HOUSE OF REPRESENTATIVES—*Wednesday, March 28, 2001*

The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mr. LAHOOD).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 28, 2001.

I hereby appoint the Honorable RAY LAHOOD to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Heavenly Father, quiet our souls before Your throne of grace as we take up the responsibilities of this day. We acknowledge our dependence upon You. Give us this day the strength and wisdom to make decisions that would be pleasing to You.

Grant to the officers and Members of this body Your guidance and wisdom. May they find in You the spiritual resources for the pressures of their duties in this place. Make them conscious of Your will and purpose.

We pray today for our President, Vice President, and all Members of Congress as they work together to lead our country forward into a bright and blessed future.

Lord, thank You for every blessing upon our great country. We pray we might conduct ourselves in a manner worthy of all Your benefits.

This we pray in Your holy name. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Florida (Mr. GOSS) come forward and lead the House in the Pledge of Allegiance.

Mr. GOSS 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.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair announces that one minutes will follow the proceedings later today.

PROVIDING FOR CONSIDERATION OF H. CON. RES. 83, CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 2002

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up H. Res. 100 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 100

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the concurrent resolution (H. Con. Res. 83) establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011. The first reading of the concurrent resolution shall be dispensed with. All points of order against consideration of the concurrent resolution are waived. The period of debate on the subject of the concurrent resolution on the budget for fiscal year 2002 that occurred on March 27, 2001, pursuant to the order of the House of March 22, 2001, shall be considered to have been debate on House Concurrent Resolution 83, and the time for debate prescribed in section 305 of the Congressional Budget Act of 1974 shall be considered to have expired. A further period of general debate shall be confined to the concurrent resolution and shall not exceed 40 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget. After such further general debate, the concurrent resolution shall be considered for amendment under the five-minute rule. The amendment specified in part A of the report of the Committee on Rules accompanying this resolution shall be considered as adopted in the House and in the Committee of the Whole. The current resolution, as amended, shall be considered as read. No further amendment shall be in order except those printed in part B of the report of the Committee on Rules. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment. All points of order against the amendments printed in part B of the report are waived except that the adoption of an amendment in the nature of a substitute shall constitute the conclusion of consideration of the concurrent resolution for amendment. After the conclusion of consideration of the concurrent resolution for amendment and a final period of general debate, which shall not exceed 10 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget, the Committee shall rise and report the concurrent resolution, as amended, to the House with such further amendment as may have been adopted. The previous question shall be considered as ordered on the concurrent resolution and amendments thereto to final adoption without intervening motion except amendments offered by the chairman of the Committee on the Budget pursuant to section 305(a)(5) of the Congressional Budget Act of 1974 to achieve mathematical consistency. The concurrent resolution shall not be subject to a demand for division of the question of its adoption.

The SPEAKER pro tempore. The gentleman from Florida (Mr. GOSS) is recognized for 1 hour.

Mr. GOSS. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the distinguished gentleman from Texas (Mr. FROST), my friend; pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only on this matter.

Mr. Speaker, H. Res. 100 is a structured rule, as we have just heard the Clerk read. It is fairly typical for bringing forward the annual congressional budget resolution, for today is budget day in the House.

For a number of years, we have gotten into a very good habit of managing debate on the budget by asking that all amendments be drafted in the form of substitutes so that Members could consider the whole picture as we debate and weigh our spending priorities. This rule continues that tradition and wisely so in my view.

We have gone to great lengths with this rule to juggle the competing needs of having a full debate on a range of issues and perspectives without allowing the process to become so unwieldy that it bogs down in minutia.

In that regard, I think the rule is fair in making four, I repeat four substitute amendments, which means we are going to have good debate today. Those amendments reflect an array of points of view. I should note that three of those have Democratic sponsors.

Specifically, the rule provides for 40 minutes of additional general debate

equally divided and controlled by the chairman and the ranking minority member of the Committee on the Budget. The rule makes in order the concurrent resolution modified by the amendment printed in part A of the Committee on Rules report accompanying the resolution.

The rule further makes in order only those amendments printed in part B of the Committee on Rules report. Those four amendments may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and opponent, and shall not be subject to amendment.

The rule waives all points of order against the amendments except that, and this is important, if an amendment in the nature of a substitute is adopted, it is not in order to consider further substitutes.

The rule provides for a final period of general debate not to exceed 10 minutes, as the Clerk told us, equally divided and controlled by the chairman and ranking member of the Committee on the Budget to occur upon conclusion of the consideration of the concurrent resolution for amendment.

The rule permits the chairman of the Committee on the Budget to offer amendments in the House necessary to achieve mathematical consistency.

Finally, the rule provides that the concurrent resolution shall not be subject to a demand for division of the question of its adoption.

Mr. Speaker, this budget provides Congress with a unique opportunity. Here we are standing on top of a mountain of budget surplus thanks to the fiscal restraint of the majority party in the past several years. We gaze over endless possibilities rather than being stuck in the depths of a deficit canyon which we were in the early part of the 1990s.

Now, instead of jumping off of a mountaintop into some kind of spending free fall, it is time we firmly plant our feet and decide what we need to get accomplished for the people of the United States of America with our tax dollars.

That is what this budget is about. It is standing firm to ensure that our hard-fought surplus is preserved while providing Americans with necessary and appropriate government programs and security they deserve and count on from the Federal Government.

The surplus, combined with strong leadership from the new administration in the White House, will result from real relief for all taxpayers.

I commend the gentleman from Iowa (Chairman NUSSLE) and his committee for devising a budget that will reflect our commitment to fiscal discipline while also ensuring programs like Social Security and Medicare will be available for future generations, properly funded.

As we set forth to debate this budget, it is easy to get bogged down by the large abstract numbers; and I imagine we are going to hear lots of them today. There will be more zeros flying around this Chamber today than there were in the Second World War.

It is important to remember these numbers represent an opportunity to return money to hard-working individuals or, better yet, let them keep it and not have to send it on to Washington on April 15 or in quarterly payments.

I know my constituents in southwest Florida want real relief. They ask for it every time I see them. It is up to this body to reward their hard work, the work they do every day, to admit also that the government is taking more in taxes than it actually needs now. Over the next 10 years, this budget will provide the average American family with up to $1,600 in tax cuts. That is real relief.

The budget resolution goes further than immediate tax relief. It secures the future for all Americans. This security comes from the pairing of tax cuts with more funds for programs that every American cares about.

I certainly would not stand here and say that we have achieved getting rid of all government waste. I do not know anybody bold enough to make that statement, nor would it be an accurate statement.

Funds will be allocated, however, for important things, to improve education, to decrease the national debt, to modernize Social Security and Medicare. The increased money for these areas will enable all Americans to plan for the future with the assurance that past mistakes are, in fact, being corrected.

