

Until now, many employers have not known what steps to take upon receiving such a mismatch notice. Many mistakenly believe that they must immediately fire the employee. The absence of clear guidance has frustrated employers and, all too often, legal employees end up losing their jobs because of this confusion. The proposed rule outlines clear steps that employers can take in reaction to receiving "no match" letters.

The proposed rule contains a safe harbor for employers. If businesses follow these procedures in good faith, they can be assured they will not be subject to sanctions.

While the vast majority of employers seek to comply with the law, too many employers turn a blind eye to obvious violations of the law. In fact, a small percentage of employers are responsible for a large percentage of "no match" letters. The General Accounting Office reported that between 1985 and the year 2000, only 8,900 employers were responsible for 30 percent of "no match" reports.

Some of the other statistics in the General Accounting Office report are even more troubling. Several employers used one Social Security number for more than 100 different employees—the same Social Security number for more than 100 different employees. One employer used a single Social Security number for 2,580 different wage reports. Mr. President, 8.9 million wage reports had all zeros for the Social Security number. In other words, there was no attempt made whatsoever to come up with the correct and accurate number, so zeros were offered as a Social Security number in 8.9 million wage reports.

Mr. President, 43 different employers used the same Social Security number for more than one employee—for 16 years in a row.

The Department of Homeland Security recently conducted the largest worksite enforcement raid to date against a company known as IFCO Systems, arresting more than 1,000 illegal aliens and charging several managers with criminal violations.

Approximately 53.4 percent of the Social Security numbers for IFCO systems were invalid—half—and Social Security had notified the company more than 13 times regarding these discrepancies before it finally acted.

This regulation will therefore provide guidance to employers who seek to comply with the law and will allow the Government to prosecute those who turn a blind eye. But this action by the Department of Homeland Security is only a Band-Aid for the underlying problem. Employers do not have a reliable method to ascertain whether employees are eligible to work in the United States. A paper-based system such as we have now, where you can use up to 29 different documents, will always be vulnerable to fraud and abuse.

Electronic verification is the way. It has been tested for more than 10 years,

and an independent review of the program, the so-called basic pilot program, found that 96 percent of participating employers believe the electronic verification system is an effective tool for employment verification. The Senate immigration bill improves upon the current paper-based system and requires an expansion of the electronic verification system. But the Department of Homeland Security Secretary Chertoff told me personally that he has problems with some of the provisions in the Senate bill and that, as drafted, he considers it unworkable.

In my capacity as chairman of the Immigration, Border Security and Citizenship Subcommittee of the Senate Judiciary Committee, I intend to hold a hearing in the coming weeks on this critical issue of employment verification to make sure we get it right.

Twenty years ago Congress sold Americans a bill of goods. They said if you will accept the amnesty, then we will have workable worksite verifications and sanctions against employers who cheat. Yet today, here we are wrestling with the problem, not of 3 million undocumented workers but 12 million. Obviously, the amnesty without worksite verification and employer sanctions is merely a magnet for future illegal immigration.

I believe Americans are a forgiving people. If someone makes a mistake and repents, asks forgiveness and says; I'll try better next time, they are pretty forgiving. But if we are viewed as merely repeating the same mistakes and attempting to trick the American people into accepting another amnesty without actually trying to solve the problem, the consequences for our society and for our national security and for our economy will be too great.

I will, therefore, continue to work with my colleagues diligently during the conference with the House to develop an employment verification system, along with a temporary worker program, that reduces employer burdens and protects workers' rights, but which will allow us finally, once and for all, to come to grips with our broken immigration system.

RECOGNITION FOR LINK PIAZZO

Mr. REID. Mr. President, I rise today to honor one of Nevada's true patriots, Lincoln Piazza: a Reno native, veteran, businessman, and philanthropist.

Link Piazza is the son of proud Italian immigrants who came to Reno in the early 1900s. Link was born in Reno on December 11, 1918. His father was committed to realizing the good life in America and passed this motivation on to his children. Link inherited his father's great commitment to honesty, vision, helping friends, and the belief that there is no country like the United States of America.

Link attended Mary S. Doten Elementary School, Northside Junior High School, and Reno High School. During

World War II, he served as a pilot in the U.S. Army Air Corps and flew B-25 bombers on 67 combat missions. He is an honored war veteran and a recipient of the Distinguished Flying Cross for significant war efforts and achievements.

