the Port of Everett, Washington. The Port, in cooperation with the City of Everett, the City of Mukilteo, the Washington State Department of Transportation, Sound Transit, and the Washington State Ferry System, plans to redevelop the site to include a new ferry terminal, commuter rail, a marina and enhanced shoreline access. This redevelopment will revitalize Mukilteo while stimulating development in this area. An important first step in implementing these development plans is for the Air Force to convey this property to the Port of Everett.

For almost 30 years, the 22 acre parcel of land has also been home to the National Marine Fisheries Service’s, NMFS’, Mukilteo Field Research Facility. Its laboratories are currently housed in old, run-down military barracks. Last year’s land transfer legislation did not convey any of the property to NMFS. The agency was concerned that it had lost its chance to own a portion of the 22 acres, and thus to make significant improvements to the site. The facility conducts valuable marine research, which will lead to improved long-term success in protecting and restoring salmon, groundfish and other species in Puget Sound.

I directed the parties involved to reach a mutually agreeable solution. I am very pleased to announce that today’s amendment reflects an agreement between the National Oceanic and Atmospheric Administration, NOAA, NMFS and the Port of Everett. Upon transfer of the 22 acres, the Air Force will convey 1.1 acres to NOAA. After 12 years, any portion of the 1.1 acres not being used by NOAA shall automatically revert to the Port of Everett. In addition, the Secretary of Commerce will have the authority to exchange portions of the 1.1 acres with the Port of Everett should such an exchange be deemed mutually agreeable.

This amendment reflects almost a year of negotiations and hard work on the part of many people within each organization. I would like to thank John Mohr, Executive Director for the Port of Everett, and Donna Darm, Acting Administrator for NMFS in the Northwest Region. I appreciate their outstanding leadership in crafting this agreement. I look forward to continuing to work with the Port of Everett, NMFS and NOAA on this and any other issue that may arise in the future. Congratulations on working out an agreement which, I believe, is in the long-term interest of the community, the state of Washington and the nation.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. Hollings. I ask unanimous consent that the Senator if he will forbear for a moment.

In my capacity as ranking member of the committee, I thank our committee staff member from the great State of Louisiana for all of her hard work and for her taking over the chairmanship of the Emerging Threats Subcommittee. I don’t know of any other task facing the Senate today that is greater than that task. I am trying to work for the administration now that the President has made some very significant announcements in restructuring efforts of the Federal Government toward addressing the emerging and, indeed, regrettable existing threats now posed at our country. So I commend the Senator from Louisiana and wish her well in the weeks and months to come in her new capacity as chairman.

Ms. Landrieu. I thank the Senator. Let me respond briefly. To assure the Senator from Virginia that we are up to the task and that our members are ready to go, we look forward to working with him, and I appreciate his guidance, support, and direction.

Mr. Warner. I thank the Senator from Louisiana.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina to speak as in morning business?

Mr. Reid. Madam President, what was the request?

The PRESIDING OFFICER. The request is from the Senator from South Carolina to speak as in morning business.

Mr. Reid. Reserving the right to object, before we move off the Defense bill—if it is within the rules, I 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. Daschle. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

MORNING BUSINESS

Mr. Daschle. Madam President, I ask unanimous consent that the Senate enter into a period for morning business, without a quorum, at 9 o’clock, for more than 15 minutes.

Mr. Warner. Madam President, I will not object. That will mean we will now begin work on the Defense bill, which we discussed. In consultation with our colleagues, I hope by Monday morning we will be ready to proceed with some amendments as soon as the leadership establishes the parameters as to when the votes will be taken. We will be ready.

Mr. Daschle. Madam President, I appreciate the support from the ranking member. The ranking member and the chairman have done a good job getting us to this point. We ought to be ready with amendments. We are going to have votes as early as 12 o’clock on Monday. I would like to entertain amendments as early as 11 o’clock on Monday morning and be prepared for votes as early as 12 o’clock on Monday.

We will certainly work with the ranking member, the chairman, and accommodate those Senators who wish to enter into a period for morning business. We will do that and be back on the floor with the request in the not too distant future.

I yield the floor.

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

Who seeks recognition? The Senator from South Carolina.