This budget illustrates the dedication of both the White House and the Republican leadership in Congress to fiscal discipline and to identifying, exposing, and excising unnecessary Federal spending. Americans do work hard to make and to save money, and they have a right to demand fiscal responsibility from the Federal Government.

But citizens of this country can rest assured that fiscal discipline will be practiced by following the blueprint this budget resolution outlines, as we will hear in debate today.

Not only will taxes be cut, but we will still stand committed to protecting from frivolous or wasteful spending our surplus which we are so proud of at this point. This is a fair rule. It is a standard rule. I think it is a good budget resolution that it underlies. I urge Members to support both.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume; and I thank the gentleman from Florida (Mr. GOSS), my good friend, for yielding me the 30 minutes.

Mr. Speaker, my Republican colleagues want to pretend they can give tax cuts to the very rich without hurting Social Security or Medicare, without hurting education or the environment. Mr. Speaker, if it sounds too good to be true, it probably is; and this budget is too good to be true.

They refused to admit that they cannot do it all. They do not want to admit that their $2 trillion tax cut comes from somewhere, and that somewhere is going to be heating programs for the working poor, prescription drugs, the national defense, family farms, and better schools for our children. Because, Mr. Speaker, there is no way one can afford these massive tax cuts and invest in education, provide prescription drug benefits, help people warm their homes in the winter; that is, not if one stands firm against raiding Social Security and Medicare.

The numbers just will not add up. But I think my Republican colleagues know that. They do not want to confess how much they will shortchange other important priorities to pay for these tax cuts. So instead of a real budget, Mr. Speaker, my Republican colleagues propose a ''3-card monte'' budget.

It puts off confronting harsh realities. It postpones the hard choices. It says our numbers might not add up; and when they do not, the Republican chairman of the Committee on the Budget will adjust them.

Mr. Speaker, the Committee on the Budget did not report a budget resolution. It reported a delegation of authority to the gentleman from Iowa (Mr. NUSSLE). There are tax cut numbers and total revenue numbers in this budget. But section 10 says ignore them.

Section 10 says the gentleman from Iowa (Mr. NUSSLE) will adjust the revenue figures to take account of any additional surpluses projected by CBO. He can increase the size of the permitted tax cuts. He can reduce the appropriate level of public debt, or he can do both.

Last year's budget also allowed the Committee on the Budget chairman to determine how much, if any, additional surplus to devote to tax cuts. Three weeks ago, the gentleman from Iowa (Mr. NUSSLE) used this authority to adjust last year's tax numbers to make room for this year's first tax bill.

□ 0915

It does not matter that there is a new President, a new Congress, a new set of priorities. Republicans say they do not need to see whether these new priorities fit with tax cuts of this size. The only priorities that count are those of the gentleman from Iowa (Mr. NUSSLE), and he can decide to devote all of the surplus that is needed to fit this year's bills.

Mr. Speaker, here we go again giving him the same unilateral authority for next year, but this time the Republicans do not stop at tax cuts. There

are aggregate spending numbers in this budget. There is an energy number and an education number, and there is a defense number and an agriculture number. Section 6 says ignore all these numbers. Come July the gentleman from Iowa (Mr. NUSSLE) will look around and decide for the House what the spending numbers really are.

Mr. Speaker, I have to say, the chairmanship of the Committee on the Budget is looking better every day. The gentleman from Iowa (Mr. NUSSLE) can rewrite the numbers without a hearing and without a vote of any committee. Mr. Speaker, the gentleman can do it without any House action at all. Make no mistake about it, today we vote to grant the gentleman from Iowa (Mr. NUSSLE) extraordinary discretion to change the whole spending side of the budget.

And as if this broad spending authority is not enough, there are plenty of reserve funds to go around, too. There is a separate reserve fund for fiscal year 2001 defense, agriculture and other critical needs, a special fund for education, a fund for emergencies, one for Medicare, another for this, for that, and for the other thing, too.

Years ago Mr. DOMENICI, the chairman on the Senate side, faced a number of questions about a reserve fund in his budget. Frustrated, he tried to explain the notion once and for all with this phrase, ''The money is in the resolution and the money is not in the resolution, and if you cannot see that, you must be blind.''

Where I grew up, if you could not see through a ruse like that, you lost your wallet, your shirt, your reputation, not your eyesight. A reserve fund means that the numbers in the budget are not worth the paper they are printed on; Republicans can adjust them as they go along.

Mr. Speaker, this turns the budget process on its head. We will no longer use the budget to decide if we can afford one whole set of proposals viewed together. We will no longer enforce the totals we decide on in the budget. Instead, the Committee on the Budget chairman will determine, as each proposal comes up, if he likes it enough to adjust the budget levels to accommodate it. What a mockery.

My Republican colleagues on the Committee on Rules and the Committee on the Budget have said we need a biennial budget, but they cannot even write a budget that will last through July. If we cannot write a budget that will last for 2 months, how can we expect to do one for 2 years?

Mr. Speaker, we do not need these contingency funds and reserve funds and other extraordinary procedures to rewrite the budget as we go along. Republicans should step up to the plate. They should admit that a $2 trillion tax cut to benefit the rich is more important than anything else. They should admit that they are willing to endanger Medicare, cut heating programs, slash education, and decimate a new prescription drug benefit. But this budget lets them pretend for a while that all is well.

Mr. Speaker, the American people deserve better. I urge my colleagues to send this budget back and demand a real budget, an honest budget instead.

Mr. Speaker, I reserve the balance of my time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). The Chair reminds Members that they are not to make references to statements made by Members of the other body.

Mr. GOSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think I detected support for the rule in the opening statement of the gentleman from Texas (Mr. FROST), among several opportunities we will have to discuss several budgets today.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DREIER), the distinguished chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I thank the gentleman for yielding me this time.

Following along on his comments, I think we will have to put the comments of the gentleman from Texas (Mr. FROST) in the undecided column based on the statements he has just provided us.

I want to express my appreciation to the gentleman from Iowa (Mr. NUSSLE), who has done a superb job here with this, and I also want to commend the newest member to the Committee on Rules, the gentleman from Washington (Mr. HASTINGS), who has also worked on this issue and done a phenomenal job.

Over the past 6 years, Republican Congresses have been very proud to have made history with budgets that have stopped reckless Washington spending, paid down the national debt, protected Social Security, and, of course, focused resources on our Nation's priorities. Once again, once again, Mr. Speaker, we are about to make history.

