taxable property was \$300 million. It had lost half the value of property. I realized we had to do those things to grow jobs, so what did we do?

We kept the lid on taxes. I made a commitment, saying we were not going to raise taxes in the city of St. Paul. You know, we didn't raise taxes in the 8 years I was in office—zero increase in the tax levee. We also cut three-quarters of the licenses to do business.

There were those who were saying, You are giving these benefits to business. Why are you doing that? I did it because I believed if you did those things that keep a lid on taxes, you would encourage investment. I believed if you kept a lid on those things that were increasing the cost of doing business, you would grow investment.

By the time I left office there were 18,000 more jobs in my city. The fact is, by cutting taxes, by stimulating those things that generate investment, you grow jobs.

There may be folks who argue about that, but it is like the economist I described. Economists, sometimes, are those folks who see something working in reality and they tell you why it can't work in theory.

Cutting taxes works in reality. You cut taxes, it works. My colleague, the Senator from Idaho, quietly mouths: "You know, it works in theory, too." And it does. I have seen it work in reality. This is not about theory or ideology for me. This is not imagining what could be or should be or might be. This is about what is.

The reality is we are seeing it today. We are seeing us coming out of that long slide—not fast enough for me; We have to grow jobs at a faster rate. But we see us coming out of the slide. We see it in the data coming out. Consumption in the third quarter topped 12 percent at an annual rate, translating to 6 percent growth in gross domestic product in the last quarter. You have

to contrast that with the first quarter of 2003. The growth was 1.4 percent. Tax cuts are making a difference. Tax cuts are taking hold. Jobs are growing. Jobless claims continue to fall to their lowest level since last February. Production in our plants and factories grew in the third quarter at a 3.5 percent annual rate. Contrast that to the negative growth in industrial production in the second quarter at 3.2 percent.

Homebuilders started building over 1.9 million new homes on an annual basis, according to the last report. Inflation is well under control at an annual rate of 2.3 percent. I believe that is about a 37-year low.

Finally, we are getting consumer confidence. That is what it is about. No one jumps a sinking ship. No one invests in something they think will fail. On the other hand, if they have a sense there is hope and optimism, people invest. It is about hope and optimism.

That is what tax cuts have done. They have generated a sense of hope and a sense of optimism. More importantly, they have put money in people's pockets. They have encouraged investment. Sixty-four percent of Americans, according to most recent surveys, predict the economy will be stronger a year from now. That is up from 55 percent last February. Sixty-nine percent of Americans say the economy is stronger than it was 3 years ago.

We have a way to go in order to move this economy forward. But the way you change the economy is not doing it like a racetrack and racing around the bends in fast turns. You grow an economy in many ways. But you see the results. It is kind of like turning an ocean liner around in the middle of the ocean; you have to get it moving in the right direction.

The President's tax cuts have the economy moving in the right direction. The economy is moving in the right direction. Americans know that. Americans understand that. Let us stay that course. Let us continue to do that which generates investment, generates hope, and that grows jobs. It is the path we are on. It is the path the President set forth, which I support. It is the right path not just in theory but in reality.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, the Senator from Texas is controlling the time on the majority side and has asked that the time be extended 10 minutes, equally divided. We have no objection on this side.

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

#### THE ECONOMY

Mr. REID. Madam President, I simply say to my friend from Minnesota, before he gets too excited about the economy doing so well, that that expla-

nation should be given to the 3 million people who have lost jobs during this administration. This is the first President since Herbert Hoover who has had a net job loss during his tenure in office. I hope there is a turnaround. But before we come here and start giving speeches about how great the economy is, we need to explain that the economy is losing jobs on a monthly basis. We are not losing as many as we did, that is true, but we are still losing jobs. People need to work.

This is the worst job creation record of any modern President. It is the weakest economic growth under any President in 50 years. If there is a recovery, it is certainly jobless. Poverty is increasing. Real income is falling. We have a record deficit. No one seems to mention that.