MEASURE READ THE FIRST TIME—S. 1447

Mr. Hollings. Madam President, I understand that a settlement has been reached between the House and Senate relative to the airline assistance measure. This measure, an attempt to propound a bare bones solution, does not encompass all the main considerations that came out at the hearing we had in the Commerce Committee yesterday.

It is more or less a gentlemen’s agreement that safety is just as important, or this particular Senator was trying to get safety and security ahead of money. Be that as it may, the money has prevailed and the bill will pass, perhaps this weekend or perhaps this afternoon. I want to save time by speaking now so that when the bill is under consideration, I will not be holding up my colleagues who are trying to catch transportation to get home for the weekend.

In that light, I have at the desk a bill by myself, Senator McCain, Senator Kerry, Senator Rockefeller, Senator Harkin, Senator Breaux, Senator Cleland, Senator Nelson, Senator Edwards, Senator Burns, Senator Smith, and Senator Reid. I ask it be given its first reading.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:
A bill (S. 1447) to improve aviation security, and for other purposes.

Mr. HOLLINGS. I thank the distinguished Chair. Madam President, there is not a time when we are talking about financing that we can give the airline industry billions upon billions of dollars in the next 10 minutes, but the sustenance, success, and the full resumption of airline travel will never occur until the traveling public is confident of safety and security at the airports and on planes in America.

First and foremost, of course, is the matter of the cockpit. Pilots do not want to get into the position of those pilots on 9–11. So they are not only asking for a secure door that can only be opened from the inside, going along with the rule that it not be opened in flight, but that they also be equipped with alarm systems. That is going to be taken care of.

We have Federal marshals. We need to extend that program, there is no question about it. But the main kick in the arm in the security of all airports of America is the reliance upon the industry itself to provide for that security. It has been going to the lowest bidder, to temporary workers paid minimum wage, their average stay not exceeding 5 months. So there is no professionalism, there is no experience, and, as a result, there is no security. Everyone knows this. This was not just revealed at the hearing.

The bill establishes a Deputy Administrator at the Federal Aviation Administration for Aviation Security. We need a central command with fixed responsibility for this security.

The bill also establishes an Aviation Security Council comprised of representatives from the FAA, the Department of Justice, the Department of Defense, and the CIA to coordinate national security, intelligence, and aviation security information and make recommendations.

There was a question about curbside check-in. Employees stationed there look at their computers. They are well trained to look for certain persons that Interpol, other countries, or the FBI in this country have given as known security risks.

With those that they may have some suspicion about, they check that baggage. Obviously, if the distinguished Senator from California was going through, and she comes through every other week or so, going back and forth to the west coast, she is a discernible public figure, no security risk whatsoever and there is no reason to open the bag. That facilitates airline travel and that is understood.

Even at curbside when they use the computer and bring up the name “Hollings” on the computer, they can see exactly what his travel practices are and other information, as to the security of air travel, and either give a double-check through his luggage or maybe a personal check.

El Al Airlines requires that in Tel Aviv. The truth is, we invited El Al’s safety executive, and due to the holidays he could not make it, but he will be here the first of the week and is going to brief our committee.

We know there is required security in the country of Israel, and as a result we want to try to emulate their success in that regard. First, put in a deputy administrator with a coordinating council and strengthen the cockpit doors and locks.

We have heard from the distinguished Senator from Massachusetts of his constituent who manufactures such a door. He will be momentarily addressing that.

There is no question in this Senator’s mind that once the door is locked securely with a substance such as Kevlar that it cannot be penetrated. Once that is secured and you have the security personnel at Reagan National Airport, you can open up Reagan National. There is no difference between opening up Dulles Airport or Baltimore-Washington Airport and not Reagan with respect to the proximity because, after all, it was the Dulles flight that hit the Pentagon.

Once a flight takes off, to turn around and come back into Washington, it is just as easy to turn from, say, Baltimore or Dulles before anything can really done to stop its course and come right into the Pentagon again.

I understand what the Secret Service and the National Security Council are saying, but this is no time for debate. As the President said, this is a time for action. So let us start with action, get in the security personnel in a studied, incremental fashion. Start with the shuttle flights to New York and Boston and immediately have enough security personnel in those particular planes already equipped with the secured cockpit.

