

game. Again, I am sure that in their hands very good things come to pass. But in someone else's hands, this same charitable giving could do just as much good. I find it offensive that these people—basically special interests in this country—would use the U.S. Government to extract taxpayer dollars from people and have the threat of that kind of 5-percent rate forcing people to give in their wills to these charitable foundations. If they can't persuade people to do it on the merits from the goodness of their heart, they ought not be in the business. That is the way I look at it.

There is another myth that the wealthy don't need another tax break. Of course, a lot of wealthy don't need a tax break. Of course, these are people who invest, which is exactly what our economy needs at this time.

But I would say something else; that is, we are not talking about just these billionaires. Sure, they don't need it. I stipulate that. But there are a lot of small businesspeople and farmers and others who do need to be able to maintain what they are doing. They don't want to have to sell the family farm. They don't want to have to sell the small business that I talked about a moment ago. They would like to be able to continue the operation generation after generation.

The point here about these very wealthy people is that the way we passed the bill last year they are going to be taxed anyway. They are not going to be taxed 55 percent when they die, but they are going to be taxed on the capital gains if and when the asset is sold. Eventually all assets are disposed of. Their heirs are not going to have to pay 55 percent of the estate in taxes. But when their heirs turn around and sell those assets under the bill that we passed last year—and I suspect the bill we will put forward this year—they are going to have to pay a capital gains tax on the sale. Importantly, they are going to have to pay that without a step-up in basis, except for an exemption which is equal to a little bit larger than the exemption we provide today—about a \$5 million exemption.

So nobody who is exempt today would have to pay under this legislation. Except for that exemption, we do away with the step-up in basis so just as Mr. Gates, Sr., would have to pay a capital gains tax on the original cost of his investment if he sells that asset when he eventually dies and leaves that estate to his heirs, when they sell it they are going to have to pay a tax on the gain going back to his original basis. That means their tax is much less expensive, if you are interested in that. It is going to cost the Treasury a lot less money than some people think it will, but it doesn't let these people off the hook. They will be taxed under this proposal, but at least they have the choice of when they are taxed.

Instead of having to figure out how to pay this tax right after the breadwinner in the family dies and being faced with the possibility of perhaps having to dispose of the assets right then, they can wait until they want to make the economic decision to do so knowing full well they are going to pay a tax but they can understand the economics of paying the tax at that time.

I think this is the beauty of the approach of what we passed last year, which President Clinton vetoed and which I hope President Bush will include in his estate tax repeal. Remember there is another benefit to this.

I will close with this notion: It is very difficult to try to come up with an amount of exemption that is fair around the country. Some people said: Let's not repeal the tax; let's just create a much larger exemption.

I was talking to one of my colleagues from California yesterday who said the problem with that is that property values in California are now so high, and getting so much larger, that what is a taxable estate in California wouldn't even begin to qualify as a taxable estate in another State—let's say in a Midwest or Southern State. But in California, just because of the value of the property, even if that is all you own, you could easily be kicked up into the bracket where you have to pay a capital gains tax.

There is another problem that people are finding more and more. Again, this is happening in California. There is an environmental problem there. As people find they have to sell their property in order to pay the estate taxes, we are talking about environmentally sensitive land that could be held but is now having to be sold for development. And there are always plenty of developers hanging around ready to buy this good land and develop it.

What we are finding is that more and more native habitats are being destroyed as a result. With that in mind, Michael Bean of the Nature Conservancy, observed that the death tax "is highly regressive in the sense that it encourages the destruction of ecologically important land." It represents a real and present threat to endangered and threatened species and habitats. And because it tends to encourage development and sprawl, a lot of environmental organizations have joined in urging this repeal. Among those are the Izaak Walton League, the Wildlife Society, Quail Unlimited, the Wildlife Management Institute, and the International Association of Fish and Wildlife Agencies.

We see there are a lot of myths about the estate tax. That is exactly what they are, myths.

Second, we see that many Americans won't benefit directly from its repeal. There is very strong support for its repeal because Americans are fair people. They understand what will help our

economy, and they understand what is fair to working families.

