

SENATE—Monday, January 22, 2001

The Senate met at 10:00 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

O God of new beginnings, give us minds open to Your fresh vision and hearts ready to be warmed by the glow of Your presence. Open our ears to hear Your admonition, *Not by might nor by power, but by My Spirit*—Zechariah 4:6.

Remind us all that it is not by human strategies or clever power-brokering that Your work is done but by the grace, guidance, and gifts of Your Spirit. Help the Senators to humbly ask for and to willingly receive the supernatural endowments of Your wisdom, discernment, insight, and courage. You alone can make good leaders great leaders. May You grant the Senators such lodestar magnetism that there can be no other explanation for their dynamic words and lives than that they have been with You and have decided to live in the flow of Your Spirit.

Free them from the limits of self-reliance. Surprise them with what You can do with leaders who are totally reliant on Your spiritual reinforcement and resilience. Fill this Chamber with Your glory and the Senators with Your grace. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JUDD GREGG, a Senator from the State of New Hampshire, led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader is recognized.

BEGINNING OF THE 107TH CONGRESS

Mr. LOTT. Mr. President, as always, it is good to see you present and ready for a new beginning. I think we have a new opportunity in this 107th Congress. Again, I extend appreciation to our Chaplain for the spiritual leadership he provides to the Senate, all Senators and our Senate family.

I see the distinguished Democratic whip, Senator REID from Nevada, is on the floor also ready to go to work. I ap-

preciate the work he did in the last Congress and look forward to working with him this year. We are now at a stage in our country's history where we will be able to take a new look at what we want to do for the benefit of all of our people. We have completed the election, we have completed the inauguration, and now we begin to get down to business.

I am pleased today that we will have an opportunity to go down with leaders of both parties from both the House and the Senate to meet with the new President to begin to discuss the agenda and how he would like to proceed and how we would like to proceed in our own way.

SCHEDULE

This is the first day for bills to be introduced. The Senate will then have a period of morning business until 3 p.m. for the purpose of general statements, most of them, of course, with respect to the bills introduced.

As previously announced, there will be no rollcall votes today. Votes, if necessary can be expected during this week's session regarding the confirmation of the President's Cabinet nominees. Senators will be notified as votes are scheduled. I expect there could be a vote or two scheduled on Tuesday, perhaps also on Wednesday, but we will give Members specifics on that once we have had an opportunity to consult with leaders on the Democratic side of the aisle.

I also thank all the Senators for their willingness to allow us to move seven of the President's nominees through confirmation on Saturday. There had been some indication that perhaps recorded votes would be necessary, but after a great deal of working back and forth and the fact that Senator DASCHLE was willing to be supportive of moving the nominees through quickly, we were able to get that done. I think that was a wise decision on behalf of myself and I know the new President is glad six members of his team have already been sworn in and the seventh will probably be sworn in today, especially those dealing with national security issues, economic issues, and even the new Energy Secretary who will have to immediately begin to address some of the energy needs in this country. I think we are off to a good start.

We will have the first 30 minutes I believe on this side of the aisle, and then the second 30 minutes goes to the Democratic side. Traditionally, we introduce the first five, the majority party introduces the first five, and

then the other side does the next five, and back on this side for five more, and back to the other side. Then any Senators who wish would be able to offer their bills after that.

I notice the Senator standing. Before I go further, I am happy to yield to Senator REID.

Mr. REID. If the majority leader would yield for a brief statement, I say to the leader I hope during this coming year, he will look at what happens here that is positive in nature. I was very happy to hear the majority leader talk about what we did last Saturday, in one fell swoop, approving seven of the Cabinet positions given to us by the President.

There will be times during this year that we won't be approving seven major nominations or doing anything that is that large of a step. I think there is a spirit of bipartisanship. I have to say it was generated and improved by the work of the two leaders in allowing us to have the committee structure as indicated.

I think there is a good feeling on both sides of the aisle that we can get things done. As the year proceeds, when there are things that don't go the way of the majority, with Vice President CHENEY making that majority, I hope he would reflect on those things we do that are positive in nature.

This is a legislative body. To get things done we have to compromise. Legislation is the art of compromise. I hope we can maintain this feeling of bipartisanship that we now have. There is no reason we cannot do that, especially if we look at things done here as the glass being half full rather than half empty.

I have told the leader personally how much I appreciate what he has done. I look forward to a very fruitful legislative year for our country.

Mr. LOTT. Mr. President, I thank the Senator from Nevada for his comments. That is why I did make specific mention of the fact that we confirmed seven of the nominees on Saturday. That was a very good gesture, very positive gesture. I had noted earlier that 8 years ago we had confirmed three of then-President Clinton's nominees the first day and all of the rest of his nominees the second day except one, which we did have a recorded vote on subsequently. But I thought in this case the fact that we moved seven was very good. I think as long as we can, and as many times as we can find a bipartisan way to work together, we should do that and we will do our best to do that.

Back to the schedule today of introducing bills, the leadership may opt in

some instances to go ahead and introduce a bill that is fully prepared, fully vetted and properly drafted or they may decide to have what we call place holders for their bills—S. 1 through S. 5 on our side or S. 6 through S. 10 on the other side.

We will probably have place holders today because we would like to have an opportunity to honestly have more consultation with leaders on both sides of the Capitol in the majority party, but also to have input from the President. This week, the President will go forward with his commitment to make education his highest priority, and he, as I understand it, will speak to different aspects of his proposal each day, or two or three times during this week. We would like to make sure we have a bill that has been worked through and we will have an opportunity to work with our new chairman of the Senate Republican Conference, the distinguished Senator from Pennsylvania, Senator SANTORUM. So, within a couple of weeks we will have the specifics of this legislation.

Again, without saying these are the order of priorities, I do think I should at least touch on the issues we are going to be focusing on in these early bills. Education, as the President has indicated—I think everybody in America is in agreement, regardless of region or party or financial background—has to be addressed. We have lost some ground in comparison to previous generations, compared to other countries. We can do a better job in education. No child should be left behind in America. We are going to focus on accountability and reading. I feel very strongly about this whole issue.

I am the son of a schoolteacher who taught school for 19 years. I went to public schools all my life, as did my wife and both of our children. It really pains me to see what is happening in some of our schools. The quality has deteriorated. The accountability has left. The schools are dangerous. The schools are not safe from drugs. So we have work to do there.

Also, clearly we need to continue to try to address the Tax Code. The Tax Code is unfair. It is too complicated; it is too long—it is endless. But even beyond that, now, we see there is some softening in the economy. Without trying to predict what might happen in that area—we always look for a way, in America, to have more. But when you look at the surplus we have and look at what can be done with the Tax Code to make it more fair and also to encourage economic growth. I think that should be one of our high priorities.

I believe it will be. The President has said he is going to seek that, and I believe there are Members of Congress, again, on both sides of the aisle in both Chambers, who are going to try their best to achieve that goal. Will there be arguments over some of the details?

Surely. This is a legislative body and different Senators and different House Members will have different approaches. But we should get this done and do it as quickly as possible because we need to start having some impact. That is why I do support the ideas that have been suggested, that it be across-the-board rate cuts and that we look at retroactivity and other ways to really affect the economy.

Over the past week, in various settings, I did also have the opportunity to talk to some of our leaders in defense. I spent some time with the new Secretary of Defense, Don Rumsfeld. I had the opportunity to talk to a number of Members of the Joint Chiefs of Staff but, more important, to individual military men and women. I believe there are more problems in our military and greater needs there than we have acknowledged or that people are prepared to recognize at this point. It does go to morale, the quality of the facilities for our military personnel: readiness and modernization. So defense has to be at the very top of any agenda we discuss.