This particular measure also increases the number of Federal air marshals. In the interim, the FAA can use personnel from other Federal agencies to serve as those air marshals. It federalizes airport security operations. I heard a while ago at a conference that the Secretary of Transportation said we did not have the money to do this. We do have the money, and we have voted the money. Why? Why did the Secretary of Transportation say that this Senator voted the $20 billion. Someone has said it is $3 billion, and that $3 billion is enough. Put some 23,000, 24,000 security personnel in the airports around the country as Federal service employes, centralized, well supervised, skilled, with training, with adequate pay and retirement and health care benefits. That is when you are going to get the competent personnel.

I have had this struggle for the past several years. The FAA has been extraordinarily cooperative with the controllers. I do not see anybody in the Chamber this afternoon talking about privatize, privatize, privatize. We can see what privatization has done to security.

Europe affords government workers in its airports. If Europe can afford it, we can afford it. Fact, after 9–11 we must afford it. We cannot play games with the number of employees and everything else of that kind when it comes to security, and this is just as important or more so to this particular Senator than to any other Senator.

I am going to explain the money in a little while. You can give airlines all the money in the world, but if nobody comes to fly on their planes, if the airports and the planes themselves are not secure, then they are going to suffer badly financially and there is not enough money in the Government Treasury to keep them alive unless we do this No. 1 thing; namely, provide for airport security, which is on everybody’s mind.

The bill also improves screening procedures for passengers. It checks the passenger’s name against a coordinated list comprised of criminal, national security intelligence, and INS information.

I heard the previous administrator of the Immigration and Naturalization Service, Doris Meissner, on TV the other evening. She was talking about checking names off as they come in. The INS gets this information. The FBI gets this information. It ought to be absolutely certain that it also goes to all of the airports and is disseminated, because there is some question that they had some information about the 9–11 attack ahead of time but it was not properly dispensed among those responsible.

The bill provides for hijack training for the flight crew. It calls for background checks on students at flight schools for large planes and increases personnel security at airports and air traffic facilities. It assesses a dollar-passenger security charge and authorizes funds to carry out the security initiatives.

This bill is totally bipartisan, but there was a concern amongst several of the Senators about assessing a charge. I think all members of our committee more or less will cosponsor the bill, once we can check this afternoon, in a bipartisan fashion.

Now, that charge will bring in $250 million. Assuming the security responsibility at airports is federalized, it relieves the private airline industry of $1 billion. So $250 million for passengers to start contributing toward taking care of this responsibility and $250 million for the Federal government.

I want to cover one particular thing with respect to the bill itself. The Bill might have to be repaired if there is not a cap on claims. We are establishing claims procedures for large airports and the injured are not further damaged and do not have to chase around several jurisdictions and file all kinds of
legal motions. So the Federal claims provision will be included in the bill this afternoon.

My understanding, because I was trying to find out if it is as a cap, if you do not have a cap on these particular claims, there will not be enough money in the Federal tit. That will have to be repaired.

I could give the example of this high paid group on the top of the World Trade Towers, and they are very deserving people, but if they make $8 million or $10 million a year, if I were a lawyer I know I could get a $200 million to $300 million verdict of some kind, and while I am getting the $200 million to $300 million verdict, the poor fireman’s lawyer comes in and says, “Wait a minute. You are paying that high paid individual a couple of hundred million dollars, but this is a poor fireman who saved his life, I want $200 million,” and up and away it goes. Or the insurance company takes a traveling passenger who was on one of those planes and the lawyer goes to the insurance company and says, “Go ahead, give us the $50 million, give us whatever you want because you want because you are subrogated, you can go against the Government claims, no limit on the government claims, and you can be reimbursed.” They say I am out here shilling for the trial lawyers, but right is right. I am confident most of my trial lawyer friends would understand, in an act of war of this kind, there have to be some limits. If there are not limits, we will not sustain.

I hold the bill up with an amendment. I was prepared, but I have been talked out of it by the leadership, to have the airline security measure that could be passed this afternoon in the House and Senate.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HOLLINGS. I ask unanimous consent for 5 minutes.

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

Mr. HOLLINGS. Madam President, since others are prepared now, let me read the most significant testimony of Harry Pinson of Credit Suisse First Boston, in Texas, and the head of the southwest regional investment banking group based in Houston that handles all of these industrial accounts. I ask unanimous consent it be printed in the RECORD.