I have had the privilege of serving this body for over two decades now. Every single year that a budget has come forward during that time, and I suspect going back all of the way to 1974 when the Budget Empowerment Act was passed, there has been a three-letter acronym put on that budget: D–O–A. ''Dead on arrival'' has been placed on every budget, but late this afternoon we are going to pass the President's budget, and that is a great testimony to this administration and the fact that President Bush has provided such great leadership.

We know that Republicans have changed the culture of Washington so much that President Clinton was forced over the past several years, as we were pursuing all of these great accomplishments that we had, to stand right here in this Chamber behind where I am and say, the era of big government is over. But today President Bush is at the helm, and he is making a great deal of history.

The Republican budget pays down $2.3 trillion in national debt. The Republican budget provides tax relief for every American who pays taxes. The Republican budget makes education of our children a top priority. The Republican budget protects Social Security from the spending raids that went on for the three decades before we came to majority here in the Congress, and the Republican budget, of course, does what is our number one priority at the Federal level, and that is rebuild our Nation's military capability.

So to sum this up, Mr. Speaker, this Republican budget is a fair and balanced American budget that fully funds our shared priorities while reforming taxes and paying down the national debt. This is a very fair rule; and as the gentleman from Florida (Mr. GOSS) said, he suspects that underneath the statement of the gentleman from Texas (Mr. FROST), there was support of the rule.

Mr. Speaker, as was pointed out by the gentleman from Florida, we make in order three Democratic substitutes, one Republican substitute. We should have a rigorous and interesting debate today. But at the end of the day, I am very, very proud that we will pass the President's budget, which is the right thing to do.

Mr. FROST. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, we have just been told that we are about to pass the President's budget today. That is simply not true. The President is not even planning to send his budget down to the Congress until a week from Monday, and yet the Congress is so hell-bent to pass a tax bill before the public understands the consequences of that tax bill that we are passing it before we even have the full budget sent down by the President. That to me is a disgraceful institutional advocation of responsibility.

Mr. Speaker, there are three reasons why we should vote against this ''budget'' and this resolution. First of all, this so-called budget resolution and the tax cuts contained in it are based upon flimsy, foggy guesses about what we are going to have in the Treasury 10 years from now. We do not have the faintest idea what we are going to have by way of surpluses 10 years from now. The numbers on which this budget is based have changed by 75 percent in 1 year. To commit to 10-year tax cut numbers on the basis of a guess about how much money is going to be in the

Treasury 10 years from now is patently ridiculous. Daffy Duck might pass that kind of budget; we should not.

Second, I would like to point out, as has been pointed out by the gentleman from Texas, that the tax cuts contemplated in this budget are so large that they leave no room on the table to deal with fixing Social Security long term, to deal with fixing Medicare long term, both of which are going to be in deficit in the long term. They leave no money left on the table to have a real attack on educational inadequacy or do a real alternative on prescription drugs, or to meet many of the other national priorities that our people have.

Mr. Speaker, worse, it risks repeating what happened in 1981, the last time this Congress rammed through a tax package before they had a budget. In 1981, we were told by President Reagan: ''If you just pass my tax bill, we will have a balanced budget in 4 years.'' The green bars on this chart demonstrate what we were told we would have. Deficits would go down to zero in 4 years. Instead, the red bars demonstrate that we wound up with deficits tripling and quadrupling over that time, and interest rates went up by two full percent, and 4 million people lost their jobs. This resolution risks making the same mistake that we made in 1981, and I do not think that we ought to do it again.

This resolution makes a number of changes in the budget process that further detaches this Congress from economic reality, and I do not think that we ought to do that. It is a shell game, as the gentleman from Texas has indicated.

Mr. Speaker, thirdly and most importantly, this budget speaks to our values as much as it does to our accounting, and it tells a sad story. The fact is that this budget places supersize tax cuts for people over $200,000 ahead of our obligations, our prior obligations, to fix Medicare, fix Social Security or do anything significant on education.

My colleagues know there is a direct link between how well you do in the classroom and how well you do in the world economy afterwards, and yet this President, while talking as though education is his priority, instead cuts in half the increases we have had in the last 5 years to strengthen education. He puts the needs of taxpayers who make more than $200,000 a year ahead of the needs of all of the school children of this country.

Mr. Speaker, this budget resolution, because it refuses to cap tax cuts at $6,700, because it insists giving people who make over $200,000 a year much larger tax cuts than $6,700 a year, because it insists on doing that for the 2.3 million taxpayers who make more than $200,000 a year, it gets in the way of our being able to revolutionize education for the 47 million kids who need it.

Mr. Speaker, for the $280 billion that we could save by simply capping tax cuts at $6,700 for people who make over $200,000, we could do three things: We could, first of all, reduce the class size for every class in America down to 18. That is the size at which the research shows kids learn the best. Secondly, we could pay teachers enough so we could close the gap between what teachers get and other professionals. Thirdly, we could eliminate the construction backlog for every dilapidated school in America.

We ought to put those priorities ahead of the tax cut, above $6,700 for the wealthiest 1 percent of people in the country. The fact that we do not says something very sad about the values of this Chamber.

Mr. GOSS. Mr. Speaker, might I make an inquiry about the time remaining?

The SPEAKER pro tempore. The gentleman from Florida (Mr. GOSS) has 20½ minutes remaining. The gentleman from Texas (Mr. FROST) has 19.

Mr. GOSS. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington (Mr. HASTINGS).

Mr. HASTINGS of Washington. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of the rule and the underlying legislation. As a member of both the Committee on Rules and the Committee on the Budget, I would like to congratulate the gentleman from California (Mr. DREIER), the chairman on the Committee on Rules, on a very fair rule allowing for open debate.

Mr. Speaker, I also thank the gentleman from Iowa (Mr. NUSSLE), the chairman of the Committee on the Budget, for a budget resolution that recognizes a need to rein in Federal spending while ensuring that our Nation's needs are met.

Mr. Speaker, I believe that we have crafted a resolution that will allow the Committee on Appropriations to responsibly allocate money to the subcommittees and to ensure that we maintain fiscal discipline throughout this whole process.

Mr. Speaker, today I would like to highlight one very important aspect of this resolution that affects many of us throughout the country. The Department of Energy's Environmental Management Program is at a critical juncture this year. I am pleased that the Committee on the Budget has highlighted the very real need for increased funding by including language that I authored, recognizing a need for approximately $6.65 billion for this program for fiscal year 2002.

□ 0930

This language is a strong signal to both the Committee on Appropriations and the administration of the importance of the nuclear cleanup funding for fiscal year 2002. I encourage OMB to take a note of Congress' support for this program as evidenced by the pending passage of the budget resolution today and to provide funding as suggested by the report language.