Community involvement has always been a major part of Link Piazza's life. He has spent a significant time giving to others and contributing to his community. He has donated his energy and resources to a number of civic and fraternal organizations and is a well-respected citizen of the community. Link volunteered his services as official scorer and timer for high school zone and State basketball tournaments for 33 years. He was a sports broadcaster for the University of Nevada games from 1945 to 1950 and was co-organizer of the first Reno Little League. He is cofounder of the Reno Junior Ski Program that still continues to benefit local junior skiers.

As a northern Nevada community leader, Link has been a member of many civic and social organizations. He has served on the Reno YMCA Board, the Reno Rodeo Association Executive Committee, Sierra Nevada Sportswriters and Broadcasters Association, National Sporting Goods Association, the Local United Way Chapter Board, the Board for Hidden Valley Properties, the Reno Rodeo Association Executive Committee, and the Reno Rotary Club. Link has been honored by the National Sporting Goods Association—National Sporting Goods Hall of Fame, and the Washoe County School District's Outstanding Graduate Award for Outstanding Community Service.

Link has also played a significant role in his community's development. In 1938, he cofounded the Sportsman Store with his brother. He was also co-developer of the Hidden Valley Country Club and Golf Course properties. He has supported the Reno Rotary Club, construction projects for the Reno High School Alumni Center, the Nevada Humane Society's Regional Animal Shelter, and the Reno YMCA Youth Center.

Link's positive outlook on life serves as motivation for all who meet him. He weathered the Great Depression, fought in World War II, and helped to build and then nurture his community and country. Link is a very successful man when success means helping others and helping others achieve. He works hard and has persevered. Link Piazza is a true American patriot and humanitarian.

DISCUSSING TAX CUTS

Mrs. CLINTON. Mr. President, in the wake of yet another contentious debate over the size and scope of the Republican tax cuts, I believe that it is high time that this Chamber engages in a serious discussion about the fiscal condition of our Nation and that Senators make an objective assessment of what the economic policies of the last 5

years have wrought on our Nation's long-term economic security. It is critically important that we realize that every tax cut we debate or enact today, will have a cost for workers and future generations down the road. Despite the best wishes of some Senators, there is no such thing as a tax cut that pays for itself and the fiscal profligacy of the last few years will have a dramatic effect on the economic opportunities for the next generation of Americans. Indeed, what has made this Nation great is only the result of the commitment of each generation of Americans to leave a country for their children and grandchildren that was a little better than they found it. We need to ask whether our economic choices today will enable us to fulfill that commitment.

A recent article in U.S. News and World Report magazine has clearly laid out what is at stake with the fiscal decisions that we have made and will continue to make in the months and years to come. Therefore, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From U.S. News and World Report, May 1, 2006]

PLAYING FAIR ON TAXES

(By Mortimer B. Zuckerman)

Millions of Americans breathe relief at having filed their tax returns. Once again they were face to face with the complexities of compliance, which is why the average American family spends about 26 hours on the task. Every administration promises it will simplify the tax codes, but 60 percent of Americans still need professional help, at a cost of \$150 billion a year. They are not dummies. They are busy, honest people who have to cope with grotesquely swollen federal tax regulations. The number of rules has risen by over 40 percent in the past four years, from 46,900 in 2000 to 66,498 last year. Is there anyone, really, who can figure out the complicated and tricky alternative minimum tax? Designed to stop rich people from claiming too many deductions, it now ensnares millions of middle-class families.

There is no point in expecting Congress to simplify the tax code. Why? Because congressmen need lobbyists to get elected, which means they need millions of dollars, and the lobbyists are intent on inventing new complexities to give tax breaks to well-connected companies and individuals or for fashionable public crusades.

Even more lamentably, Congress, over the past five years, has diminished the progressivity of our tax system, which has always required richer people to pay a higher rate than poorer ones. A progressive tax has long supported an expanding middle class and should provide the greatest rewards for the people who work hardest. But the Bush tax cuts have made it less so.

The 2001 income tax rate cuts and the 2003 capital-gains and dividends cuts have lowered the average tax rate for the richest one tenth of 1 percent of Americans by 3.8 percent but reduced taxes just .03 percent for the bottom 20 percent. Of the tax savings on investment, the lion's share—more than 70 percent—went to the top 2 percent. Of the 90 percent of taxpayers who make less than \$100,000, only 14 percent benefited from the dividend-tax cut and only 5 percent from the

capital-gains-tax cut. People who own stocks hold them in retirement accounts, which are ineligible for investment relief, and when withdrawn, the profits are reduced by the higher rate applied to wage earnings.