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

Testimony of Harry Pinson. Hearings on AIRLINE INDUSTRY FINANCES, SENATE COMMITTEE ON COMMERCE, SEPTEMBER 20, 2001

Good afternoon Mr. Chairman. I want to thank you for holding these hearings today and allowing me to appear before the Committee.

My name is Harry Pinson and I am a Managing Director of Credit Suisse First Boston (“CSFB”), and Head of the Southwest Regional Investment Banking Group, based in Houston. I joined CSFB in 1984, and moved to Houston in the summer of 1985 from New York. I was responsible for creating the coverage of industrial accounts in the Southwest, including the airline industry. While in New York, I was Head of the Transportation Group in the Investment Department from 1990 through 1995.

I began my business career as an Associate in the public finance department of Merrill Lynch, where I specialized in the transportation industry, prior to joining CSFB. I have managed a variety of financing and strategic advisory assignments for major U.S. industrial companies including the acquisition of McDonnell Douglas by The Boeing Company, the strategic alliance between Continental Airlines and Northwest Airlines, the sale of United Airlines to its employees, advising the creditors of Continental Airlines in the reorganization of the Company, the privatization of Quantas Airways and the acquisition of TWA by AMR.

The U.S. air transportation system, for all its faults, is the envy of the world. Its cheapness and ease of use means that more Americans travel by air than by any other major country. Whole industries are built around this unquestioned principal of mobility: hotels, resorts, car rental agencies. Airlines bind us as a nation, and connect us to the world.

The events of last Tuesday and their ramifications are threatening that principal of mobility in a momentous way.

First, the cash losses suffered while the industry was grounded and as it rebuilds this week are weakening an industry already stretched to the breaking point:  

Second, the reduction in demand caused by the loss of passenger confidence and the impact on travel times caused by the security guidelines necessary to restore that confidence, coupled with the increased operating costs and lower flight utilization that some safety guidelines are likely to require, the bankruptcy model for the industry will change, perhaps permanently. For the first time ever, an industry conditioned to growth will have to find a way to shrink to profitability. It will be a Yankee ingenuity to find that path, and many will not succeed.

Third, the catastrophe last week and our government’s response to it have geared to raise the perceived potential liabilities of operating an airline while simultaneously reducing the availability of insurance for that risk. This means that airline shareholders, creditors, and potentially even the officers and directors of these carriers are being asked to bear the risk of potentially catastrophic losses: an unprecedented and highly disruptive situation.

Finance, the industry I participate in, has always had a big role to play in this industry because of the intense capital intensity, fierce competition and low profit margins. One of the big risks that have caused the airlines to fully fund purchase commitments even when business is bad. It also means that the airlines have accumulated enormous debt services and lease payment burdens which will not diminish soon.

We, in our industry, are eager to get back to the business of financing this industry, as we were earlier to push it generally. It is our livelihood. The rebuilding of this industry will generate terrific investment opportunities which will attract the dollars necessary to fund the future of this industry and eventually supplant the aid you are considering.

The fact that these investments will be riskier does not necessarily diminish their appeal. The assessment of risk and speculation about an uncertain future are at the core of the investing process. There are, however, some types of risks that financial markets find hard to deal with which the current situation contains, and act as barriers to restarting the investing process.

For example, the more stringent security procedures which are essential to attracting passengers back to the airlines will be costly and disruptive, but we don’t know how much because we don’t understand the way nor do we know who will bear the costs. Clarity on the “rules of the game” will be essential for the investment community to begin to assess what is going to happen and fund its various participants. Until the rules are clear, investors will put their brains to work elsewhere. Since this issue also affects the likelihood of the fleet to deploy in the future, it makes the value of aircraft the bedrock collateral for much of the industry’s financing, also hard to determine.

Second, investors are conditioned to assessing management turnaround plans and placing their bets, but liquidity concerns will make analysis again difficult. “Shrink-to-fit” is only a word in the airline industry. Given the rigidity of airline cost structures in both capital and labor, it will take a long time, years for a turnaround to take place. No airline has anything like the resources necessary to fund this turnaround and investors in the current poor general investment climate are not likely to bet on a company’s ability to raise money in the future to fund its plan. Therefore another necessary condition to getting private capital moving back into the industry is to give the airlines access to sufficient liquidity to fund a turnaround, so that investors can focus on the business risks they understand.