I am very concerned about recent reports that rather than increase the funding for this program the administration at least in appearance had proposed to cut this cleanup effort, but what we have seen in the past is a dramatic increase in cleanup success throughout the Nation as we focus more on cleanup and less on bureaucracy.

Mr. Speaker, I want to repeat that because at the sites throughout the country we indeed have focused more on cleanup rather than just adding more people to the whole process.

I am confident this trend can and must continue through continued funding for the PM program. A failure to fully fund this program will result in increased costs, delays and legal battles with States throughout the country that will further drain essential cleanup dollars away from the complex and simply delay progress. Many have highlighted the need for reform in the Department of Energy's management practices. I fully support this desire and pledge to work as chairman of the nuclear cleanup caucus to work with my colleagues and the administration to find ways to reform, continue to reform, the Department and ensure the program management's success.

However, I do not think that we can afford to not fund the cleanup program which has both contractual and legal funding requirements while these reforms that are badly needed take hold. We must recognize that our field offices are enacting reforms and contract discipline successfully on their own and that we must continue to fund their needs this year, and as reforms are identified and implemented the additional savings be focused on this cleanup work.

For example, at the Hanford Nuclear Reservation in my district, and also throughout the complex but particularly here, the Department has recently completed contracts with most of the major contractors that are new commercial-type contracts. These contracts put an impetus on the contractor to deliver on their projects or lose their fees. This is a big departure from what has happened in the past.

For example, one company in my district at Hanford agreed contractually to complete $2.5 billion worth of work for $2.2 billion through efficiencies and technology; and if they do not do that, they surrender their fee. I have to say this is a refreshing change to DOE contracting practice in the past and one that will greatly increase accountability throughout the complex.

Further, by incentivizing contractors to save money by giving them a small percentage of the savings that they attain, we are finding ways to increase

cleanup and reduce the cost to the American taxpayer. This new contracting structure must continue and must be expanded. However, without adequate funding, these contracts will be altered; and the American taxpayer will lose out on the benefits that they are entitled to.

So, again, Mr. Speaker, I want to thank both of my chairmen, the gentleman from California (Mr. DREIER) and the gentleman from Iowa (Mr. NUSSLE), for their work on this legislation before us; and I ask all of my colleagues to support the rule and the budget resolution.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. BONIOR).

Mr. BONIOR. Mr. Speaker, back when he was running for President, Mr. Bush often said trust the people. But when it comes to the public health and the environment, fewer Americans trust this President's agenda and for good reason. He has called for oil drilling in the National Arctic Wildlife Refuge. He has broken his campaign promise to cut carbon dioxide emissions. He has even repealed new standards to get arsenic out of our drinking water.

In my State of Michigan, out of 3,000 wells, 450 have high levels of arsenic, which we know is a killer. It is used in pesticides. It is used in weed killers. It kills people and it causes serious health problems.

Now, the White House presents us with a budget that cuts or shortchanges every important environmental initiative. We heard a very good statement from the gentleman from Wisconsin talking about what this budget does to education, that it devastates the environment.

Let me give one example. Today, millions of American families depend on water treatment facilities so decrepit and so outdated that the water they process is not always safe to drink. That is why people are walking around this country with bottled water. In the State of Wisconsin in Milwaukee, 104 people died of cryptosporidium, a bacteria that got into their water supply. Naturally, EPA says it is going to cost $1 trillion over the next 2 decades to improve our sewer systems. That is about $23 billion a year more than is already being spent by State, local, and ratepayers, governments and ratepayers. So it is going to take $20 billion alone over the next 30 years to fix water and sewer systems in southeastern Michigan alone, where we have a huge problem.

Our State has a water problem. One would think Michigan, the Great Lake State with all the freshwater, 95 percent in the world, would be doing well but we have 11,000 inland lakes in our State. Every one of them is contaminated with mercury to the point if one is a pregnant woman she cannot eat the fish.

I have beaches in my district that are closed on a constant basis throughout the summer because of undertreated or not treated waste that comes down river and into Lake St. Clair and Lake Huron of the Great Lakes. We are not paying attention to our most vital of resources, our water resources.

In southeastern Michigan, 4.2 million men, women and children depend on those systems. But instead of investing in the treatment plants America needs, this budget, like it does in education, like it does for senior prescription drugs, squanders money on tax cuts for the super rich. It does not take care of those basic needs of education, of health care, and the public health and the environment on the issues that I have talked to.

This may not be this administration's priorities but I want the American people to know it is our priorities. Most families depend on facilities built in large part with Federal dollars. Good sewers and water systems may not make for good photo-ops but they are essential to protecting the environment and the public health.

It is one thing to say the people are trusted. It is another to have policies and agendas and a budget that is worthy of our trust.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, when I look at the Republican budget, it is absolutely clear to me who is taking care of the billionaires in this country. What I want to know is who is taking care of our children? The Republican budget puts children and their needs behind a $2 trillion tax cut that gives 45 percent of the benefit to the wealthiest 1 percent of Americans.

In fact, a third of our children are part of families that would receive zero benefit from the proposed tax cut. Let me say that again. One-third of the children in this Nation live in families that would benefit nothing from the proposed tax cut.

In recent months, we have all heard the Republicans talk about helping children. Now is the time to support those words with actions in this budget. They will not do it. They are not doing it.

The Democrats, however, invest in our children by providing tax cuts for the families that need them the most, by protecting Social Security and Medicare, by improving the schools for these children and, most importantly, by paying down the national debt for their future. By voting for the Democratic alternative, we will make good on a promise not to leave children behind, and we will then invest in our children. Hence, we will be investing in the future of this Nation.

Mr. GOSS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Illinois (Mr. KIRK), a member of the Committee on the Budget.

Mr. KIRK. Mr. Speaker, as a new member of the Committee on the Budget, I rise in support of this resolution. We have a problem facing our country and that is the economic forecasting which is an inexact science and mistakes start at the program level. For example, when Congress added the recent national dialysis benefit to Medicare in 1972, forecasts used at the time predicted that the program enrollment would level out at 90,000 patients by 1995. Medicare actuaries now expect enrollment to exceed 400,000 by 2005 at a per-patient cost of $37,000.

Another example is the V–22 Osprey. DOD estimated in 1986 that the cost would be $32 million each, measured in 2000 dollars. That has now doubled to $83 million. DOD has kept total project cost overruns to only 40 percent above original estimates by reducing the number of aircraft from 913 to 458. Add the uncertainty of forecasting of general economic conditions such as program level errors and the very ability of budget forecasts, even one year out worsens the problem.

In January 1999, CBO predicted a $131 billion surplus for FY 2000; fully $100 billion below the $236 billion actually achieved. This year, CBO states that its estimated $281 billion surplus for fiscal year 2001 could either be $50 billion too high or too low. We need to reduce the swing in budget projections.