I think there are two motivations for retaining the tax. One of them is envy—that nobody should have more than I have. But it turns out that very few Americans support that. The other is this special interest notion that having the death tax is the only way we can make people contribute to a charity. They are going to force them to be charitable. Apart from whether or not that is a moral point of view, it certainly isn't or ought not to be the function of Government. As I said, if we want to use the power of Government to encourage charitable giving, there are much better ways to provide a deduction for charitable giving for both those who itemize and those who don't.

There are other things we can do as well. At the bottom of the day, it is not surprising that these billionaires would say: Let's keep the death tax. To them it doesn't matter. I renew my challenge. Are you willing to pay 100 percent of the death tax you owe or have you spent a lot of money to try to do estate planning to get around this? I think that would be a very interesting thing to find out. Most Americans cannot afford to do that. That is why this tax needs to be repealed.

I join President Bush in urging my colleagues to ensure that when his tax package passes, that it has the repeal of the death tax as one of its key components.

The PRESIDING OFFICER. Under the previous order, the time until 12 noon shall be under the control of the Senator from Wyoming, Mr. THOMAS, or his designee.

The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I appreciate what the Senator from Arizona has just been discussing; and that is very important tax relief for hard-working American families. That is something that will be a high priority for our Congress. I appreciate his leadership in that effort.

NATIONAL SECURITY AND OUR ARMED FORCES

Mrs. HUTCHISON. Mr. President, another high priority for our Congress is our national security, making sure the men and women in the military have the tools they need to do their job, because their job is protecting our freedom. They are laying their lives on the line every day to do that. I think they deserve the respect, attention and the tools they need to be successful.

Ten years ago, President Bush, Secretary CHENEY, and General Powell, developed a plan to downsize the military while keeping it strong and ready. Their plan envisioned a leaner force, consisting of fewer troops, ships, and aircraft, but one that was 100-percent manned and supported. This is not the force we have today.

Today's military has been cut in half since 1991, but the half is not whole. Our services are struggling to recruit and to retain personnel. We are cannibalizing ships, aircraft, and other weapons systems to support deployed units. The military is completing the missions today on the backs of our overworked and overextended troops. As they have done in the past, they are spending an extraordinary amount of time and effort doing whatever it takes to get by.

Congress and the administration must work together to help our men and women in uniform. They deserve it; and America requires it. We could easily throw money at the problems and feel as if we are doing something, but the military requires more than money. It requires a national strategy and leadership from the top. In today's new world, we need to assess what we are doing, why we are doing it, and provide the assets to successfully achieve our mission.

In the future, we must ensure that our military is used wisely, not wastefully. This requires an immediate review of overseas deployments and missions. We must focus our military commitments and we must focus our objectives. Before we deploy our forces into harm's way, we must know what it is we expect to accomplish, we must define success, and we must have an exit strategy.

We also need to encourage our allies to take a broader role where they can, allowing our forces to contribute in areas where the United States has significant advantages in command and control and logistics. Leadership means convincing our allies to do their share in their own backyards and not simply accepting their threats to leave Bosnia or Kosovo unless we remain with them on the ground. We must be able to convince our allies that if they will step up to the plate, if they will exercise their responsibility, that we will be a backstop for them if an emergency occurs.

Today's military requires better pay, better treatment, and better training. In order to recruit and retain military personnel, we must improve their pay. We can no longer allow fast food restaurants to compete with the military for pay and benefits. That is hardly the standard that we should have.

Our military deserve pay commensurate with their skills. They demand highly educated recruits to operate the sophisticated weapons systems that are used today and that will be used in the future. We cannot attract our young men and women unless we provide a competitive standard of living and quality of life.

The President's initiative to add \$1.4 billion in pay and bonuses will help close the gap between military and civilian pay. In addition, we must treat our military personnel and their fami-

lies better. There is an old saying that we recruit the soldier, but we retain the family.

In my years in the Senate, I have focused on improving three areas in the quality of life of our military: improved military housing, including barracks and family housing; access to quality medical care; and increased support for quality schools for military children.

On Monday President Bush proposed adding \$400 million to upgrade substandard housing and \$3.9 billion to improve military health care. This is so important to our military personnel, especially the ones deployed overseas without their families.