Then you start looking to your grandparents and your parents, to your own future and that of your children and grandchildren. We have to go ahead and address the issues that are difficult politically but essential for the future security of all of us; that is, Social Security and Medicare, and how do you provide prescription drugs to our needy elderly. It will not be easy, but as the President said in his Inaugural Address at his swearing in on Saturday: We cannot just pass these issues on to the next generation because it is tough for us to deal with them.

That is not exactly what he said, but that was the gist of it. That is what he meant. So I think we have to find a way to do these things, and we can do them. There are a lot of different ways to approach this. Again, the substance will be hotly debated. I really think that Social Security can be dealt with, with just a few changes that would protect it for 90 years or more. Medicare has more moving parts, and I think it has more difficulty right now, but we should start early to try to find a way to work on those.

On Medicare, I think a good place to begin would be where the Medicare Commission left off. We had a bipartisan Medicare Commission with some of the most thoughtful Members of the Congress serving on that Commission, chaired by Senator JOHN BREAU. They did a lot of good work. Have we learned more? Surely. But that would be good place to start because unfortunately that Commission's recommendation never had a good airing by the Senate committee or the House Ways and Means Committee.

In the case of Social Security, I think a good idea would be to consider

a commission somewhat similar to the commission we had in the 1980s, sort of a base closure-type commission, where we have a distinguished blue ribbon commission that would look at this area and make recommendations. Then Congress would have to review it and then vote it up or down. But these are just some ideas, ideas I am not advocating on behalf of any group of Senators and not the new President, but just some thoughts that we can work on.

Another area—and this goes beyond five categories but is something we have to look at very quickly—is energy. We have ignored this energy problem. We don't have a national energy policy. How many times are we going to have to be shaken to wake up and realize that we do not have a national energy policy; we are not making use of the resources we have in America, we are not properly providing the right incentives for conservation; we are dependent on foreign oil? This makes no sense.

Then we have the situation in California where they say they have deregulation but it is not deregulation, or it is half deregulation which is worse than no deregulation. They deregulated at one end and not at the other, and we see there are real problems. But we should not protest and damn the darkness. We should prepare for the light. We should find a way to have a broad policy in this area.

On Sunday, I spoke to the distinguished chairman of the Energy and Natural Resources Committee, Senator MURKOWSKI. I thought that issue was so important that I took some time to give him a ring and talk about what he has in mind and the preparation he is doing to have a bill ready within the next few days. It can be introduced in our first grouping of bills.

We have a lot of work to do, but I am excited about the possibilities. This is by no means a complete list. There will be issues we will be working on beyond the first five or first six bills, things that are left over from last year that I know we are going to need to address.

We will have to address them. It will be in a variety of areas all the way from transportation to housing to health care, obviously, that is still pending. So we will have plenty of other things that will be moving.

But as Winston Churchill would say, I think, and as he said, you do need to give the people a few really big ideas.

You do need to step up to the difficult issues. You need to stretch people to reach beyond their own comfort and try to think about the next generation. So the issues I have addressed here are big issues, issues that we need to speak to quickly. With the leadership of our new President, one who is going to be very aggressive in promoting ideas but also very willing to listen, to reach out to Members of both

parties and Americans of all stages in life, I think he is set up now in such a way, with his own efforts and also some things that have happened here in the Senate, that give us an opportunity to achieve some really wonderful things for the American people.

So I look forward to this opportunity, working with Senators on both sides of the aisle. I thank the distinguished Senator from Pennsylvania for being willing to be here this morning and go over this list, perhaps in some more specificity. I yield the floor at this time, Mr. President.

Mr. SANTORUM. Mr. President, I thank the leader for his opening remarks and for setting the stage for what we all hope to be a very productive session of Congress. It is like the first day of a football season or baseball season. Everybody is even right now. Nobody has lost a game yet. Everybody has high expectations and high hopes for a good season.

I believe we have a good team here. We have a good team here in the U.S. Senate. We have a good team in the House, a good team in the White House. I am very optimistic that we can work together and really produce for the American public, because that is really what it is all about. It is about delivering and meeting the concerns that the American public have with how we here in Washington, D.C. interact with them.

There are certain issues that are very important to average Americans—I always use the term kitchen table. What are people talking about at their kitchen table, and what is relevant in their daily lives and how do we react to that and intersect with that here in Washington, D.C. I think it is vitally important for us to approach what we do here in part based on that.

Obviously, there are great issues of national security and foreign diplomacy that may not be kitchen-table conversations on a daily basis to which we obviously have to pay attention. Making sure Government runs efficiently and effectively may not be on the front burner of the American people but certainly is the responsibility of Congress. But when it comes to the agenda of changing to improve our system to reflect the concerns of the American public, I think that is what we really want to focus on today.

Senator LOTT did a good job of running through those items that he believes and I believe are on the minds of millions of Americans, where they see problems and they see ways in which the Federal Government can, by some level of involvement, make a positive difference in making their lives better and America better. I want to walk through those.

We, as a Republican Conference, a few weeks ago met across the street in the Library of Congress. We had a discussion about what we thought were

the issues of importance to the people of America where Congress could make a difference, where Congress could improve the quality of life in America and improve the prospects for future generations of Americans to live free and to have opportunities.

The six we came up with are these: Improving our national defense. Obviously, a big concern with this new administration and I think with the entire Congress on both sides of the aisle is the low level of morale in many areas of our military and the fact that we have not faced up to the challenges we have in national security. I will go through those.

First, morale. Let's make no mistake about it; we have the best fighting force ever seen on the face of the Earth. We have outstanding young men and women who are serving this country and serving it well, but we have not provided leadership in two ways: No. 1, providing basic care for them as people, whether it is the military health care system which has an inordinate amount of problems or whether it is simply pay, salary. We gave a pay increase, but it is still lagging far behind the private sector. We ask our people to serve and put their lives on the line, and yet the compensation is such that most of our people in the military live hand to mouth, paycheck to paycheck.

We need to do something to improve quality of life in housing. We need to improve quality of life in another area, and that is deployment. Our front-line troops in particular are stretched out, even several members of a family and friends who are in the Reserves and Guard and are being asked to do much more and many more deployments. That is stretching them at home and at their work, all because of our inability to focus our resources in America appropriately.

I am hopeful with this new President that we will reduce the number of deployments, and not just because we should not be involved in a lot of the areas in which we have been involved, but certainly because of the strain it takes on our military in morale and readiness. That is another area in which I am looking forward to doing some work.

The final area in defense I want to talk about today is we have not prepared our military for the next generation, the new threats that are out there, whether it is missile defense and the threat of terroristic missile attacks on this country and our allies or cyberwarfare. There are 20 countries around the world developing offensive capability to attack not just our military installations and our military computers, but our commercial computer systems through cyberwarfare. We have to do a better job of responding to that and chemical and biological weaponry and other types of terroristic attacks—homeland defense.

We have to do a better job in this new millennium to respond to the threats of the new millennium. Frankly, we just have not put forth the resources we need and have not given it thought. I am hoping to work on that on a bipartisan basis in the Congress.

We all recognize—many on the other side of the aisle have worked in these areas—we need to work in these areas and move this country forward.

I am doing these items in alphabetical order.

Education: I do not know of anything President Bush has focused on more than providing a quality education for every child. We heard over and over that no child should be left behind. I am excited to see he already has a growing volume of information, suggestions, and ideas for the Congress to improve the quality of education by insisting on accountability through testing and setting goals, but ensuring and, in a sense, restoring local control where, yes, there are goals and, yes, there is testing, but there has to be local control and flexibility for the schools to be able to accomplish that. We have to do something to improve education overall. One way to do that is by improving safety in our schools. I know President Bush is very sincere about that, as we all are. One way is to ensure that people who are going to a school where they do not feel safe is to give them a choice to go to another school that is safe.

There are schools in this country—I have been to a few. I remember going to a school in Philadelphia and asking a group of kids, of whom a very small percentage are going on to college, what is the No. 1 concern they have at school. Was it not enough computers? Quality of teachers? Classroom size? Their No. 1 concern was getting to school alive every day. That was the consensus in the room.