The Committee on the Budget must base its decisions on more accurate information. One important step in accuracy is to learn from the mistakes of the past. In the Committee on the Budget, we have bipartisan support for President Bush's testing under his education initiative, and that would have annual testing for students. We need to apply the same testing principle to the assumptions we use in budget forecasting.

Another source of error in the economic forecasts have been the omission of real world economic responses to the estimates that assess the changes in government spending or taxing policy. The chairman of the Committee on the Budget needs the ability to request supplemental estimates from CBO to accurately assess the impact of policy changes enacted during the fiscal year on estimated Federal revenues and expenditures.

These are decision tools needed by the chairman of the Committee on the Budget. In the recent hearing that we had on this rule, I proposed a change that would empower the chairman, in consultation with the ranking minority member, to get that data. I look forward to working with the gentleman from California (Mr. DREIER), the gentleman from Florida (Mr. GOSS), the gentleman from North Carolina (Mr. PRICE), and other members of the subcommittee, on legislative and budget

process, to improve budget forecasting in the models that we use so that we make better decisions here in the Congress.

Mr. Speaker, I rise in strong support of this measure.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Mr. Speaker, I thank the gentleman from Texas (Mr. FROST) for yielding me this time.

Mr. Speaker, I want to say to my colleague, the gentleman from Illinois (Mr. KIRK), who serves on the Committee on the Budget with me, that I agree with him indeed that our projections are an imprecise science and I want to add to that scenario why this makes this a process we are not prepared to move with. Just think of Medicaid as one of the instances of an unpredictable number that indeed costs so much to our citizens but also costs to this government. We are not prepared because it is indeed an unpredictable number and we are not able to plan as we should.

As we plan a budget now, we should indeed have that budget to be a statement of our priorities. It should be a statement of who is important and what is important to us. It should be an opportunity of making choices.

I say our budget says some profound things to us. It says that our first priority is to make sure we give a big tax break and yet we do not say that. We say that our first priority is our children or education or defense and agriculture, but when we look at this budget we see that everything else is indeed determined by how much we give back in the tax cut. Then we begin to say what is left we will say in our priorities. So we made a choice. The choice was to give back to those indeed who had the most, and that means that this budget is not fair.

Furthermore, when we say we are committed to our farmers, in the Committee on the Budget, I offered an amendment that would allow this budget to be a statement based on soundness and fiscal reality. For the last 3 years, we have been funding our farmers $9 billion in emergency funds for the last 3 years. That is $27 billion, but this budget refused to take that reality into consideration, again making this document at its very inception mean it is worthless.

□ 0945

If we are going to make this budget a statement of facts and priorities and choice and soundness, we indeed need to rewrite it.

Mr. Speaker, I strongly oppose the resolution that is before us.

Mr. GOSS. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from Texas for yielding me this time.

The words of the administration and particularly President Bush during the campaign were: ''leave no child behind.'' I rise today to say those words are, at best, very hollow in this budget that is being offered by the Republicans and allegedly by the administration.

For example, this budget gives no tax relief to families and less than 1 percent of this expands the earned income tax, while 45 percent of the tax cuts benefit those people who are in 1 percent of the income bracket. That leaves our children behind.

The Republican budget only provides 5.7 percent of an increase to educate the Nation's children, less than one-half the increase Congress has provided in the last 5 years. This means that we jeopardize class size reduction, school construction, teacher recruitment, title I and Pell grants, after-school programs and Head Start, where the Democratic budget provides $129 billion for that program.

Mr. Speaker, do my colleagues realize that children today go to bed hungry in America? Fifty-nine percent of all eligible families and just 47 percent of all eligible working families are able to participate in the food stamp program. The Democratic budget increases that by $381 million. It also increases the women and infant children program, but yet in the Republican budget we say that not only do we leave you behind; but we allow you to go to bed hungry and we allow you to get up hungry.

We know that working families need something very vital, Mr. Speaker, and that is child care. Whenever I go to my district, whether it is two-parent families or single-parent families or families that are children being raised by grandparents, they all need child care. Republicans cut child care by cutting out CDBG funds by $200 million. Democrats increase it by a $2.3 billion increase over 10 years.

Mr. Speaker, this budget is a faulty budget for our children. This budget should not pass. I ask my colleagues to support the alternatives that are put before us and provide for and promote our children of this Nation.

Mr. GOSS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Delaware (Mr. CASTLE).

Mr. CASTLE. Mr. Speaker, I thank the gentleman for yielding me this time.

I rise with some concern about this particular rule for sort of a reason most people are not even familiar with, but it is the rainy-day fund or the budget reserve which was set up. I thought the chairman of the committee did a wonderful job of setting it up. The fact that we were going to have a strict way of handling emergency appropriations in this Congress which we have just never had before, it has always been a Christmas tree in the past. And unfortunately, as it wended its way to the floor here today, it has been watered down substantially in terms of leaving the definition up to the Committee on Appropriations and essentially they can spend it on whatever they want and then save the real emergencies for a separate appropriation.

I do not think that is right. Frankly, I think this is an issue that we have to address in this Congress. I have introduced legislation to do this. The gentleman from Iowa (Mr. NUSSLE), the chairman of the Committee on the Budget, has supported that legislation. He has supported the concept of what we are doing, and I think it is something we should do. So for that reason I am vitally concerned about the rule here today, and I have some great difficulty in supporting it.

I will say about the budget itself, I think it does some good things in terms of tax reduction and education and other things; and I am sorry this point comes up, but the bottom line is that this is an area I think we need to address.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from South Carolina (Mr. SPRATT).

Mr. SPRATT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, some budgets are more important than others. Some years the budget is routine, even inconsequential. This budget this year is a watershed budget, much like the budget we did in 1993. It will determine the path we take for many years to come.

Let me say to the committee that the chairman of the committee, the gentleman from Iowa (Mr. NUSSLE) has endeavored to do a diligent, methodical job to cover the waterfront of the budget. We have done more work, the kind of work we should do, this year than we have in recent years, but the job is not done. That is not really to criticize him. The truth of the matter is, the facts are not in.

We do not have the budget backup data; it is still to come from the Office of Management and Budget. We do not know what the number for agriculture will be, a very big add in discretionary and mandatory spending. We do not know what the real number for defense is. Instead, what we have is a budget with placeholder numbers for these two large and critical accounts. As to defense, for example, that is more than half of discretionary spending. We asked for Mr. Rumsfeld to come over and testify. He declined. He is in the middle of his study for the transformation of the United States Armed Forces. So what did we do?