It is in the nature of these support arrangements that, if the process goes as intended, much of this support will not be used because it will act as a catalyst for private capital to flow to the industry and take back from the government the role of financing the industry.

Third, new kinds of liability issues have arisen because of the catastrophe itself and the state of war resulting from it. The industry’s insurance arrangements are not adequate to deal with this. The war risk is effectively uninsured at present. This has the potential to paralyze the industry as investors and creditors are faced with the potential catastrophic loss. This is an impossible situation for investors to grapple with.

Clarity, liquidity, liability. Address these issues, we’re ready.
Continuing:

Second, the reduction in demand caused by the loss of passenger confidence impact on travel times caused by the security system could mean that the profit model for the industry will change, perhaps permanently. For the first time ever an industry conditioned to growth is facing the very legitimate fear of a way to shrink to profitability. It will take a lot of Yankee ingenuity to find that path, and many will not succeed.

Third, the catastrophe last week and our government’s response to it has served to raise the perceived potential liabilities of operating an airline while simultaneously reducing the availability of insurance for that risk. This means that airline shareholders, creditors, and potentially even the officers and directors of these carriers are being asked to bear the risk of potentially catastrophic losses; an unprecedented and highly disruptive situation.

Finally, the industry I participate in, has always had a big role to play in this industry because its persistent growth, capital intensity, financial margins and low profit margins mean lots of external capital needs to be raised: About $10 billion so far this year. Because the airplanes can be deployed anywhere and the work has long useful lives and a long history of holding their value, the vast proportion of the capital raised is in the form of long-term debt secured by these aircraft.

Madam President, jumping forward:

Second, investors are conditioned to assessing management turnaround plans and placing their bets, but liquidity concerns will make analysis again difficult. “Shrinking to profitability” is a new concept in the airline industry. Given the rigidity of airline safety guidelines are likely to require that what we have ever had. That is what brings us to the position today where we are likely to require that the system is safer than the air system has been in years.

The scrutiny level already in our airports today is significantly higher than it has ever been. The level of scrutiny, the level of noticeability of checks and the level of concern by air marshals and State police, local police, and others is raised to the highest level it has ever been in our country. It is safe to fly in aircraft in the United States today. It may be that some people in this country would deem most of those in Washington expendable any way, but if it is any consolation, Senators, Congressmen, and others are flying those planes now, and the American public should not hesitate to do so.

Here is also a truth, a reality. We can do things that create almost a fail-safe system as forcefully as I can, there is no reason not to fly in an airplane in the continental United States or to fly out of the United States in today’s system. There really isn’t. That system is safer than the air system has been in years. The scrutiny level already in our airports today is significantly higher than it has ever been. The level of scrutiny, the level of noticeability of checks and the level of concern by air marshals and State police, local police, and others is raised to the highest level it has ever been in our country. It is safe to fly in aircraft in the United States today. It may be that some people in this country would deem most of those in Washington expendable any way, but if it is any consolation, Senators, Congressmen, and others are flying those planes now, and the American public should not hesitate to do so.

How do we do that? Let me remind you of an extraordinary lapse, even after all the security measures, although it is hard to imagine how that might be if we do our jobs properly, someone might be able to get through the airport security. But they could not walk into any restaurant anytime, anywhere and do that. They could walk into any mosque, any church, any synagogue—they could walk into any place where crowds gather, and if they could do it, we would have the ability to wreak havoc and chaos and mayhem in the area of their choice.

But we have the ability to do something to make it safe to fly, beyond what we did on September 11, we have to recognize that what happened last Tuesday was not high technology, nor was it even force at the end of a gun barrel or a bomb that had somehow gone through and evaded security. In fact, even those events were not new; the weapon was used within the permissiveness of the system as it existed then. It wasn’t as if somebody walked through security and had a weapon that wasn’t detected. What these terrorists evidently did was use terror in a low-tech way as effectively and as deviously, as hideously, as any of us could ever have imagined; using a box cutter, using a minimalistic kind of weapon, they managed to terrorize flight attendants and terrorize passengers who, until that point in time, had an understanding of hijacking that you sort of behave. You try not to unsettle the hijackers. In fact, the tapes that were used by the flight attendants were 1970 tapes of a 1-hour tape that taught them to try to calm the hijackers and perhaps persuade them to seek political asylum, or at least not to harm the passengers while they took them to Cuba or took the airplanes somewhere else.