If one's first concern is getting to school alive every day, how well can one learn when they get there? We have to do something to provide the opportunity, for people who want to learn, to go to school where they feel safe. Obviously, we need to improve safety in every school, but we need to give choices to people who do not feel safe in their school.

One of the things President Bush did when he was Governor of Texas was close the gap between those schools that were "advantaged" and those schools that were in poor neighborhoods, focusing on getting more resources into our disadvantaged schools to help kids. Yes, parental choice and giving parents the choice to send their kids to another school is one aspect, but obviously bringing up the standards in those poorer schools is another way to do that. That has to be a big focus of our education agenda.

Third is energy. Senator LOTT spoke very eloquently to the fact we simply

have not had a national energy strategy. We have been able to get away with it. OPEC and the rest of the world were allowing oil to flow very freely, and we had relatively cheap oil for some time in this country. The result of that is we have seen our dependence on foreign oil go up to 56 percent.

One of the objectives of this Congress and this administration should be to get back to the level of dependency on foreign oil that we had 8 years ago, which was 50 percent. We are talking about a 10-percent reduction in our dependency on foreign oil. It is vitally important we do that, and we can do that through a variety of ways. Developing alternative sources of energy is one. It is vitally important we use renewables but also use the fossil fuels we have in our country.

I come from coal country. I can tell you, the poorest counties in my State are counties in which coal used to be king. We need to do something—and we can—to use our coal resources—and we have literally hundreds and hundreds of years of coal reserves in our country to use our coal resources to create power and to do it in a clean way. We can do it in a clean way if we are willing to invest in it. We have to invest in using our domestic capability, but do it in a way that is clean, and we can do it by investing in technology to burn coal cleanly. It can be done.

We have to have a comprehensive strategy; we have to come together as a nation and say what our agenda is going to be for energy and do it in a bipartisan way, and we need leadership from the White House. We did not have that leadership. We did not have any real effort made. I am excited our former colleague, Secretary Spence Abraham, will be leading that charge, and I am very excited about the opportunities we will have in the area of energy strategy.

Third is Medicare. Medicare is probably one of the most popular programs in the United States. It is popular because it provides much needed health care to those who are the most vulnerable to illness, and they are our seniors. But the problem with Medicare is that it simply doesn't do the job of providing enough benefits, enough services in an efficient way to a population that is ever increasing in need and in size. So it is vitally important for the Congress to do something to improve the quality of Medicare and to improve the expanse of Medicare. In other words, we need to expand it.

I think everybody in this Chamber would agree, we have to have a prescription drug component for Medicare. I think everyone would also agree that the only reason we don't have a prescription drug component of Medicare—I am talking about an outpatient prescription drug benefit—is because Medicare is a Government-run health care system. For many years, while

every private plan in America had a prescription drug program to it, Medicare didn't for probably 10 to 15 years. The reason it didn't is because the Government had to change it. We were running big deficits at the time and we simply didn't have the money. We didn't have the money to add a benefit onto an existing system as other programs did, to change their insurance policies—to change theirs from less utilized care to more utilized care, to respond to what the public wanted and the changes in Medicare.

We are stuck with a one-size-fits-all Government program that would not do that. So now millions of people in America don't have prescription drug coverage as seniors. We need to change the Medicare system so it can change as medicine changes, not as Congress changes because Congress doesn't move as quickly as medicine does. So we need to do something to make sure Medicare is responsive to the changes in medicine, and to the changes people who are on Medicare want, with the kind of medicine they want to have provided to them.

So it is vitally important for us to change Medicare to be patient friendly, to respond to the needs of the American public. That includes a prescription drug program, but it also includes choices for people. It includes changing the system to allow it to evolve as the needs and wants of seniors in this country change and as medicine changes.

So that is what we are going to be focusing on with the Medicare Program. It is vital for us to do so right now because we have too many people who are not getting the kind of services they need under Medicare. We need to give them those choices. We need to give them the chance to get quality health care the way they want it delivered, on a timely basis.

Next is Social Security. I can't think of any Member of either the House or the Senate who has done more work on Social Security than the Presiding Officer, the Senator from New Hampshire, Mr. GREGG. But he and I, and several of us here, have been working to try to communicate to the American public: If you think there are problems in Medicare—and there are, as shown in the reasons as I laid them out before—the same problems really exist in Social Security. I know there are probably people listening whose sole income comes from their Social Security check. They are living hand to mouth. They are probably not even surviving simply with their Social Security. They are probably having to get supportive services like Meals on Wheels or other food support from charitable organizations. They are probably getting help from relatives or friends because the Social Security check alone isn't enough anymore.

The fact is, the Social Security system is not enough. It is not going to be

adequate for future generations. We have to do a better job to improve it because as much as we encourage people to save and invest, there will always be those who either don't or can't—and in most cases can't—so we have to make sure that basic level of security is there, and we have to improve that system.

No. 1, we have to improve the system. No. 2, we have to make sure it is not a system that is going to have to be dramatically cut in the future because of demographic changes, such as the mass retirement of the baby boom generation. If we do not improve Social Security now, and in the appropriate manner, we will have tremendous tax increases as a result of this demographic shift that I mentioned.

I love the people who say, well, just leave Social Security alone and it will be fine. If we do nothing, we will either have to cut benefits by 30 percent, or increase taxes by 50 percent within 20 years for this system to survive. Let me repeat that. We will either have to cut benefits by 30 percent or increase taxes by 50 percent, or some combination thereof, if we keep the system the old way, which is a completely Government-operated system, where all the money comes in and just goes straight back out in the form of benefits.

The only way we can change the system and improve it is to add a third component. Instead of cutting benefits or raising taxes, we can add investment. Every other retirement system in America is funded through investment. It is good enough for those who have the choice as to how they want to create a retirement system, and I don't know of anybody out there who would trade their retirement system at work, whether it is a 401(k) or whether it is a defined benefit plan, whether they would take that contribution they make, that is invested—that money they give is invested—that they would trade that for the current Social Security system. Instead of investing their money, we just take it, we just use it, and then we promise, 20 years from now, when they retire, we will pay them.

How many people would trade the ability to see that investment—see it grow, manage that investment or have someone help them manage that investment, and then get that return when they retire—how many would trade that for a promise of the company, 20 years from now, to pay them a benefit? I don't know of one person who would do that. But that is what Social Security is. Instead of taking the money we now put in as 12.4 percent of every dollar most people earn, instead of taking some of that money and putting it in an investment and managing it and seeing it grow, to use that to provide for retirement, we say: Just trust us. It will be there.

The problem is, it won't be there. It won't be there in the sense that we are

going to have to make dramatic changes to either the benefit structure or the tax structure.

If we make big changes to the tax structure—that is, increasing taxes to 18 percent or 19 percent instead of the now 12.4 percent—

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SANTORUM. Seeing no one else on the floor, I ask unanimous consent for an additional 5 minutes.

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

Mr. SANTORUM. So we really do have a real choice here. And the choice is between preparing for what we know is to come, preparing for the demographic cliff we are going to fall off, which is the baby boom generation, where we are going to go right now from 3½ workers for every retiree to 2 workers for every retiree, we can prepare for that, allowing for a voluntary contribution for existing workers, allowing them to put money aside to be able to invest that money and grow that money and use it to help pay their benefits, or we can sit back and wait.

The Senator from New Hampshire and I probably aren't going to be around then. We are not going to be around 20 years from now. We can very casually say: Hey, we tried. Let someone else worry about it. We are not going to be here. We will not be blamed for it. Someone else is going to have to raise those taxes and someone else is going to have to make those benefit cuts.