I have visited with our military people on the ground in places such as Saudi Arabia, Kuwait, Bosnia, and Kosovo. I can tell you, the No. 1 item on their agenda is quality health care for their families who are back home. They need to have decent housing, access to quality medical care, and good schools when they are away. Nothing is more frustrating, nothing will drive the soldier out of the Army faster, than to call home and have to contend with medical care problems from a phone booth in Bosnia.

Finally, for too long, we have neglected the facilities where our troops work and train. Forcing people to work in 60-year-old frame buildings with little heat and no air-conditioning, and attempting to maintain sophisticated aircraft and systems when hangers are leaking around them, is certainly not conducive to retaining good people.

Our current ranges and training facilities are also a national treasure, but they need to be upgraded. Improved training facilities also affect quality of life by allowing troops to effectively and efficiently train and then return home.

Taking care of our people also involves taking care of their equipment and buying the weapons they need to win if they are called upon to go. We need to modernize existing weapons. At the same time, we need to look ahead and use America's lead in technology to build our future weapons systems. American technology has been a force multiplier in the past and will be even more important in the future. We cannot allow potential enemies to gain a technology advantage while we spend our time and money on incremental improvements.

The President has said he intends to earmark \$2.6 billion of the military procurement budget for research and development. We will use technology to reduce the risk to our forces and overwhelm any enemy quickly.

The military of the 21st century must be agile, lethal, readily deployable, and require minimal logistical support. Many of our adversaries will not confront our forces directly, therefore we must be prepared

for both threats posed by terrorists or blackmail by rogue nations.

Our Army and Marine Corps must be light enough to quickly deploy but heavy enough to win. Our Navy must be able to fight at sea as well as affect the fight over land, and our Air Force must have a global reach. Our defense strategy should be prepared to defend rather than react. This is why deploying an anti-ballistic missile system is so important to American security.

Missile defense is not a threat against responsible nations. Rather, it is an insurance policy that would provide doubt in the mind of a rogue state, protect our Nation, help our allies, and increase the options available to the President.

I applaud the President for sticking by his guns in saying we are going to deploy a missile defense system, and I especially appreciate what Senator THAD COCHRAN has done year after year after year to move missile defense forward.

Taking care of our military includes taking care of our veterans. We must keep the promises we make or why would anyone trust us? We must renew our commitment to our veterans. We must keep our promises to these past defenders of freedom by providing quality medical and educational benefits.

I will soon introduce a bill regarding gulf war illness. Thousands of our gulf war veterans are affected by a chronic disability. One in seven have come back from Desert Storm with a disability they did not have when they left. These men and women served our Nation honorably and deserve the care to which they are entitled.

Our veterans also deserve educational benefits second to none. Veteran education pays a high yield on our investment. The veterans of World War II became our most educated segment of society upon their return home. These men and women went on to become our leaders in business and government. Veteran education has always provided a big incentive to volunteer for service. We must renew our commitment by improving and increasing these benefits.

If we expect to recruit and to retain our best, America must provide them with the best: the best pay, housing, medical care, and other benefits. I applaud the President's commitment to improving our military and strongly support his plans to look before we leap. Our resources are limited and they must be used wisely, but we can set priorities. We can have a budget that meets our strategy, if we have a well-run military with a clear strategy.

We should deploy our troops when there is a U.S. security interest, but not over deploy or over demand their deployment. If we remember this, then we will have a military that is well funded, efficient, and will accomplish the goals we have set for them.

Of all of the areas for which Congress is responsible, national security is No. 1. It is our highest priority. It is the responsibility of the Federal Government to make sure all of those who have died in the past 200 plus years, maintaining the freedom of this country, will never, ever have died in vain. The only way we can repay them is to keep the zeal for freedom alive in our generation and in future generations.

We will keep the zeal for freedom alive if we keep our national security a No. 1 priority and we respect the military who have the job to make sure our freedom is intact today and will be for our children and grandchildren.

I applaud President Bush's initiatives. He is going to make sure we take every step in a thoughtful way. We are going to rebuild our national defense. We are going to renew our commitment to national security for the families of our country, for the protection of our allies, and for the protection of democracy, wherever there are people in the world who are trying to become free, with the example for freedom being the United States of America.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Ms. COLLINS. Mr. President, are there time limitations currently in effect for speaking?