This resolution contains extraordinary authority for the chairman of the committee, acting unilaterally, by

himself, to come over and plug in a number for defense once that number is determined at any time up until July 25. We suspect that that time will be after the tax cuts. So what we are doing is authorizing substantial tax cuts, huge tax cuts, historically high tax cuts in this particular resolution, without knowing what two of the largest spending categories are going to be.

There is an appearance that because of the surpluses we have we can have our cake and eat it too. We can have these huge tax cuts and not really have to cut essential programs elsewhere in the budget. But among other things, because we do not have this budget detail, there are implied budget cuts coming that will be revealed once the budget documents get here and hit the street after April 3.

Let me mention just one: the President has plussed-up NIH by $2.8 billion. So do we. It is important. However, the President's plus-up comes at the expense of other programs within the Department of Health and Human Services. It is not additional money; it is money that comes out of the hide of the rest of that department. There are other agencies like the CDC equally as important as NIH. We have not yet seen the documents, but we are told from documents that have been leaked or released that among other things, in order to pay for the NIH plus-up, we will cut, number one, the child care development block grant by as much as $200 million; number two, the account for abused and neglected children.

That is why this budget should not be considered today; it should be put off until we have the detail to make the right kind of judgment about the fundamental decisions we make today in this budget resolution which will affect us for some years to come.

Mr. FROST. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. Mr. Speaker, the rule before us today does to the budget resolution what we thought would happen in the Committee on the Budget. It takes this contingency reserve, this strategic reserve that the President had in his budget and, in effect, creates a slush fund for the majority to fund what they want.

As we see here, while they outline some things they want to fund, most of what they want to fund of the President's new spending, we do not know where it is. The President has asked for $260 billion in new spending and more to come later, and we do not know how we are going to fund it.

The problem with this budget is they cut it a little too close to the line. Because as we see here, they leave themselves no room for error to end up spending Medicare and Social Security funds to fund the President's tax cut and the President's spending priorities that he has.

This budget is too tight. The numbers do not work. What we are going to end up doing is spending Social Security and Medicare funds and shortening the life span of those two very important programs to all of our constituents.

Mr. Speaker, we should reject this rule, we should reject the budget, and we should go back and start over in writing a real budget for the American people.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio (Mrs. JONES).

Mrs. JONES of Ohio. Mr. Speaker, I thank the gentleman for yielding me this time.

I rise in opposition to the Republican budget. Let me focus for a moment on the whole issue of small business. Small business had been funded at a level of $900 million. Under the Republican proposal, it will be reduced to $539 million. Let me tell my colleagues what they are going to get rid of. They are going to reduce funding in programs that previously had provided access for small businesses in our country that are going to require them to pay up-front fees to get into some of the programs. It is a claim that they are going to reduce redundant programs. The redundant programs that they are going to reduce are the new market venture capitalists and the new market initiatives that were proposed under the past administration, programs to go into areas that are disadvantaged and unfunded previously.

I say to the Republican administration and to the President, you claim to be a President for the business folk. The real business folk in our country are those who run small businesses. If you reduce those dollars, you kill small business.

Mr. GOSS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Ohio (Ms. PRYCE), a distinguished member of the Committee on Rules.

Ms. PRYCE of Ohio. Mr. Speaker, I thank the gentleman from Florida (Mr. GOSS), my colleague on the Committee on Rules, for yielding me this time. I rise in strong support of this balanced rule for the Republican budget resolution. The rule provides for a full and free debate of our Nation's budget priorities.

Mr. Speaker, the budget before us today is the hard-earned reward for years of fiscal discipline exercised by this Republican-controlled Congress. I am proud to say that this budget makes historic strides in paying down the Federal debt to its lowest level in more than 80 years, while investing in priority areas that will guarantee security for every generation of Americans.

What I am talking about is a better education for every child, the prescription-drug plan for every senior who needs it, and the return of the tax surplus to the American people. This plan also provides the funds necessary to rebuild our defense readiness and fulfills the commitment to our Nation's veterans.

This budget plan further promotes a sound economy by holding the rate of spending at the level of inflation, and by providing for critical reforms in Medicare and Social Security, by including a prudent emergency set-aside for natural disasters.

I would like to commend the gentleman from Iowa (Mr. NUSSLE), the chairman of the Committee on the Budget, and the gentleman from South Carolina (Mr. SPRATT), the ranking member, and all of the Members on the House Committee on the Budget for their hard-working commitment to produce a thoughtful bill that meets our most important priorities.

Mr. Speaker, the budget resolution that this fair rule will bring to the floor is a responsible budget; and it will keep us on the path of fiscal responsibility and economic prosperity. I support the rule, and I urge its support by the rest of this House.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, there are a number of things that this rule on the budget resolution could have done to prevent us from going into another decade of deficits comparable to what happened after the 1981 tax cut, but it does not allow any such protections to even be debated and voted on.

For example, it could have put in triggers that said that if the surplus estimates do not materialize, then we will not cut taxes as deeply as is envisioned in this budget resolution, but it kept those triggers out. What this budget resolution says is that if the surplus estimates go up, we can increase the tax cut; but if the surplus estimates go down, we cannot reduce the tax cut. That is a recipe for financial ruin, Mr. Speaker.

Mr. Speaker, since the tax cuts passed the House floor last month, the stock market has lost trillions of dollars of equity; corporations have come in with dramatically reduced earnings. None of that has been incorporated into the Congressional Budget Office estimates.

Those stock market losses are going to be deducted against next year's income taxes due, and yet we are acting today as though the rosy economic scenceric of the last eight years is going to continue indefinitely. If the CBO growth estimate is off by even eight-tenths of a percent, $4 trillion of this projected surplus vanishes.

□ 1000

The fact is that we have a very different economy, a worse economy, a slower economy than is estimated in the 16 year surplus estimates upon which this budget resolution is based.

All we are saying is, do not cut taxes if it means that our kids are going to have to pay off more debt, if our kids are going to have to provide for our Social Security and our Medicare because we have had to raid the trust funds in order to pay for a tax cut. That is fiscally irresponsible and it is selfish for the baby boom generation to reward ourselves and pass the bill onto our kids.

All we are saying is, cut taxes, but only cut taxes if we can afford to, only if our kids do not have to pay for those tax cuts.

This budget resolution does not do that. This budget resolution puts us right back into where we were in the 1980s, but this time the baby-boom generation is not around to pay off that debt, to put us back onto a road of fiscal responsibility. This time the baby-boom generation retires after this 10-year projection is over. In 2011, the baby boomers retire. They are going to want their Social Security and Medicare, and they will have the votes to make their children pay for those benefits. Our kids are going to have to come up with that money. This is so irresponsible to do to the next generation of Americans. The rule should be defeated.