I think it would be unconscionable in a time of record prosperity and in a time when I think most people would argue there is no great pressing issue facing the American public, that we can't look forward and say we know there is a problem out there, and it is a major problem. It is not a little problem; it is a big problem. We can't just look forward a few years. We can prevent a big problem right now by just a little courage and a little consensus.

So I am hopeful. I think, with the leadership out of the White House, and with people of good faith, we can look forward, and we can do something we have not done in Social Security ever before. I underscore this. We have a tremendous challenge before us. We have always fixed Social Security when the disaster was on the doorstep—the checks were not going to be written, there wasn't enough money in the fund. It was only then that we mustered the "courage"—I put that in quotations—we mustered the "courage" to act. That is not leadership. In fact, it has resulted in a system that, as I mentioned before, is not the best system for retirement for our seniors. Had we done it, looking forward, back in the 1960s and 1970s—particularly in the 1970s—had we looked forward and seen the baby boom generation projected out which we, of course, knew of

then, and had said, we know this problem is going to be ahead of us, so why don't we begin new investment now—instead of raising taxes, let's create the opportunity for investment—we would not be in the situation we are in today.

We were at the point where the checks were not going to get paid so we blinked. We did the old, safe thing. We just increased taxes or reduced benefits.

I am hopeful we will have more courage than that this time around, and we will be better public stewards. That is what it is really about. It is about stewardship for future generations.

Finally, turning to tax relief, aside from education I don't know of any issue on which President Bush is more focused than the issue of tax relief. This conference, as with all these issues, is going to support the President in reducing taxes.

I remember my good friend, Paul Coverdell, used to give a talk—and I heard it many times—where he would discuss taxes and how paying taxes to Washington really equated to freedom. The more taxes you paid, the less free you were. Someone who would pay 40 percent of their taxes to Government was less free than someone who only paid 10 percent.

There are a lot of economic reasons why we should reduce taxes. There are a lot of reasons from the point of view of not providing more money to Washington, letting the Government grow. It really is a fundamental issue of personal freedom. When we can say to a family of four making \$35,000 a year that we are going to reduce your taxes by \$1,500, which is basically eliminating your tax liability, that certainly, for a family of four at \$35,000 a year, creates more economic freedom and more opportunity for them to provide for themselves, not to look to Washington but to be able to do more for themselves. It provides opportunity and freedom. For a family of four making \$50,000, it provides a \$2,000 tax cut. That is a 50 percent reduction in their taxes. It is not a tax break for the wealthy. It is a tax break predominantly focused on average working Americans who need that tax relief.

We do provide across-the-board tax relief, but even with the reduction the President has suggested, the top rate of taxation will still be higher than it was 8 years ago. So it won't even go back to the level it was under former President Bush. It is, in fact, a modest reduction in taxes, but it is important—in the top rate particularly—because it provides, at a time when the economy seems to be slowing down somewhat, the opportunity for more available capital and investment to keep the economy chugging along.

There are good economic reasons for doing this. There are good policy reasons for doing this. The fundamental issue is freedom.

When we get down to it, people who have more of their own resources are simply more free to provide for themselves and are less dependent upon Washington to do things for them.

That is our agenda. It directly impacts every American—whether it is the bill you pay at the utility or the school you send your children to, your parents, your grandparents, providing them with a stable Social Security system as well as quality Medicare coverage that is appropriate for the medicine being practiced at the time—it changes as medicine changes; it changes as your needs change—finally, tax relief that affects all of us who are taxpayers and says that Washington, in a time of surplus, can do with less. We don't need to grow the size of Government. We need to grow the opportunity of the American people.

This is our agenda. We are very excited about it. I am hopeful there will be bipartisan support for each of these because I know there are many of these items on our list that our colleagues on the other side of the aisle care as deeply about. We need to find that common ground and we need to share our conviction that America can do better and that its best days are ahead. We can do that in a bipartisan way, with strong leadership from the White House.

As we start the season, everybody without any wins and losses, let us set our sights high and, in so doing, provide a great vision and great opportunity for America and its citizens.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GREGG. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. GREGG. Mr. President, I understand that time is reserved for the Democratic side. I ask unanimous consent that I be allowed to proceed in morning business for 5 minutes.

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

Mr. GREGG. Mr. President, those of us who had the opportunity—and I think most of America did, I hope—to listen to President Bush's inaugural address were tremendously impressed by the tone of it and its purpose, which was to bring civility back to politics and governance in Washington and to call us to a higher purpose beyond partisanship, beyond pettiness and rather to move into trying to bring back the dreams, in essence, that have made this country great. Part of this initiative is to direct a significant amount of energy at our educational system in an attempt to make sure no child is left behind, and by doing that we give every American citizen the opportunity to obtain the American dream.

We all recognize that education is the first and most important element of success in our society. It is not only important for the individual, but it is important for our Nation because we are a Nation which clearly thrives and expands and grows and prospers on the basis of a well-educated people, and our capacity to compete in the international community is tied directly to our capacity to have a well-educated people who can lead us on the cutting edge in areas of technology and other areas that are necessary for the productivity of our Nation. Thus, focusing on education is the appropriate thing to do as we move forward as a government, and it is truly appropriate that the President has chosen this to be his first and most significant initiative. I understand that either later today or tomorrow he is going to outline the principles upon which he intends to move on the issue of education policy here at the Federal level.

Let me outline quickly some of the things we as a Republican Congress and as a Republican Senate have been focusing on, which I presume and expect to be part of the essence of what the President also wants. Last year, we passed out of the Senate Committee on Health, Education, Labor, and Pensions of the Health Committee a truly significant step in the area of trying to improve education, the ESEA bill, Elementary and Secondary Education Act, in a form which was different than it had been passed out in prior years. We took the basic act which is directed at low-achieving, low-income children and tried to rewrite it in a way that would assist those children and keep them from being left behind.

We discovered that after 20 years of spending literally billions of dollars on elementary and secondary education for low-income children—in fact, I think it is approximately \$137 billion or \$127 billion over that period—that those children were still being left behind; that low-income children in grade 4, for example, were reading at a level two grades behind their peers who were not from those backgrounds; that especially in a minority community children were simply not obtaining the academic levels to be competitive in society; that the children were not only coming to school not ready to read but once in school were not able to learn to read because the educational system was leaving them behind; that failed schools are being allowed to continue to be failed schools year in and year out; that children were being put through a system where failure had been identified but nothing was done to change the fact that failure was occurring.

So we decided to change and adjust the approach. Rather than being a system that was based on institutions which funded the institution, the educational building or the educational

bureaucracy, we decided to change to a procedure where we actually funded the child. We decided to take a child-centered approach to education. That is what one presumes is the logical approach under any scenario, but it has been in the last 20 years the approach of the use of Federal dollars. Instead, we have thrown them at the education bureaucracy. We have thrown them into school buildings, but we have not said let's have the dollars fund the child who is being left behind, especially the low-income children.

So the first element of our bill was to have it be child centered. The second element of our bill was to give flexibility to local schools because they understand how to educate the child, to say to the local school districts, the local teachers and principals, local school boards, and especially to the parents of the children: You shall have the opportunity to use Federal dollars in a more flexible way. We will not categorize how you must use those dollars. We will not control the decisions at the front end. We will not say how many desks you must have and books you must have in a classroom, or how many hours you must teach a child. Rather, we will give you flexibility over the use of dollars, but in exchange for that flexibility, we also, as a third element, require accountability.

We said the local schools are going to have to achieve, that they could no longer leave the low-income child behind; that that low-income child's academic ability was going to have to be maintained at the level at which his or her peers were being maintained; that the schools could no longer ignore a failing school. For example, they could no longer keep in their school system a failing school year after year and expect to continue to get funds for that failing school; that instead we were going to expect that children not be shuffled through the system but rather the children be allowed to excel and achieve within the system. Those were the elements of our bill: First, that it was child centered; second, there be flexibility for local communities to make the decisions as to how to educate the children; but, third, there would be an expectation of results. There would be academic accountability so low-income children would not be left behind.

