The Senate met at 12 noon and was called to order by the Presiding Officer, the Honorable Jon S. Corzine, a Senator from the State of New Jersey.

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

Almighty God, the afternoon and evening ahead are filled with challenges and decisions. In the quiet of this creative moment of conversation with You, we dedicate these hours. We want to live them for Your glory. We praise You that You give strength and power to the Senators when they seek You above anything else. You guide the humble and teach them Your way. Speak to the Senators so that they may speak both in the tenor of Your truth and the tone of Your grace. Make them maximum by Your spirit for the demanding responsibilities and relationships of this day. And now we pray Your historic, Biblical blessing on every Senator. "The Lord bless You and keep You; the Lord make His face to shine upon You and be gracious to You; the Lord lift up His countenance upon You and give You peace." Amen.

PLEDGE OF ALLEGIANCE
The Honorable Jon S. Corzine 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.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE
The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The assistant legislative clerk read the following letter:


To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Jon S. Corzine, a Senator from the State of New Jersey, to perform the duties of the Chair.

Robert C. Byrd, President pro tempore.

Mr. CORZINE thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME
The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE ACTING MAJORITY LEADER
The ACTING PRESIDENT pro tempore. The Senator from Nevada.

ORDER OF PROCEDURE
Mr. REID. Mr. President, I ask unanimous consent that the previously scheduled cloture vote on the Murray-Shelby substitute amendment occur at 2 p.m. today and that the time from noon until 2 p.m. be divided as previously ordered—that is, equally between the two sides—and that it be in order for Senators to utilize some of the available time to speak as in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Mr. President, I further ask unanimous consent that the last 10 minutes of the debate, the time from 1:50 until 2 p.m., be divided between the two leaders or their designees, with Senator DASCHLE controlling the last 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Mr. President, I further ask unanimous consent that Senators have until 1:30 p.m. today—that is, from the previously scheduled 12:30 p.m. today—to file second-degree amendments to the pending legislation.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE
Mr. REID. Mr. President, for the benefit of Senators, we felt it was imperative—and we are grateful there has been agreement between the two leaders—that this time be changed. There is a ceremony taking place in the Capitol today dealing with the Code Talkers, these very courageous Navajos who contributed so much to our success during World War II. So today there will be 2 hours of debate equally divided between Senators DASCHLE and LONG or their designees prior to 2 p.m. A cloture vote on the substitute amendment to the Transportation act will occur at 2 p.m. We expect to remain on the Transportation act until we complete that. There will be rolloff votes throughout the day today, and there is much more work to do.

We hope we can recess for the August time period next Friday, and there is a lot of work to do from now until then. We hope everyone will cooperate and allow us to move forward as quickly as possible.

The ACTING PRESIDENT pro tempore. The Senator from Missouri.

Mrs. CARNAHAN. Mr. President, I yield myself such time as I may consume from the time allotted to the majority leader or his designee in order to speak in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mrs. Carnahan pertaining to the introduction of S. 1250 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions."

The ACTING PRESIDENT pro tempore. The Senator from Iowa is recognized.

Mr. GRASSLEY. We are in morning business, is that right?

The ACTING PRESIDENT pro tempore. The Senator is correct.

TAX RELIEF FOR WORKING FAMILIES—PART II
Mr. GRASSLEY. Mr. President, I rise to speak on the tax relief for working families that the Senate passed a few weeks ago and was signed into law by President Bush.

This is the second in a series of speeches I am giving to highlight the details of this bipartisan tax cut that provided significant relief to millions of Americans.

In today's speech I want to focus on the many provisions in the bipartisan bill that provide tax relief for working families and particularly families with children.

First, I wish to discuss the efforts to address the marriage penalty that existed throughout the structure of the income tax. For far too many years, the Tax Code penalized working families where both the husband and wife work. It is simply wrong that we had a Tax Code that penalized marriage.

The bipartisan tax cut completely ends the marriage penalty for many low- and middle-income families and makes significant strides in reducing the marriage penalty for all other families.

This is accomplished through two actions. First, the bill provides that the standard deduction for those who are married filing jointly will be set at two times the rate of a single individual.

For example, when everyone filed their tax returns this last April 15, the standard deduction for singles was $4,400. However, the standard deduction for married filing jointly was only...