There were cheers from the Department of Commerce this year that the deficit—when you add in the surplus of Social Security—is only about \$500 billion. They were cheering about that. There is a record deficit. There is a record debt increase. We are going to have to increase it again before this next summer is out. It is the worst fiscal reversal in history.

Keep in mind that during the last years of the Clinton administration, we were actually spending less Government money than we were taking in. There has been about a \$3 trillion loss in market value in the stock market.

I think the time is a little premature to start coming here and giving cheerleading speeches about the greatness of the economy.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Madam President, there is an additional 5 minutes on our side. How much time remains on our side with the additional 5 minutes?

The PRESIDING OFFICER. Nineteen minutes, nine seconds.

Mrs. HUTCHISON. Thank you, Madam President.

I would like to allocate up to 5 minutes to Senator CRAIG, up to 10 minutes to Senator COCHRAN, and the remaining time to Senator SANTORUM.

Mr. WYDEN. Madam President, parliamentary inquiry: How much time remains on this side of the aisle?

The PRESIDING OFFICER. Nineteen minutes, sixteen seconds.

Mr. WYDEN. Thank you, Madam President.

#### JOBS

Mrs. HUTCHISON. Madam President, I think it is very important that all of us look for ways to create jobs. We are very concerned about jobs not keeping up with the recovery. That is why we are trying to pass an energy bill. It is why we are trying to make sure we keep the tax cuts so that people will spend the money they have. That is why we have seen an increase in the value of the stock market. It is very important that we continue to focus on jobs. And I assure you, the President and the Congress are going to do that.

Thank you, Madam President.

The PRESIDING OFFICER. The Senator from Washington.

### HEALTHY FORESTS

Mr. WYDEN. Thank you, Madam President. I think we will have a discussion about forestry. I see my colleagues from Idaho and Mississippi.

I will take just a few minutes because I think in recent days there has really been the suggestion that in some ways Senate Democrats don't want to move ahead on this forestry issue. Senator DASCHLE, in particular, in my view, has been very constructive on this issue and wants to have the Senate vote on this legislation.

I wish to make it clear that I think it is urgent we vote on this bill before the Senate adjourns for this year. I happen to believe there are 60 votes for the Senate compromise that has been worked out. I think it is important to address the concerns of all the Members.

I really hope this isn't left to just the political season, which gets awfully silly sometimes in the course of a Presidential election season next year. I think the Senate must vote on it this year. Senators know that this issue sort of makes Middle East politics look noncontroversial. This is a very difficult and contentious subject. But I think the Senate has come together around an important compromise.

I wish to take a few minutes this morning to outline how the Senate bill would differ from what has been done in the House of Representatives.

First, the Senate compromise authorizes \$760 million for hazardous fuel reduction projects. The House bill does not authorize any additional money for these projects.

The Senate compromise—I want to emphasize this to my Democratic colleagues—does not rely on commercial logging to get these projects done. The House bill does. I think this is unfortunate.

The Senate compromise protects our rural communities. The House bill does not.

The Senate compromise directs that 50 percent of the funding be spent inside what is known as the wildland-urban interface. The House bill is silent with respect to directing these funds.

The Senate compromise protects old growth and large trees and requires projects that thin—not clear-cut—our forests. Again, that is in contrast to the House bill. The House bill does not protect old growth and large trees, and it doesn't limit how the projects can be executed.

Fourth, the Senate compromise keeps the current standard of judicial review of these projects and rejects the House of Representatives standard which is not as balanced. The House bill would actually change the outcome of lawsuits, in my view, regrettably, by robbing the judiciary of an independent

ability to weigh all of the evidence put before them with respect to forestry matters.

Finally, the Senate compromise keeps the public in the process. Regrettably, the House bill does not. The Senate compromise allows the public to actually propose what is known as a NEPA alternative.

The National Environmental Policy Act is an extraordinarily important statute. It has been of great importance to a lot of Members of the Senate. Look back to people such as the late Scoop Jackson who were so involved in this issue. The Senate compromise clearly allows the public, through a public process, to propose NEPA alternatives. In my view, the House bill pushes the public out of the process by, in effect, predetermining these alternatives in the NEPA area.