Three of the elements that made up this package were reasonably controversial, at least in the sense that the educational lobby here in Washington was opposed to them. The educational lobby here in Washington is strong, and it has an iron hold over this city, or has traditionally had an iron hold. They do not like change. They don't like to be held accountable. They do not like things that require them to produce results. Rather, they are more interested in teaching to a standard which, unfortunately, has

been the least common denominator, and not requiring that they be held accountable for the use of dollars which have been sent to them. But we felt those dollars should be accountable. So we said, first, there should be portability. In other words, if a child is in a school that has failed year in and year out, we said, rather than having the money to continue to go to that school, we will allow the parent of that child to get dollars and allow the parent of that child to take those dollars with the child either to another school or to a tutorial program so that the child has the opportunity to get out of the failing school.

This idea of portability of funds, of attaching the dollars to the child, attaching the dollars to the school, has been controversial, but it is an idea which has worked and is working in places such as Arizona.

We are not saying the school district has to pursue this activity, but rather we are saying a school district will have the option of pursuing this activity. We are not saying the school must undertake portability. We are saying if the school wishes to use Federal dollars in a portable way, they can. So we are making it, again, an option to the local school district as to whether or not they pursue this.

This has been stamped a voucher program by the forces that do not wish to see it succeed or don't wish to try anything else. It is simply a statement to the local district that if they feel that attaching the dollars to the child so that the child and the child's parents can take advantage of dollars to improve the child's education, makes sense if the local public entity which manages that school district—be it a public school board or be it a public education authority that decides that you want to use portability, you can. So it is not a federally-mandated program. It is a Federal option given to the local school districts.

We said to school districts what we need are teachers who can teach their subjects best. You—the local school districts—understood, and, fortunately, have been told that what you need are more teachers. The Federal program as it presently exists says you must hire teachers even if you do not need more teachers. Forty-two of the States already meet the teacher-student ratio which is required under federal law. But to get Federal dollars, you have to hire more teachers. We said that doesn't make much sense. We said let's let the local community decide whether they need more teachers or better trained teachers.

So we passed something called the Teacher Empowerment Act which said to local school districts here are the Federal dollars for teaching. So we will put them in a bundle and give them to you. You can use them for any of a variety of things. You can use them to

hire more teachers in your classroom. You don't have to use it for that but you can. You can use them to educate your teachers so they teach better, or you can use them to give technical support to your teachers so they have better tools with which to teach. It is the local school districts that have the flexibility to do that. But if you get that flexibility, you also have to have accountability and you have to show us the teaching of the students has improved over a 5-year period; that the students are actually learning more; that they are doing better. So, once again, we gave local flexibility to the community and we did it in the context of an accountability system.

This, again, was opposed and is opposed aggressively by the Federal lobby here in Washington because it gives the local community the decision power over how to use the Federal dollars, and the community here in Washington doesn't like it. They want to be able to manage those dollars from Washington so it is a Washington-driven event versus a local event. This, in essence, is where the battle will once again join if there is a battle in this Congress as we move forward with educational reform.

There are many people on the other side of the aisle who see the need for flexibility and for accountability proposals that came from the Senator from Colorado last year and the Senator from Indiana. Democratic Senators had ideas and initiatives in many ways similar to the initiatives we had on our side of the aisle that represent a positive step toward a bipartisan compromise in these areas. I am hopeful as we move further down the road on educational reform we can come together in this Congress and especially in this Senate on a whole series of initiatives which will accomplish this fundamental goal that we aren't leaving children behind or allowing failing schools to continue to function, that we are expecting that our educational system will deliver to our children the opportunity to participate in the American dream.

There is great room for compromise, there is great room for bipartisan initiative. I congratulate the President on making this his first order of business. This is the essence of how we as a nation continue to remain strong and vibrant.

I yield the floor, and 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. DASCHLE. Mr. President, I said on January 3 that I intended to savor every one of the next 17 days. And I am happy to report that I did.

It was a great honor to serve as Majority Leader of the United States Senate—however briefly.

At noon on Saturday, I handed that title back to my friend, Senator LOTT. Today, in the spirit of bipartisanship, I want to tell Senator LOTT that, if he ever needs to take a day off—for whatever reason—I'll be happy to pinch hit for him.

I learned a few things about the Senate these past two and a half weeks that I had not known before.

One of my favorite bits of new knowledge has to do with a former member of this Senate, David Rice Atchison, of Missouri.

Senator Atchison was president pro tem of the Senate in 1849. Back then, new Presidents were sworn in on March 4, not January 20.

But, in 1849, March 4 fell on a Sunday. And the new President-elect, Zachary Taylor, didn't think it was appropriate to conduct official business on the Sabbath. So he chose to wait until the next day to take oath of office.

Back then, the President pro tem was third in the line of presidential succession, not fourth.

So, from noon on Sunday, March 4, when President Polk's term ended—until noon on Monday, March 5—when President Taylor was sworn in—Senator Atchison was President. Or so he and his friends claimed.

Today, we know that President Taylor automatically became President as soon as President Polk stepped down.

But for the rest of his life, Senator Atchison loved to say that he had been "President for a day"—and that his presidency was the "honestest administration this country ever had."

I do not know that Senate Democrats' brief time in the majority will make as interesting an historical footnote as the Atchison presidency. But I do believe the Senate accomplished some things during these last 17 days that bode well for this Congress.

I particularly want to thank Senator LOTT for the fairness he showed in agreeing to a distribution of responsibility that accurately reflects the composition of this first-ever 50-50 Senate. I also thank my fellow Democrats—particularly those who chaired committees.

On Saturday, after a week of fair and thorough hearings, we confirmed the first seven of President Bush's cabinet officers.

On Saturday, too, we saw, once again, one of the great miracles of American democracy: the peaceful transfer of power from one President to the next.

I was moved by much of what President Bush said in his inaugural address, especially his conviction that there is no such thing as an "insignificant" person. I also believe there is no such thing as an insoluble problem. My colleagues and I are ready and willing to work with President Bush and Vice President Cheney, and with our Repub-

lican colleagues in Congress, to move America forward.

Tomorrow, we understand the President will send us his ideas on education. We are anxious to see them. We will give them, and all of the President's proposals, careful and respectful consideration. We want to make this 50/50 Senate something to be proud of.

Today, we are introducing our first proposals—our first priorities—for this Congress.

Many of them will sound familiar. That is because we have been working to pass them for a good long while. They are things like: a real, enforceable Patients' Bill of Rights; a reliable, affordable Medicare prescription drug benefit; middle-class tax cuts, and help for our children's schools.

They all lead our list of priorities—for two reasons.

First, and most important, because the American people have made it clear, these are their top priorities. Second: Because bipartisan majorities in Congress support them.

The challenges we address affect all Americans, but they effect rural Americans in ways that are often different and more pressing. That is why I am also developing a separate package of bills called "South Dakota First." But it won't help just my State. Instead, it will help people in small towns and rural communities throughout America.

As we move ahead, we cannot leave rural America behind.

Over the past several years, relations between our parties have become increasingly strained. By starting with the issues on which most of us do agree, we can strengthen our bonds of trust. And that will make it easier for us to solve the next challenges.

Under President Clinton, we experienced the longest, strongest economic expansion in our Nation's history. We went from the biggest deficits ever, to the biggest surpluses ever.

The question now is: What should we do with that surplus?

One of our top priorities this year will be to deliver tax relief to hard-working families across the country.

The debate over how we structure that tax cut is likely to be the most consequential debate we have all year.

Our ability to achieve a strong, bipartisan compromise on taxes will be the biggest test of our 50-50 Senate.

I am confident we can pass that test.

We are willing to negotiate. At the same time, we are committed to two fundamental principles:

First: The bulk of the tax relief must go to middle-class working families because they are the people who need tax relief most.