What we learned on September 11 was that now there is a completely different strategy that we now know people are willing to employ. Someone is willing to commit suicide and try to take over an airplane and use it as a weapon.

The task now is to make certain that no one can again use an airplane as a weapon. I again point out that, in an act of absolutely extraordinary heroism, three American citizens who were informed of the change in tactic, who were told by loved ones on the ground that the planes prior to them had been used as weapons, understood the new equation. They understood that they were faced with the potential of imminent death and, if that was true, they were going to take matters into their own hands.

I think that forever changes the way we think about the potential of an aircraft again being used as a directable weapon by someone moving into the cockpit, taking over and actually flying the aircraft, using it as an instrument with a specific targeting.

It may well be that through some extraordinary lapse, even after all the security measures, although it is hard to imagine how that might be if we do our jobs properly, someone might be able to go through the airport security. But they could not walk into any restaurant anytime, anywhere and do that. They could walk into any mosque, any church, any synagogue—they could walk into any place where crowds gather, and if they could do it, we would have the ability to wreak havoc and chaos and mayhem in the area of their choice.

But we have the ability to do something to make it safe to fly, beyond what we did on September 11.
that would give greater confidence to our fellow citizens is the awareness that all across this country there is a standardized, uniform system by which people are being screened as they enter an airport, not some individual company in Boston and a different company in New York and a different company in another city with different supervisors and no accountability across the board except to those people in airports and to some Federal standard which is not applied in a Federal way.

It seems to me we could guarantee that safety. A lot of people in America are not aware of it, but the turnover rate of the current employment of those security operators is simply unacceptable: in some places 100-percent turnover, 200-percent, 300-percent turnover over the span of a year. And that is even among supervisors.

If we federalize the process we not only have the opportunity to hire people at a decent wage, to guarantee the continuity, to guarantee the level of supervision, but we also will have an ability to do one of the most critical things now. We recognize that airport security is also a matter of national security. If it is a matter of national security, then those airport personnel have to work within a system that has the ability to share information that comes from law enforcement, information that could be critical to national security—the CIA, NSA, FBI, Defense Department.

If someone is on a watch list or if someone is a frequent flier with patterns that raise suspicion because of those prior trips and travels—which, incidentally, do show up in your passport check when you come through INS, and you can begin to make those determinations but there is no such similar kind of cross-tabulation or verified processing of passengers’ manifests and flights—in a virtual world where we have computers at our fingertips with instantaneous communication of the Internet, shame on us for not having a system that has that kind of cross-pollination between our law enforcement agencies and security agencies across the Nation.

This is now a matter of law enforcement and national security. The only way to raise the airport security issue to that level is to federalize the process.

We are here to talk about how we are going to bail out or help the airlines. The airlines pay $1 billion a year for their security costs. So if the Federal Government takes those airport security costs, we are automatically reducing the burden of $1 billion a year or more, under increased status, from the airlines. Given that the airlines are working, hopefully, for profit and this affects the kind of bids and expenses they are willing to put out in it, we should guarantee to Americans that security at our airports is not going to be subject to the bottom line of an industry that is already in difficulties. It is going to be subject only to the judgment of those personnel of a Deputy Administrator at the FAA for airport security. We establish an Aviation Security Council with the FAA, the Department of Justice, the Department of Defense, and the CIA, to coordinate national security intelligence and aviation security information and make recommendations.

We require the strengthening of cockpit doors and locks with limited access to the cockpit so every passenger boarding an aircraft will know that unless it is at the choice of the pilots, no person will enter that cockpit from the time they leave the gate until the time they arrive at their destination.

We increase the number of Federal air marshals so people will know that while riding an aircraft, particularly those with the greatest potential of diversion, they would be protected by the use of Federal air marshals riding in the air with the plane today.

We federalize the overall airport security operations, providing improved training and testing for screening personnel.

We improve the screening procedures for passengers, checking passengers’ names against a coordinated list comprised of criminal, national security, intelligence, and INS information. I might add, the INS component is a critical component in the context of security.