The PRESIDING OFFICER. Senator THOMAS has time reserved until noon, and then from that point on, 15 minutes have been reserved for the Senator from Maine.

Ms. COLLINS. Thank you, Mr. President. I ask unanimous consent that I be allowed to use my 15 minutes starting now.

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

HELPING OUR MEN AND WOMEN IN UNIFORM

Ms. COLLINS. Mr. President, I first commend the Senator from Texas for her excellent statement on the needs of our men and women in uniform. As the Senator from Texas, I had the opportunity earlier this week to accompany President Bush and Secretary Rumsfeld, as well as a number of Members of Congress, on a trip to Fort Stewart in Georgia. There we had the opportunity to talk firsthand with our soldiers. We also had the opportunity to tour their barracks.

I must say I was shocked with what I saw. We saw soldiers living three in a very cramped space, 55 square feet per soldier, housing that is an embarrassment to the United States of America.

Mr. President, there is an old statement that nothing is too good for our troops. Well, "nothing" appears to be exactly what they are getting in some parts of this country. We need to recommit ourselves, if we are going to solve our recruitment and retention problems, to providing quality housing, competitive pay, and good health and retirement benefits to our men and women in uniform. For that reason, I applaud the President's initiative and his announcements this week of his commitment to remedy the pay, housing, and benefit problems that were so evident on this trip.

Mrs. HUTCHISON. Mr. President, will the Senator yield?

Ms. COLLINS. I am happy to yield.

Mrs. HUTCHISON. Mr. President, I want to say how much I appreciate the statement that has been made by the Senator from Maine. I also appreciate that she took the time to go and see for herself. She is a new member of the Armed Services Committee and she wanted to see the conditions in which our soldiers are living. I know this is now going to be a priority for her to make these improvements.

I talked to the President after that visit he made, and he was so touched by the response he got from our troops. I know he has recommitted himself to making sure our troops have the support they need to do the job we are asking them to do. So I thank the Senator from Maine for going on that very important trip and for making that statement and that commitment.

I ask unanimous consent that the time I have used not be counted against the time of the Senator from Maine.

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

Ms. COLLINS. Mr. President, I thank the Senator from Texas for her comments. I was, indeed, so impressed with the pride and professionalism of the soldiers that I met. They were so committed to their jobs and to serving our country. We simply need to do better by them.

The PRESIDING OFFICER. The Senator from Maine is recognized.

(The remarks of Ms. COLLINS pertaining to the introduction of S. 351 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Ms. COLLINS. Mr. President, I yield the floor. Seeing no one seeking recognition, 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. BINGAMAN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

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

Mr. BINGAMAN. Mr. President, I ask unanimous consent I be allowed to

speak as in morning business for up to 8 minutes and that that time not count against the majority's allotted time.

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

Mr. BINGAMAN. I thank the Chair.

(The remarks of Mr. BINGAMAN pertaining to the introduction of S. 352 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. Under the previous order, there are now 90 minutes under the control of the majority leader or his designee.

UNANIMOUS CONSENT AGREE- MENT—NOMINATION OF JOSEPH ALLBAUGH

Mrs. HUTCHISON. Mr. President, as in executive session, I ask unanimous consent that at 1:45 p.m. today the Senate proceed to executive session to consider the nomination of Joseph Allbaugh to be Director of the Federal Emergency Management Agency. I ask unanimous consent that the Senate then immediately proceed to a vote on the confirmation of the nomination. Further, I ask that following the vote, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and, finally, the Senate then resume legislative session.

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

The Senator from Texas is recognized.

(The remarks of Mrs. HUTCHISON pertaining to the introduction of S. 353 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

ORDER OF PROCEDURE

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the vote on the nomination of Joseph Allbaugh be changed to occur at 1:40 p.m.

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

Mrs. HUTCHISON. Thank you, Mr. President.

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.

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

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

Ms. LANDRIEU. I ask unanimous consent to speak for 10 minutes as in morning business.

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

(The remarks of Ms. LANDRIEU pertaining to the introduction of S. 355 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Louisiana is recognized.