Second, any tax cut must be affordable and fiscally responsible.

The efforts we have made to restore fiscal discipline these last 8 years have resulted in lower interest rates, record-

high job creation, and record-low unemployment. We must protect those gains. We cannot squander them by going back to the old days of deficit spending.

President Bush has indicated that he will be sending us his recommendations for cutting taxes in late February. We look forward to working with him, and with our Republican friends, to pass a fair, fiscally responsible tax cut this year.

Today, we are taking our first step. We are introducing a package of targeted tax cuts to help working families at the key junctures in their lives.

Our tax cuts will help families pay for college; save for retirement; care for disabled and elderly family members; and pay for long-term care.

We want to eliminate the marriage-penalty tax and eliminate the estate tax on more than 99 percent of estates—to help keep small businesses and family farms in families.

We also want to expand the earned income tax credit for low-income working parents so they do not have to raise their children in poverty.

And, we want to significantly expand child care tax credits for middle-class families; and extend them, for the first time, to stay-at-home parents of infants.

Next, we must pass a real, enforceable Patients' Bill of Rights this year.

The Norwood-Dingell Patients' Bill of Rights passed the House more than a year ago with strong bipartisan support.

In the Senate, it was supported by every Democrat, and four Republicans. The bill we offer today mirrors it.

It guarantees that you can go to an emergency room when you need to.

It gives women direct access to OB-GYNs.

It guarantees parents the right to choose a pediatrician for their children, and a pediatric specialist if they need one.

It guarantees people the right to see qualified specialists when necessary, and to continue with the same doctor if they are pregnant or being treated for a serious illness.

It guarantees that you will get the medicines your doctor says you need.

It prohibits HMOs and insurance companies from gagging doctors to prevent them from telling patients all of their treatment options.

It also prohibits them from providing doctors and hospitals with financial incentives for denying needed care.

Finally, our bill holds insurers accountable. It gives patients the right to appeal denials of care to an independent board.

If an insurer ignores the board, and its denial or delay of care results in serious injury or death, our bill allows victims to seek justice in a State court.

Employers that provide health coverage cannot be sued under our plan

unless they make the actual medical decisions that result in injury or death.

Every week we delay, 350,000 Americans are denied needed health care—health care for which they have already paid. It is time for those delays to end. It is time to pass a real Patients' Bill of Rights.

Next, we propose an affordable, voluntary Medicare prescription drug benefit.

We all know the terrible financial—and emotional—strain paying for prescription drugs places on many older Americans and their families. Prescription drugs are an essential part of modern medicine. They ought to be part of Medicare, too.

Our plan is universal. Every Medicare beneficiary is eligible, whether they are in traditional Medicare or Medicare+Choice.

Our plan is voluntary. If you already have private prescription coverage you like, you can keep it. It is up to you.

Our plan is affordable, and comprehensive. There is a \$250 deductible, no caps on benefits and no gaps in coverage. The most anyone would pay out-of-pocket is \$4,000 a year.

It is absolutely wrong that seniors pay, on average, twice as much as HMOs and big insurance companies for the exact same medications.

By combining the purchasing power of 40 million Medicare recipients, our plan gives seniors real bargaining power—so they will not have to pay the highest prices at the drugstore anymore.

We are not talking about Government-run medicine. Medicare will contract with private companies to offer the prescription benefit. Seniors will be able to choose the company they like best, and they will be guaranteed convenient access to local pharmacies, whether they live in big cities or small rural communities.

Next: Someone once said that education is the soul of a generation as it passes from one generation to the next.

We need to work together to ensure the next generation of Americans learns the skills and knowledge necessary to be good parents, good workers, and good citizens.

The quality of our future will be determined by the quality of our schools. It is as simple as that.

We agree with President Bush: No child should be left behind. Every child deserves the chance to go to a good public school.

The education bill we are introducing today gives more to local schools and asks more of schools.

It includes incentives for States to set higher standards for everyone—students, teachers, and administrators—because the stakes are higher. But it lets local communities decide the best way to meet those standards.

Our plan gives parents more information about how their children's schools

are performing—and more of a say in how those schools are run.

It also gives parents more choices about the public schools their children attend.

Our bill targets special attention and help to struggling schools. At the same time, if a school cannot or will not fix its chronic problems, our plan contains real consequences. We will not allow children to be trapped in chronically failing schools.

Much of what we are proposing won't have bipartisan support in Congress last year.

Our bill reduces class sizes by keeping our commitment to help communities hire 100,000 qualified new teachers.

It helps communities recruit good new teachers and principals, and it ensures that teachers, and principals, have the opportunity to update their skills and knowledge.

Our plan includes grants to help schools repair leaking roofs and burst pipes and other urgent safety hazards, and reduced-rate bonds that will enable communities to cut the costs of new school construction by up to 50 percent.

It also includes assistance to make sure that all schools have up-to-date technology and all teachers know how to use technology so all of our children are ready for the new economy.

In addition, we propose to expand Head Start, so more children can start school ready to learn; and provide more and better child care, and before- and after-school programs, so children have a safe place to go when parents are at work.

Our plan expands the Reading Excellence Act, to make sure every child can read by the end of the third grade.

And it puts us on track to fund the Federal Government's full share for IDEA, the Individuals with Disabilities Education Act, to help students with disabilities develop to their fullest potential.

In addition, our plan makes college more affordable for more families by increasing Pell grants and extending college tuition tax credits.

And it strengthens training and other lifelong learning programs so workers can learn new skills and move into better-paying jobs.

In the long run, investing in education is the surest way to increase a family's financial security. But, as someone once pointed out, people don't eat in the long run. They eat every day.

It has been more than four years since the last time we raised the minimum wage. Inflation has since wiped out that entire increase. Too many low-income parents who work full time don't earn enough to feed their families and pay for other basic necessities.

Two years ago, we introduced a bill to raise the minimum wage \$1 an hour.

This year, we are proposing a \$1.50 an hour over 25 months—to make up for Congress's inaction. We need to raise the minimum wage. This year—no more delays.

We also need to close the wage gap between men and women. It has been 38 years since President KENNEDY signed the Equal Pay Act. And American women still earn only 77 cents for every dollar men earn for doing the same work. This wage gap costs America's families \$200 billion a year, more than \$4,000 for each working woman's family. It is time to close it once and for all by better enforcing the law, and giving victims of wage discrimination new options for fighting it.

We are also proposing new ways to help parents balance family and work without sacrificing part of their income.

For instance, our bill expands the Family and Medical Leave Act to cover more work places, to fund workplace demonstration projects to provide paid family leave, and allow parents to use the leave to attend parent-teacher conferences and other important school functions.

We also give States and communities more resources to develop more and better child care opportunities for working families.

One necessity that too many low-income working families try to get by without is health insurance. Two years ago, we created the Children's Health Insurance Program to help low-income parents obtain health insurance for their children.

Today, we are proposing to expand the CHIP program to include parents of eligible children, and to give States the option of expanding coverage to 19- and 20-year-olds, and to legal immigrant women and children.

These are important first steps. But we will be offering additional ideas in coming months to make sure more Americans have access to good, affordable health coverage.

We also intend to offer ideas for strengthening our Nation's unemployment insurance system. We expect those proposals to look much like the reforms suggested last year by a blue ribbon commission made up of business, workers and Government representatives.

It is not just low-income families; nearly every American family relies on Social Security and Medicare for economic security.

We have a responsibility to make sure Social Security and Medicare are always there not just for the current generation of retirees, but for every generation.

When Bill Clinton was first elected President, Medicare was expected to run out of money in 1999. But we didn't let that happen. Instead, we extended the life of the Medicare trust fund to 2025. And we improved Medicare cov-

erage by adding important new preventive benefits. We also extended the solvency of the Social Security trust fund to 2034. This year, we are proposing to further protect both programs by taking both Medicare and Social Security off budget; putting the surpluses from both programs in a real lockbox, and making it harder to use the money in the lockbox for anything other than Social Security or Medicare.