We will provide new and modern hijack training for flight crews based on what we now understand to be the threat. We perform background checks on students at flight schools. We increase perimeter security at airports and air traffic facilities, and we authorize the funds to carry out these initiatives.

Let me echo what has been said here previously. We can pass a bill that provides funding for the airlines through those who benefit the most passengers of this country to come back to those airlines. I reiterate, I am convinced—I know the Senator from Florida is; he has flown commercially in the last days, as have others—this airline industry is safe to fly today. But to whatever degree our fellow citizens doubt that, we need to guarantee they will come back to those airports to ride the aircraft that we empower to fly.

Nothing is more important to reviving the airport, the airline, the travel industry, the retail industry—all those ancillary spinoff industries that depend on people flying the aircraft of our various entities in this country.

I believe this legislation, while we will not vote on it today, is imperative to move as rapidly as the legislation that we are moving on today with the hopes that we will be able to guarantee to every one of our citizens the full assurance of every level of safety that they expect. I hope we will do that as rapidly as possible.

I yield the floor.

The PRESIDING OFFICER (Mr. AKAKA). Under the previous order, the Senator from Illinois is to be recognized.

Mrs. HUTCHISON. Mr. President, parliamentary inquiry: I would like to ask if the Senator from Illinois would allow me to speak for 5 minutes on the aviation security bill on which I am a cosponsor with Senators HOLLINGS, and McCain; if the Senator from Minnesota will agree.

The PRESIDING OFFICER. Is there objection?

Mr. WELLSTONE. Mr. President, I ask unanimous consent to follow the Senator from Texas.

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

The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I thank the Senator from Minnesota.

I rise to speak on behalf of the aviation security bill that has been introduced by the distinguished Senator from South Carolina, Mr. HOLLINGS; Senator McCain, the distinguished ranking Member of the Commerce Committee, the Senator from Massachusetts, and myself. This is very much a part of the overall program that we are putting forward.

The bill will probably vote on today is the finance part of the package. I think most Americans agree we need to prop up our aviation industry to fall. So we are going to pass, I hope very shortly, a measure that will help our airlines get over the hump until the people have the security to come back and fly.

The aviation security bill that we are introducing today, that I hope will be able to pass early next week or the following week, is very much a part of a airlines getting back to normal. I think the flying public wants to come back, and it is an important part of our economy and our way of life and our commerce.

The way we are going to draw them back is to have the security in place so they know they will be safe when they start to fly. Today, this is an important part of our economy and our way of life and our commerce.

I am very pleased that under the chairmanship of Senator Hollings we had a hearing yesterday to talk about the security need. We talked to the Secretary of Transportation. We talked...
to the FAA Administrator. We talked to pilots and people who know what needs to be done to close the vulnerabilities that we saw on Sep- tember 11. The basic bill that is before us today was introduced today, of which I am a co-sponsor, has many of the items I have proposed in the past and certainly think we must pass today. We must have sky marshals in the air. In fact, I applaud the Attorney General for putting sky marshals on many of our flights around the country. They are in plain clothes. Most people would not know they are on a flight. But we do indeed have armed sky marshals on many of the flights that are in the air as we speak. But we want to make them permanent. We want to make sure we have sky marshals on virtually every flight, and possibly every flight later down the road.

We also recognize the passengers that there is a certified peace officer onboard who is trained to do what is necessary to deal with the crime that is committed in the air.

The second major provision in this bill that I think we must do is upgrade the screening. We will upgrade the equipment, and we will upgrade personnel education and training. We all know the screeners have been hired by contractors. They have high turnover rates. They do not have the experience that we would expect in screening. We have seen pictures of things that have gone through the screens and gotten onto an airplane that are just not appropriate. We want to stop that from happening.

That is why upgrading the screeners is important. I think they should be a part of a Federal system of security.

We are going to put some kind of bar- rier between the pilots and the rest of the airplane so that someone would not be able to get into the cockpit, as so sadly happened on September 11. We will have a Deputy FAA Administrator in charge of aviation security so that we will have one person in charge of all of aviation security.

It is my hope that we would start with entry-level screeners, and that it would be a career path for the aviation security department which would include graduating to become a sky marshal, staying in the system with a career in the system so we could have more trained and experienced people.