Mr. GOSS. Mr. Speaker, recalling that the debate is on the rule itself, I am happy to yield 1½ minutes to the distinguished gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I thank the gentleman from Florida for yielding time to me.

Mr. Speaker, I just wanted to say that I support this rule because I support ultimately the budget.

I support the budget for a number of reasons. Number one, I think it is time that we in this Congress address the national debt. I have four children. I want the national debt gone. I am glad that this budget takes a very serious look at it.

I also believe that it is time to decrease the taxes on our citizens. When I was growing up in the 1970s, the tax burden on my parents and their generation, the income tax, was about 16 percent. Now, the generation before that in the 1950s had a 5 percent income tax burden. Today, that average tax burden is 24 percent. I think for middle-income Americans it is time to have tax relief. I am glad this budget takes a swing at that.

Then finally, Mr. Speaker, I support this budget because it has commonsense spending. It keeps the priorities of education, Medicare, Social Security, important social service programs which government should be funding, and yet at the same time it says, after we take care of those obligations, those priorities, after we take care of those normal, important functions and obligations of the government, after we pay down the debt, we are going to return and we are going to rebate to the American people the money which is theirs.

Somehow, somewhere along the way to Washington, many of us have forgotten this is not our money, it is the money of the hard-working taxpayers, and they deserve to keep as much of it as possible.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I just want to respond to my colleague from Georgia to say that he will have an opportunity to vote to pay down the national debt, and he will have an opportunity to vote to ensure that we meet our obligations, but it will not be in the underlying resolution. It will be in the separate substitute that will be offered that will pay down more debt than the President proposed and more debt than the Republican budget resolution would pay down.

In addition, the gentleman is correct that we do need to meet our obligations first. Our obligations include not only paying down the national debt, but they also include meeting the obligations that we have made to the American people who have paid their FICA taxes for Social Security and Medicare.

Unlike the Republican budget and unlike the President's budget, the Democratic budget substitute does not spend any of those proceeds on other programs. The Republican budget and the President's budget, which are basically one and the same, would spend proceeds in the Medicare and Social Security Trust Funds, thereby shortening the life span of those programs for current and future beneficiaries. The gentleman will have that choice today to vote for the separate substitute.

Mr. FROST. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, it is very clear what we have before us. We have basically a sham budget on the other side with the equivalent of the magic asterisk of 20 years ago giving the chairman of the Committee on the Budget the authority to change great portions of the budget.

Why can we not have a real budget? That is all that is asked on our side. Let us do this on the up and up. Unfortunately, the other side has not chosen to do that.

Mr. Speaker, I urge people to vote against the budget and for the Democratic substitute that is a real budget.

Mr. Speaker, I yield back the balance of my time.

Mr. GOSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would certainly encourage people to vote for the rule, because that is actually what is before us. I am not sure where my friend and colleague, the gentleman from Texas, comes down on that, but I think he supports it because he wants to get to the substitutes that the rule does carry and provide for.

I would point out that it is a fair rule. It certainly is going to allow for extensive, full debate, I think, in a very thorough way. We have the Progressive Caucus substitute, the Blue Dog substitute, the Republican study substitute, and a Democratic substitute, in addition to the original work of the Committee. That is a plateful to consider today, and it certainly provides a number of options.

I do not know how we on the Committee on Rules can do much better than that, although I understand the concern of the gentleman from Delaware (Mr. CASTLE) that there were some specific single amendments brought to the Committee on Rules by individual Members who care very much about these levers and controls to guarantee that we do not overspend, which I am very sympathetic with, but did not find place on this rule because of the size and nature of having to deal with a budget resolution and the idea that we like to use the substitute amendment process.

We have already heard in a debate on the rule some very colorful language, some very vivid verbs and adjectives and adverbs; some scare, some inflammatory language, a little hyperbole. I suspect we are going to hear a lot more of that before the day is over.

I have heard phrases like ''raiding the trust fund,'' billionaires starving children already, a little reminiscent of the days that the Republicans allegedly canceled the school lunch program. In fact, the Republicans plussed up the school lunch program, and it is in better shape now than it was.

I think we need to be careful of the rhetoric. I understand that when we are dealing with budgets, that it is hard to be absolutely correct about numbers because we are projecting into the future. If we knew everything exactly, it would be a lot easier to do.

But the idea that somehow we cannot go forward with a budget because we do not know exactly every number, it seems to me we will never get a budget done if we are going to wait for all those numbers to come in, because I would point out this is a prospective budget for the next fiscal year, and we are planning in order not to overspend. This is a prudent, responsible fiscal exercise to do that well.

We know that government cannot do it all. Most of us know that government should not do it all. When it comes to jobs, people depend on jobs. Our quality of life depends on jobs. That requires risk-taking by business and entrepreneurs; small business, big business, all kinds of enterprise. It is the way we do it in our country.

We know that business is complaining, that enterprise is complaining about being overregulated. We also know it is complaining about being overtaxed. Today we are going to try to do something for Americans who are overtaxed. We are going to try and send a budget forward that says that we recognize we are taxing too much, and now is the time that we can afford to do all the things government should appropriately and properly do for Americans in need who are counting on those programs, and we will still have the ability to reduce taxes on hard-working Americans so they can save and spend their own money instead of having us do it for them in Washington.

I think one of the questions we have to ask regularly when we are talking about the Federal budget is, is the expenditure that is being considered appropriate for the Federal Government, or are there other ways to spend money? Because when we get into questions of spending Federal dollars, what we are really asking is who pays and how much.

We know the answer to who pays: It is the taxpayers. How much? We know the answer to that now in America, too. We are taxing too much.

I urge my colleagues to pay close attention to the debate today. We have put good debate potential on the floor under this rule. I urge support of the rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 282, nays 130, not voting 20, as follows:

[Roll No. 65]

YEAS—282

Abercrombie
Aderholt
Akin
Armey
Baca
Bachus
Baird
Baker
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bereuter
Berkley
Biggert
Bilirakis
Bishop
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Brady (PA)
Brady (TX)
Brown (SC)
Bryant
Burr
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Chabot
Chambliss
Clement
Coble
Collins
Combest
Cooksey
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis, Jo Ann
Davis, Tom
Deal
DeLauro
DeLay
DeMint
Diaz-Balart
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Everett
Ferguson
Flake
Fletcher
Foley
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hinojosa
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
Kucinich
LaHood
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Maloney (NY)
Manzullo
Mascara
Matheson
Matsui
McCarthy (MO)
McCrery
McHugh
McInnis
McKeon
Menendez
Mica
Miller (FL)
Miller, Gary
Moore
Moran (KS)
Morella
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Pascrell
Pastor
Paul
Pence
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Pryce (OH)
Putnam
Quinn
Rahall
Ramstad
Regula
Rehberg
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shays
Sherwood
Shimkus
Shows
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Stearns
Stenholm
Strickland
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Turner
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Wynn
Young (FL)