In this way, the tax burden on the richest has been reduced to where those who earn \$10 million or more pay at a lesser rate than those who earn between \$500,000 and \$1 million. (And the top 400 pay at an even lower rate!) In part, that's why the share of income going to the top 1 percent of Americans has jumped from 9 percent to 14 percent of our national income, an increase of 50 percent. It is inequitable, reprehensible, absurd, and unfair. Is it any wonder that an NBC News/Wall Street Journal poll last year found that most Americans, 54 percent, believed the Bush tax cuts weren't worth it?

Class warfare? Yes, these cuts have helped stimulate the economy. But they have also turned the impressive fiscal surplus when President Clinton left office into a long-term budget deficit now trillions of dollars, of which about 60 percent can be attributed to the "Bush effect." These deficits are mortgaging workers' future pay gains to fund baby boomers' retirement payments.

And they're being financed with borrowed money, which will have to be repaid, with interest, by taxpayers of the future. All of this as we face an aging population that will drive up the cost of government retirement programs with serious consequences for our future living standards in the form of higher taxes or lower benefits. Social Security will provide less of a safety net; Medicare will not be able to guarantee healthcare to older Americans; and Medicaid will no longer be able to help the poor.

The tax cuts on investment income should not be extended after they expire in 2010. One argument in favor of keeping the cuts in place is that eliminating them would hurt economic growth. Yet, when President Clinton raised the marginal rate on high incomes, the opposite occurred: Unemployment dropped without causing inflation; productivity and growth accelerated to levels not seen since the 1960s, and the budget deficit was converted to an impressive surplus. Government borrowing stopped draining the capital markets, freeing up money for private investment.

Nor can it be said that taking these new tax cuts from the wealthy would amount to class warfare. It is hardly class warfare to suggest that some of the \$750 billion a year that the top 10 percent of income earners are taking in now should go to sustain the fiscal health of the country and the expansion of our middle class and to maintain America as a true land of opportunity.

Remember that job security, private pensions, and employer-provided healthcare coverage are being cut back. Remember that there is significant erosion in public services such as schools, colleges, transportation, health, recreation, and job training. Understand why large numbers of people in our society are feeling increasingly vulnerable. It is time to redress the balance.

ADDITIONAL STATEMENTS

100TH ANNIVERSARY OF THE SPANGLER CANDY COMPANY

• Mr. DEWINE. Mr. President, today I recognize an outstanding achievement resulting from a century of hard work and perseverance. This August, the Spangler Candy Company, a family-owned business based in Bryan, OH, will be celebrating its 100th birthday.

This is quite a milestone—a testament to Spangler's commitment to its customers and community.

On August 20, 1906, Arthur Spangler purchased the Gold Leaf Baking Company in Defiance, OH, for \$450 and moved the operations to Bryan. The Spangler Manufacturing Company was born, originally producing baking soda, baking powder, corn starch, laundry starch, spices, and flavorings. Arthur's brother, Ernest, joined the company 2 years later and suggested adding candy to the production line. This proved to be an excellent idea. In 1920, the name changed from the Spangler Manufacturing Company to the Spangler Candy Company. Since that time, the Spangler Candy Company has remained a family-owned and operated business and maintains the values that made it so successful—hard work and innovation.

In 2001, an outside warehouse fire at Oberhaus Enterprises in Archibold, OH, destroyed 110,000 cases of Spangler products at a value of \$6.5 million. This disaster could very easily have destroyed the Spangler spirit, but instead, it only made the organization stronger. Today, the Spangler Candy Company employs about 400 people in the United States and is a global leader in confectionary production and sales. The company has helped many Ohioans build their dreams, while at the same time, the Spangler Corporation has achieved the American dream.

So today I salute the Spangler Corporation for a century of demanding work, inspiration, and commitment to the northwest Ohio area. I wish them all the best for the next 100 years. ●

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 Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

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. COBURN (for himself, Mr. DEMINT, Mr. INHOFE, Mr. CORNYN, and Mr. VITTER):

S. 3488. A bill to amend the Internal Revenue code of 1986 to expand the permissible use of health savings accounts to include health insurance payments, to increase the dollar limitation for contributions to health