Those are some of the important points that are in this bill. I know some people disagree with certain parts of this bill. But it is a great start. It is an important step for rehabilitating our airline industry.

If we have the security, people will fly. People love to fly. We had 600 million people fly last year. We can build back to that number if we have the security and the convenience will be there. It is going to take a little longer going through the airport, but I think people are willing to wait a little longer and go earlier in order to feel safe. The flying public will come back. I support this bill. I will continue to work on it with the chairman. But I believe, as was said earlier, by Senator Hollings, that we know we are addressing security in the air and we will do something very shortly, as we are also trying to shore up our airlines. We will not let our transportation system fail. If we do, the terrorists will have won. The ter- orrists are not going to go to the United States of America.

Thank you, Mr. President.

UNANIMOUS CONSENT REQUEST—S. 1450

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Senate now proceed to S. 1450, the aviation as- sistance and security bill; that no amendments or motions be in order to the bill; that there be 1 hour for debate equally divided between the two lead- ers or their designees, with an additional 15 minutes under the control of Senator BYRD, with 10 minutes for Sen- ator KENNEDY; that at the conclusion or yielding back of the time, the bill be read a third time and the Senate vote without intervening action or debate on final passage of the bill.

I further ask unanimous consent that when the Senate receives from the House its companion bill, it be imme- diately considered, read a third time, and passed, provided it is identical to the Senate-passed bill.

I further ask unanimous consent that once the House bill has been enacted into law, provided it is identical to the Senate measure, then action on the Senate bill be vitiated and the measure then be indefinitely postponed.

THE PRESIDING OFFICER. Is there objection?

Mr. FITZGERALD. I object.

THE PRESIDING OFFICER. Objection is heard.

The Senator from Minnesota.

AVIATION SAFETY

Mr. WELLSSTONE. Mr. President, I believe this Transportation Safety Act, which I know Senator Hollings and others are going to introduce very soon, will certainly pass with strong sup- port.

First of all, I ask unanimous consent to be added as an original cosponsor of this piece of legislation.

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

Mr. WELLSSTONE. Mr. President, the Senator from South Carolina is abso- lutely right. Not only does safety have to be there with the money, but the fact is, without the safety, people aren't going to fly. If they don't fly, we can't be going to have this industry financially viable. It is that simple. You can see it traveling around the country right now. There are very few people at the airports. People are quite frightened. We have to absolutely pass this bill. I think it should be in this package right here. But we will be coming back to this very soon, and I think the sooner the better.

There were some provisions that I desperately wanted to see in this bill. I know the Senator from South Carolina and others tried with all their might. I know Senator Daschle did. There were negotiations late into the evening.

From my point of view, this language is essential to air service. I want to make sure that gets lived up to.

A good part of our State is rural. We don't want our smaller airports left out.

On the question of general aviation and VFR, there are a lot of people hurting right now. I traveled in a small plane this last weekend. They are having a hard time offering people any protections for them. We will get back to that next week.

But the final point I want to make is that we had, I think, about a $3.7 bil- lion package that dealt with all the people who are being laid off. North- west Airlines just announced that 10,000 people will be laid off. Half of them are in the State of Minnesota. Frankly, look at the economy.

There are an awful lot of people in a world of economic pain. I believe what should have been in this package—I know there were Representatives on the House side who resisted this, talk- ing about the companies, yes— is the extending of unemployment benefits and making sure people have access to job training, that there is a dislocated worker focus.

The most frightening thing of all, next to losing your job, is that you then lose your health care coverage. COBRA is too expensive. I wish we had something better. For these employees, this is going to be critically important.

These are going to be some really hard times for people. As one Senator from the State of Minnesota, I am real- ly disappointed we did not get this in- cluded. I know the Senate majority leader, Mr. Daschle, said this would be a first priority. I know Senator Hol- lings has said that. We have to come back next week and have to focus on these employees. We have to make sure we provide the help to them and to their families. That has to be part of a relief package. We have to move fast now. We couldn't get it in today. It will be in next week or it will be in as soon as possible.

Last point: We have all these huge issues staring us in the face. When I flew out here, I was talking to some of the employees of Northwest. I said: How are you doing? They said: We are doing the best we can. They meant about the world they live in. Everybody is very worried. Everybody is very resolute. Everybody is very worried. But they