Talking for a few minutes about the compromise, in particular the value of having the first ever statutory protection of old growth, preserving the public's right to participate, while streamlining the appeals process to get at some of the abuses we have seen, strikes the right balance. With respect, for example, to this question of making sure citizens can be involved in appealing matters relating to a forest resale, it is critical those rights be protected.

I also do not think there ought to be a constitutional right to a 5-year delay on every timber sale. The Senate compromise which we put together strikes that appropriate balance.

As we get ready to vote, some very creative work has been done. Folks have asked, How do we know the old-growth protection is actually going to get put in place? We say, for example, for the old-forest plans that in effect the Forest Service would have to go back and revise those plans to make sure the old growth is protected before the overall projects with respect to thinning go forward. We create for the first time in these old-forest plans an actual incentive for the Forest Service to get busy, get going, and protect the old growth while allowing the thinning to go forward. The compromise makes it less likely that old growth will be harvested under current law because under the compromise we mandated the retention of the large trees and focused the hazardous fuels reduction programs authorized by the bill on thinning the small trees.

Several of my colleagues want to talk on this, but I make it clear, again, Senator DASCHLE has said publicly, privately, in every conceivable forum, he wants this legislation to move forward expeditiously. Let us address the concerns of all Senators. This is a matter Senators feel strongly about. Let us vote on this legislation this year. The fires we have seen in the west are not natural. They are infernos coming about as a result of years and years of neglect. The compromise we have crafted reflects a balanced approach. We are not stripping the American people of their rights to be heard with re-

spect to forestry policy. Quite the contrary. We protect all of those avenues of public participation.

I know we are going to hear from our colleagues who have been involved in the compromise. I thank Senator CRAIG and Senator COCHRAN, in particular, for working with myself and Senator FEINSTEIN for many months. A number of Senators have already come out for this proposal, including, of course, the minority leader, Senator DASCHLE, but also Senator DAYTON and Senator JOHNSON. We have a host of Democratic Senators. We can get 60 votes on this legislation and see it passed from this body. We want to have it done this year.

I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 5 minutes.

Mr. CRAIG. I thank the Senator from Oregon for his explanation and his evaluation of the Healthy Forest Restoration Act, H.R. 1904, that we want to get before the Senate. He is so right in all of his comments. We have worked together in a very bipartisan way.

I come to the floor today as a frustrated Senator over the current situation. I chair the forestry subcommittee of Energy. My colleague from Oregon is the ranking member. Yet the ranking member of the full Energy Committee came to the floor and objected to proceeding on this legislation. I am frustrated as to why the Senator from New Mexico, Mr. BINGAMAN, would object now that we have crafted this bipartisan balance. I am perplexed, when you evaluate the record of full bipartisan participation, why we will not allow this to go forward under the normal course.

On June 26, the Agriculture Committee held a full hearing on H.R. 1904. Many of our colleagues attended. I am not a member of the Agriculture Committee, but I attended that hearing. Those Members critically in need of this legislation for our states and our forests attended that hearing. Then the Energy Committee the Senator from New Mexico is on, on July 22, held hearings on this issue and on the impact of fires, insects, and disease on our forests. The committee also considered S. 1314, the Collaborative Forest Health Act. Senator BINGAMAN's bill, H.R. 1904, the Healthy Forest Restoration Act, was also considered at that time. There has been full consideration in both the Agriculture Committee and the Energy and Natural Resources Committee of this legislation.

Two Senators who have engaged in the hearings full time, Senator WYDEN of Oregon and Senator FEINSTEIN of California, worked in a very bipartisan way with the chairman of the full Agriculture Committee, Senator COCHRAN, who I understand will speak in a few moments.

Why, therefore, is there an objection? More importantly, why are we now calling for hearings on an amendment? I don't know that has ever been done