This administration, and this Congress, must work together to modernize Social Security and Medicare so they will be there for the baby boomers and beyond. Locking away the surpluses now must be the first step.

People ought to be able to feel secure in their retirement. They also ought to be able to feel safe and secure in their own homes and communities. In the last several years, we have seen major crime go down in almost all categories. We need to keep those trends moving in the right direction.

We know community policing works. We are proposing to help communities hire more community police and prosecutors as a result of that knowledge.

We also know that kids and convicted criminals have no business possessing guns. So we are proposing to extend Project Exile and other successful efforts to reduce gun violence.

We are also proposing to pass the Juvenile Brady bill to make sure that juveniles who commit serious drug or violent crimes are not allowed to possess guns ever, and close the gun show loophole—once and for all.

We want to strengthen the Violence Against Women Act, including increased support for shelters. We want tougher punishments for criminals who prey on seniors. We want to expand drug courts and drug treatment. We want to expand delinquency prevention programs, so kids who are at risk, or who have already had scrapes with the law, can turn their lives around.

In addition—and this is very important—we want to ensure that crime victims are treated with fairness and respect. We are proposing that crime victims be notified about court proceedings involving their case, and have an opportunity to have their opinions heard on these matters. These things are just basic decency. They ought to be basic rights as well.

There is another right every American deserves—the right to vote, and to have his or her vote count—that is a right that should never be compromised. And we believe that there are times when it is compromised. Then our entire system of Government is jeopardized.

We have just come through the most difficult Presidential election in our lifetime. We are seeing the peaceful transition of power to a new administration. Now, we need to make sure we never see another election like this last one.

We are proposing that Congress create a blue ribbon commission on election reforms. Do all Americans have equal access to vote? If not, what should the Federal Government do to help? We need to hear from experts on these and other matters.

We are also proposing a grant program to help states and communities update antiquated voting equipment. No American should be forced to overcome unreasonable obstacles to vote. In my mind, that is doubly true for members of our armed services.

So, as part of our election reform package, we want to make it absolutely clear that military personnel retain their rights to vote at home—even when they are stationed abroad. This is not a change. This is the law now. We need to make sure everybody knows it.

Also, before the next election, we must pass real campaign finance reform. The average winning Senator spent \$6.4 million in the last election, 530 percent more than in 1980. In all, candidates and political parties spent more than \$3 billion on Federal elections in 2000. An additional \$400 million was spent on "issue ads" to try to influence races.

More and more, special-interest money influences who runs for office, who wins, and what they do and don't do once they get here. We can—and must—change that.

We are offering a plan based on the bipartisan Shays-Meehan plan that passed the House last year and won 52 votes in the Senate. Our plan is fair. It does not place one party or another at an advantage. It treats incumbents and challengers in both parties fairly.

Most importantly, our plan is comprehensive. It bans unregulated "soft money" to political parties—the biggest loophole in the current system. It also prevents soft money from being rechanneled to outside groups for phony "issue ads."

We know Senators MCCAIN and FEINGOLD are also committed to passing campaign finance reform. We look forward to working with them to pass a workable, comprehensive plan this year.

For many Americans, these past 8 years have been a time of unprecedented prosperity. But that is not true for most rural Americans.

There is a quiet depression in many rural communities in South Dakota and throughout our Nation. Many small producers are being forced to sell farms and ranches that have been in their families for generations. Others are barely holding on.

As small farms disappear, so do the small towns and businesses that depend on them. Sixty-five percent of the counties in my State lost population last year.

Since 1996, farm income has dropped more than 20 percent. If you take away Government payments, it is down more

than 40 percent. It is expected to drop another 10 percent this year.

We don't need another year to know that the Freedom to Farm has not worked, and will not work. We must enact a new farm bill this year to restore the agriculture safety net.

In addition, we must ensure fair competition for family farmers and ranchers at home and abroad, by prohibiting agribusiness giants from participating in anti-competitive practices that harm family farmers and rural communities; and by making agriculture a top trading priority.

We must also continue to invest in ethanol. And we must strengthen America's commitment to food safety.

Family farms don't just produce commodities. They produce communities. We can't afford to lose them.

Finally, we must take new steps to protect the basic civil rights of all Americans, because we agree with President Bush that civil rights enforcement is critical to assuring that all Americans have equal access to schools, workplaces, and the courts.

We are proposing a modest and necessary increase in funding for the Equal Employment Opportunity Commission and other Federal agencies charged with enforcing our nation's civil rights laws, and for the Legal Services Commission.

In addition, we seek to end racial and other types of unreasonable and unconstitutional "profiling"—whenever and wherever it occurs.

As a first step toward that goal, we are directing the Attorney General to analyze the investigatory practices of all Federal law enforcement agencies.

If there is evidence of Federal law enforcement agencies using racial, ethnic, or gender profiling, we want to find it.

We want to know what should be done about it.

We need to know.

Beyond that, we propose to expand Federal hate crime laws to include gender, sexual orientation and disability and provide greater protections against crimes motivated by racial or religious bias.

Our bill also prohibits employers from discriminating on the basis of sexual orientation.

Last year, 57 Senators, including 13 Republicans, voted for our hate crimes bill. In the House, 232 members, 41 of them Republican, voted for it.

Some people think of it as "the Matthew Shephard bill" or "the James Byrd" bill. We think of it as a matter of basic civil rights.

Finally, in addition to preventing people from using old stereotypes as a basis for discrimination, we must also prevent people from using new technologies to discriminate.

Our bill prohibits both employers and health insurers from using genetic test results as a basis for discrimination.

It also prevents disclosure of genetic information to health insurers, data banks, employers, and anyone else who has no legitimate need for the information.

We need to make sure that the new knowledge scientists are learning through the Human Genome Project—research funded largely by American taxpayers—is used to help America's families, not hurt them.

In closing, Mr. President, 169 years ago this month the French political and social observer, Alexis De Toqueville, visited the Senate in session.

Afterward, he wrote that the 1832 Senate was "composed of eloquent advocates, distinguished generals, wise magistrates, and statesmen of note, whose arguments would do honor to the most remarkable parliamentary debates of Europe."

Honorable debate and compromise has been in rather short supply in the Senate these last few years. Its absence has prevented us from doing many things we ought to do.

The power has been transferred now to a new Congress, and a new Administration.

Let's use that power to move America forward, together.

Like "President-for-a-day" David Rice Atchison we are already assured a footnote in the history books simply by being members of the first 50/50 Senate.

As we begin the work of this Congress, let us resolve that we will be more than a footnote. Let us agree that we will work together to write a new chapter of progress for the American people.

I thank my fellow Democratic Senators—as well as some of our Republican friends—for helping to shape our first leadership bills of the 107th Congress.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I applaud and commend our leader for his brilliant statement. I acknowledge that the things that we do on a national level have direct impact on our States. I appreciate very much the Senator from South Dakota talking about the need to take care of the rural America.

Ninety percent of the people in Nevada live in the Las Vegas and Reno metropolitan areas, but rural Nevada is in real need of help. I appreciate his directing our attention to the needs of rural Nevada.

His comments about taxes also are so important. I remind all of my friends in the Chamber and those within the sound of my voice, these are not election conversion statements. We badly wanted to do tax measures last year. We tried very hard to get rid of all 64 provisions of the marriage penalty. We were unable to vote on that. We hope

that something can be done this year to take care of penalties that married couples have in America. Also we were willing to do something dealing with the inheritances taxes. Again, we were unable to vote on our version, which I think clearly would have passed.

On health care issues our leader talked about a prescription drug benefit, a Patients' Bill of Rights—these matters we also could have taken care of last year.

