we should take affirmative steps to address fiscal imbalances in the long term—again, the basic formula I talked about: short-term stimulus, long-term discipline. In particular, it is critical that we revisit—and I truly believe we must revisit—the tax cut that was enacted earlier this year. If left fully in place, this legislation will drain significant revenue from the Treasury and, in the long-term context, substantially weaken our financial condition just as the baby boomers are about to retire.

I know many of my colleagues believe these tax cuts were affordable when we debated them earlier this year. We can have a debate about whether they were or were not at that point in time, but the times have changed and they have changed dramatically. We now face a substantially weakened economy, dramatically lower productivity in our economy, and huge costs for a long-term war against terrorism.

Given these changed conditions, I hope some of my colleagues will reconsider their views on the full tax-cut package and recognize the need to suspend some of the provisions that are set to be implemented in the future.

By the way, 65 percent of those cuts come after year 5 because, as most economists would agree, maintaining fiscal discipline in the long term is just as important as stimulating the economy in the shortrun.

Unfortunately, while there is broad, if not universal, consensus among economists about the principles that should guide fiscal policy, many in Washington think they know better, and they are pushing proposals that, in my mind, simply make no sense and really do challenge whether we are all working together in an economic sense to strengthen this country the way we are working in our war on terrorism.

The House of Representatives and Senate Republicans are promoting a stimulus package that would do very little to immediately stimulate the economy. The House and Senate Republican bills masquerade the stimulus, but they are both little more than an ideological repetition of programs designed to help those who need it least and favor special interests—a giveaway with limited economic benefits.

According to an analysis by the nonpartisan Center on Budget and Policy Priorities, the House bill would provide between 80 and 90 percent of its tax cuts to higher income taxpayers and corporations. It is just the opposite of how we get stimulus into the economy today.

The bill eliminates the corporate alternative minimum tax, or AMT. AMT is designed to prevent corporations from avoiding taxes entirely through the use of deductions and various other tax benefits. Repealing the AMT will not generate real economic activity. There is no guarantee it will do anything other than change the bottom line of the corporations.

Many corporations may well apply some of these savings to reducing debts, mergers, acquisitions, or increasing their bottom line, but there is no guarantee they will invest. That might benefit the shareholders, but it will not stimulate the economy.

The House and Senate Republican bills would also reduce capital gains taxes. Reasonable people can and do disagree about the effect of such a reduction on long-term economic growth but, regardless of one's view about the ultimate merits of reducing capital gains taxes, I do not know a single economist who would argue that it is a powerful way to stimulate economic activity in the short term, at least compared with any of the other possible approaches.

This same analysis applies to other provisions in the House and Senate Republican bills. It would accelerate a reduction in tax rates for those with higher incomes, just the opposite of where we should be for our long-term economic stability. We need to focus on how we are going to manage our fiscal affairs when these baby boomers start retiring.

Accelerating a reduction in tax rates is going to exacerbate a problem we already put in place with this previous tax cut.

In any case, regardless of one's view about the merits of cutting taxes for those with higher incomes, it is simply not credible to argue that of all the possible approaches to stimulating the economy, these are the most beneficial, and one cannot argue these are the most powerful. Such a claim is just not credible and does not relate to objective facts.

I also emphasize the provisions in the House bill are not temporary measures; they are permanent tax cuts with huge long-term costs, just exactly what the budget chairmen in both Houses and the ranking members argued we should not do, and as such they undermine the fiscal discipline and almost certainly will put pressure on long-term interest rates over some period of time.

I have spent most of my life as a business person and as a bond trader, someone who worked in financial markets looking at these kinds of policies as they worked their way through the marketplace. I can assure my colleagues that fiscally irresponsible tax cuts, such as the ones that are on the table in the House of Representatives, will affect investors and will undermine the long-term health of our financial system, if not our economic system broadly. The end result will be higher mortgage rates, less business investment, and a weaker economy.

Meanwhile, the House stimulus bill puts very little money into the economy directly.

There is no investment in our infrastructure, no investment in our Nation's security, only tax cuts for those who are already doing well—mostly for corporations and mostly for those that are doing well.

To be blunt about it, I think this is wrong-headed economic policy. Perhaps because of my private sector background, I find it especially alarming.

Our Nation faces an economic emergency. We need to be addressing it in an objective and legitimate way so we do not turn our backs on a need that is very obvious to everyone and get into political debates. We need to deal with it directly.

I think we are fiddling while Rome is burning. We simply cannot afford to continue business as usual. We have to pull things together, minimize differences and focus on what is important to get the job done. Our economy is at stake. We are all in this together. We cannot let the events of September 11 get us off the track of this great Nation, this great economy— doing those things which were done throughout the 1990s and continued as we started this century.

We need to move with a bipartisan, objective package that will lead to real economic growth, and we need to do it now.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

CONCLUSION OF MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent that morning business be closed.

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

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002—Resumed

The PRESIDING OFFICER. The clerk will report the pending business.

The bill clerk read as follows:

A bill (H.R. 3061) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

Pending:

Daschle amendment No. 2044, to provide collective bargaining rights for public safety officers employed by States or their political subdivisions.