Today there is a new spirit of bipartisanship in this body. I am confident, with the leadership of the Senator from Iowa on the Finance Committee, that we will be able to do a lot of the things we were unable to do last year. I have worked with the Senator from Iowa on a number of issues over the years. He is a reasonable man.

We now have the Senate divided 50/50, and it is time that we join together and did something regarding taxes. It is time we did something on health care other than just talk about it.

In addition, the issues the Senator from South Dakota spoke about on education are important for the people of South Dakota, the people of Nevada and everyone in the country. When we pass some of these bills that appear to be national in scope, our individual States benefit greatly.

With regards to school construction, the State of Nevada needs it badly. In Las Vegas, we have the sixth largest school district in America. We have to build one school every month to keep up with the growth there. We need help. This legislation which our leader spoke of would give us that help.

On issues dealing with individual worker rights, the minimum wage issue is really important. It is important for all kinds of reasons, not the least of which is 60 percent of the people who work for minimum wage are women; for 40 percent of those women, that is the only money they get for them and their families. It is important that we bring this up today. Equal pay is also important. We have women who are working very hard. They work just as hard as men. They are entitled to 100 percent of what men make for doing the same kind of work. This legislation is way past due.

What we have done these last 8 years dealing with crime has been effective. Violent crime in America is down? Why? I believe one of the principal reasons is because of what we have done with providing more police officers. The 100,000 new police officers in Nevada and the rest of the country has made a tremendous impact.

We on this side of the aisle seem to talk a lot about the need to do something about gun safety. We do that with every thought in mind that our legislation has no impact upon the sportsmen of America, no impact upon law enforcement officers of America, and no impact upon those people who

shoot for recreation purposes. We believe the loopholes need to be closed—that is, dealing with pawnshops, dealing with gun shows—we need to close these. That is what we are talking about.

Finally, what the Democratic leader said regarding campaign finance is so important. I am reminded that 2 years ago, in the race for the Senate, Senator ENSIGN and Senator REID spent \$20 million in the State of Nevada. I am not making a misstatement. The State of Nevada has about a million and a half people. We spent \$20 million. That is really too much money. That doesn't take into consideration the independent expenditures involved.

So with JOHN MCCAIN on the floor of the Senate now, I throw bouquets to JOHN MCCAIN for the leadership he has shown. He has not backed down, and I appreciate that.

I also see present my friend, the Senator from Wisconsin, RUSS FEINGOLD. He has been a leader. I have admired the work he has done with Senator MCCAIN. I have said it privately, but I say it publicly how much I appreciate the work he has done. He has truly been a leader of this country with his partner Senator MCCAIN. I am glad my friend, the Democratic leader, talked about campaign finance.

We want to work together. The Senate is divided 50/50. There is no reason in the world we can't pass legislation. When we pass legislation, there is credit to go around. There is credit to go to Republicans and credit to go to the Democrats. There is credit to go to the President. We can all walk out of here recognizing we have done something for the common good. I hope we can do that.

The last 2 years have not been constructive or good. I hope we can reflect in the future on the good work we have done for our States and our country.

The PRESIDING OFFICER (Mr. ALLEN). The Senator from Arizona is recognized.

CAMPAIGN FINANCE REFORM

Mr. MCCAIN. I thank my colleagues, the Democrat leader and Senator HARRY REID, for their comments and their willingness to work together on all issues, including campaign finance reform. I am grateful for their continued cooperation and constructive comments.

I send a bill to the desk on behalf of myself, Senator FEINGOLD, Senator COCHRAN, and others.

(The remarks of Mr. MCCAIN, Mr. FEINGOLD, and Mr. COCHRAN pertaining to the introduction of S. 27 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Iowa, Mr. GRASSLEY, is recognized.

FAREWELL TO A TRUE PUBLIC SERVANT

Mr. GRASSLEY. Mr. President, I address the Senate because of a very trusted and longtime staffer of mine, Kris Kolesnik, who is leaving my staff to work in the private sector and to continue some very good work. He served the taxpayers effectively for 18 years and has moved to the private sector, where I think he will not only do the work of the association with which he works, but he is also going to be working to save the taxpayers money, which is something he did very well for me during that 18-year period of time.

Kris started in January of 1982. He began as a budget analyst working for me on the Budget Committee. That year, I proposed what would become the first of several yearly across-the-board budget freezes of the Federal budget. Kris worked on those proposals for me.

Among my Republican colleagues, the freeze proved popular because it would make a big impact on slowing down the Federal deficits which, at that time, were about \$100 billion as far as the eye could see.

The only problem was, Republicans wanted to exempt defense spending from that freeze. All other programs were appropriate to freeze, they said, and at that time the defense budget under President Reagan was increasing by double digits even after inflation was calculated. My reaction was that even if one program—even the defense program—were exempt, that would defeat the purpose of an across-the-board freeze which had the purpose of fairness and shared sacrifice.

Today, after 4 years of paying down the national debt, we might forget that maybe a freeze was not something that did much in particular. But if you looked at that particular time, we were in the middle of what was going to be 28 years of unbalanced Federal budgets before we finally got our house in order. An across-the-board freeze might not have seemed like much, but it was really revolutionary for that particular time. So that year I didn't receive much support among my Republican colleagues on this freeze. They all said the defense budget could not be frozen and that even one penny would cause our defense plan to fall apart.

At the end of the year, I asked Kris Kolesnik to spend the winter determining whether a case could be made for freezing the defense budget while not harming national security. If it could not, then I needed to know because I would have to abandon my attempts to freeze across the board. When I returned to the Senate in January of 1983, I asked Kris what progress had been made during that 3-week interim. He said he had discussions with advocates on both sides of the issue and he determined that those in favor of a defense freeze were more persuasive.

Those against a freeze seemed to rely on an argument of "just trust us." As a first step in unraveling the truth of the defense budget, Kris suggested that I call up then-Secretary of Defense Cap Weinberger and ask to speak to a relatively obscure Pentagon budget analyst by the name of Franklin Chuck Spinney. The rumor was that Chuck Spinney had an explosive new report that showed the defense budget was bloated with new programs which far exceeded the already huge projected costs. Fitting all those programs and their costs within even President Reagan's growing defense budget would eventually mean skyrocketing costs, plummeting defense capability, or perhaps both. Only a freeze in defense spending, coupled with management reforms, could save the defense plan from imploding.

Kris predicted Pentagon officials would not let me talk to Chuck Spinney.

So, I picked up the phone right away and called Cap Weinberger. It was a Thursday evening. He told me there was no problem, that I could have Spinney come over to my office the following Monday at 2 p.m. I left that night for Iowa, expecting a full briefing by Spinney in 4 days.

Beginning Friday, however, Kris began to get phone calls from the Pentagon saying that Spinney would not be available to brief me, that they would send someone named Dr. Chu instead. It turned out that Dr. David Chu was Spinney's boss, and a political appointee.

My reaction was, it's okay to send Dr. Chu, but I want Spinney there as well. It didn't happen. I had an inkling that I had to go see Chuck Spinney in his office if I wanted to talk to him. I told Kris to go warm up my orange Chevette, that we were going to the Pentagon to find out why Cap Weinberger had reneged on his promise to me.

It's not every day that a United States Senator shows up at the Pentagon unannounced and in a disturbed mood. Cap Weinberger was at the White House, and Dr. Chu was called to persuade me that Spinney's briefing was just a bunch of chicken scratches on pieces of paper. My suspicions were really heightened. We left the Pentagon unsatisfied but resolved. My last words to Dr. Chu were, one way or another, I will get that briefing.

When I got back to my office, I got a phone call from Cap Weinberger. It is hard to remember 18 years later just exactly what that conversation was, but it was something to the effect that if we Republicans could not trust the civil servants that we ought to listen to the political appointees of the Reagan administration; that it might be good in some instances—but it didn't satisfy me—that Chuck Spinney was a civil servant; that he was somebody to whom I should listen.