Gramm modified amendment No. 2055 (to amendment No. 2044), to preserve the freedom and constitutional rights of firefighters, law enforcement officers and public safety officers.

CLOTURE MOTION

Mr. REID. Madam President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk read as follows:

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the Daschle-Kennedy amendment No. 2044 to H.R. 3061, the Labor, HHS appropriations bill:

Maria Cantwell, Joe Biden, Barbara A. Mikulski, Patrick J. Leahy, Patty Murray, Paul Sarbanes, Debbie Stabenow, Max Cleland, Joe Lieberman, Bill Nelson Harry Reid, Paul Wellstone, Barbara Boxer, Jack Reed, Daniel K. Akaka, Kent Conrad, Tom Daschle.

ORDERS FOR TUESDAY, NOVEMBER 6, 2001

Mr. REID. Madam President, I ask unanimous consent that upon the conclusion of Monday's session, the Senate stand adjourned until 12:30 p.m. on Tuesday, November 6; that on Tuesday, immediately after the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for use later in the day, and the Senate then stand in recess until 2:15 p.m.; that the mandatory quorum under rule XXII be waived and that the Senators have until 1 p.m. on Tuesday to file second-degree amendments to the Daschle amendment notwithstanding the recess of the Senate.

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

Mr. REID. Madam President, for the information of the Senate, by virtue of the agreement just entered, the cloture vote on the Daschle amendment will occur at 2:15 p.m. on Tuesday, November 6.

MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent that we now proceed to a period for morning business, and that Senators allowed to speak therein for a period not to exceed 10 minutes.

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

LIHEAP AMENDMENT TO THE LABOR-HHS APPROPRIATIONS BILL

Ms. COLLINS. Madam President, I rise today to speak on my amendment that would express the sense of the Senate regarding the release of emergency funds for the Low Income Home Energy Assistance Program. I thank the administration for the significant release of LIHEAP funds 2 weeks ago. As OMB Director Mitch Daniels and I discussed just before the funds were released, this money is critical to Maine and the Nation. I thank both Mr. Daniels and the President for releasing $750 million in fiscal year 2002 LIHEAP funds to help low-income American families heat their homes this winter.

While I am grateful for the release of these funds, I also call upon the administration to release the $300 million in fiscal year 2001 emergency funds provided in the Supplemental Appropriations Act of 2001. This amount was $150 million greater than the administration's request. The report language specifically directed that at least $150 million of these funds were to be used to address unmet needs resulting from last winter's high energy prices. The other half of the money was directed to be used to meet the most critical needs arising from energy costs increases, significant increases in arrearages and disconnections, and increases in unemployment, among other things. Despite this direction, the money still has not been released.

Let me explain why those extra funds are necessary. Last winter was a very difficult winter. The price of home heating oil was $1.56 last winter, compared to $1.03 the winter before and just 78 cents the winter before that. In short, heating oil prices jumped 100 percent in just 2 years. In many cases we saw even worse spikes in the price of natural gas.

At the same time, the average LIHEAP benefit fell by over $100, from $488 in 1999 to $350 in 2000. Because so many people were in need of assistance, the CAP agencies simply didn't have enough money to provide the same benefit that they had in prior years. The result was that the average LIHEAP benefit bought less than half the oil in 2000 than it did in 1999.

That made for a very difficult winter for many people. In fact, many people are still trying to recover last winter's high energy prices. This past summer, some families had their power cut off because they were unable to pay back their high wintertime heating bills. In Maine, 26,000 people received disconnect notices in the month of July alone.

While I am grateful for the administration's recent release of LIHEAP funds, that money will do little to help people recover from last winter. In the State of Maine, regular year fiscal year 2002 LIHEAP money cannot be used to address arrearages or disconnections that occurred prior to October 1, 2001. That is one of the reasons we put an extra $150 million in the Supplemental Appropriations Act, and included language in the conference report directing that the money be spent on arrearages, disconnections, and unmet energy needs resulting from the high price of energy last winter.

Some States allow fiscal year 2002 funds to be spent on prior year expenses. While that may provide short-term assistance, spending this year's funds on last year's winter is likely to lead to a shortage of funds this winter as well. It is not a real solution.

I am also concerned that States will be able to provide less weatherization assistance this year. Since an ounce of prevention is worth a pound of cure, Maine typically spends the maximum allowable amount of LIHEAP funds to weatherize homes. But when we are still struggling to recover from the prior winter, less money is available for weatherization.

My amendment expresses the sense of the Senate that the President should immediately release the $300 million in emergency LIHEAP funding provided by the Supplemental Appropriations Act of 2001. I am very pleased that Senators CHAFEE, KERRY, SNOWE, WELLSTONE, and SARBANES have also joined me on this amendment. This money was intended to help people recover from the high energy prices of last winter. It will help many of those families most in need of assistance. In these difficult economic times, there is just no reason not to release money that has already been appropriated that will help people get through the winter. I would like to thank the managers of the bill, Senator HARKIN and Senator SPECTER, for accepting this amendment.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred November 5, 1997 in Hollywood, CA. Two male transvestites were accosted by two men who attacked them and used anti-gay epithets. Joshua Urena, 21, was sentenced to 180 days in jail and David Miller, 20, was sentenced to 220 days in jail. Both were placed on three years of probation.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.