NAYS—130

Ackerman
Allen
Andrews
Baldacci
Bentsen
Berman
Berry
Blagojevich
Blumenauer
Brown (FL)
Brown (OH)
Capuano
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clyburn
Condit
Conyers
Costello
Coyne
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
Deutsch
Dicks
Edwards
Evans
Farr
Fattah
Filner
Frank
Gephardt
Green (TX)
Gutierrez
Harman
Hastings (FL)
Hilliard
Hinchey
Hoeffel
Holt
Honda
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
LaFalce
Langevin
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Markey
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Millender-McDonald
Miller, George
Moakley
Mollohan
Moran (VA)
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Owens
Pallone
Payne
Pelosi
Peterson (MN)
Price (NC)
Ross
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Slaughter
Solis
Spratt
Stark
Stupak
Tanner
Tauscher
Thompson (MS)
Thurman
Tierney
Towns
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu

NOT VOTING—20

Baldwin
Becerra
Boyd
Burton
Callahan
Cox
Gordon
Kaptur
Kleczka
Lampson
McKinney
Mink
Radanovich
Rangel
Reyes
Reynolds
Rothman
Shaw
Sisisky
Young (AK)

□ 1030

Messrs. BENTSEN, ALLEN, KIND, SAWYER, EDWARDS, LUTHER, and OWENS changed their vote from ''yea'' to ''nay.''

Ms. RIVERS, Mr. TAUZIN and Mr. KUCINICH changed their vote from ''nay'' to ''yea.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ADOPTION OF FURTHER AMENDMENT TO H. CON. RES. 83, CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 2002

Mr. NUSSLE. Mr. Speaker, I ask unanimous consent that during consideration of H. Con. Res. 83, pursuant to House Resolution 100, the further amendment that I have placed at the desk be considered as adopted in the House and in the Committee of the Whole; and that the amendment I have placed at the desk be considered as read for the purpose of this request.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Iowa?

There was no objection.

The text of the amendment is as follows:

Page 2, line 26, strike ''$2,378,000,000,000'' and insert ''$2,387,000,000,000''.

Page 3, line 4, strike ''$5,800,000,000,000'' and insert ''$5,800,000,000''.

Page 5, line 14, strike ''$5,903,000,000,000'' and insert ''$5,875,000,000,000''.

Page 5, line 15, strike ''$6,394,000,000,000'' and insert ''$5,928,000,000,000''.

Page 5, line 16, strike ''$6,972,000,000,000'' and insert ''$5,969,000,000,000''.

Page 5, line 17, strike ''$7,596,000,000,000'' and insert ''$5,988,000,000,000''.

Page 5, line 18, strike ''$8,623,000,000,000'' and insert ''$6,344,000,000,000''.

Page 5, line 19, strike ''$9,436,000,000,000'' and insert ''$6,721,000,000,000''.

Page 13, line 11, strike ''$28,000,000,000'' and insert ''$28,800,000,000''.

Page 19, line 20, strike ''cal'' and insert ''fiscal''.

Page 43, move lines 4 through 13 two ems to the left.

Page 44, line 6, strike ''$153,000,000'' and insert ''$153,000,000,000''.

Page 46, line 10, ''$3,871,000'' and insert ''$3,871,000,000''.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 2002

The SPEAKER pro tempore. Pursuant to House Resolution 100 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution, H. Con. Res. 83.

□ 1032

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 83) establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011, with Mr. LATOURETTE in the chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. Pursuant to the rule, the concurrent resolution is considered as having been read the first time.

The period of debate on the subject of the concurrent resolution on the budget for fiscal year 2002 that occurred on March 27, 2001, pursuant to the order of the House of March 22, 2001, shall be considered to have been debated on House Concurrent Resolution 83, and the time for debate prescribed in section 305 of the Congressional Budget Act of 1974 shall be considered to have expired.

A further period of general debate shall be confined to the concurrent resolution and shall not exceed 40 minutes, equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget.

The gentleman from Iowa (Mr. NUSSLE) and the gentleman from South Carolina (Mr. SPRATT) each will control 20 minutes.

The Chair recognizes the gentleman from Iowa (Mr. NUSSLE).

Mr. NUSSLE. Mr. Chairman, I yield myself 2 minutes for the purpose of opening the debate.

Mr. Chairman, good morning. We are in the midst of continuing the debate on the budget for fiscal year 2002, and let me review what our plan has in store. We wrote a budget that has six principles that we think are pretty important as we stand on this very important threshold of the 21st century.

In our budget, we have maximum debt elimination, a historic $2.3 trillion of paying down the public debt by 2011 during this 10-year period.

Tax relief for every American taxpayer: $1,600 on average income tax break for the average family of four.

Improved education for our children: $44.5 billion commitment in fiscal year 2002 alone, an 11.5 percent increase for our kids. But we also recognize that it is not just the money, it is also reform of education.

A stronger national defense is our fourth principle: $14 billion increase, not only in 2001, but a $5.7 billion increase for pay, housing, and health care in 2002.

Health care reform that modernizes Medicare, provides for a prescription-drug benefit. It modernizes our Medicare benefit, because it is not just about the current Medicare and the current trust fund, it is about extending the life of the trust fund, extending the solvency through modernization. It is not a zero-sum game as some of my friends on the other side would have it.

Finally, saving Social Security. Third year in a row, the Republicans are setting aside all of the Social Security trust fund for exactly what we pay the FICA taxes for, for Social Security, for the retirement of our seniors. It is totally protected in this budget.

We have a good plan. These are the six principles that make up the plan.

Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. BOEHNER), the very distinguished chairman of the Committee on Education and the Workforce, to talk about improved education for our children.

Mr. BOEHNER. Mr. Chairman, I thank the gentleman from Iowa for yielding me this time.

Mr. Chairman, I am proud to stand before the House this morning in support of a budget blueprint that represents America's families and America's priorities.

Our colleagues on the Committee on the Budget have presented us with a common sense plan to improve education, strengthen the economy, and secure America's future. It reflects President Bush's efforts to close the achievement gap in education between disadvantaged students and their peers, and to work with States to push America's schools to be the best in the world.

Despite a decade of economic growth in the 1990s, the achievement gap between students, Anglo and minority, remains very wide. Washington has spent more than $130 billion since 1965 in a well-intentioned effort to close this gap. We spent more than $80 billion on that goal since 1990 alone; and, unfortunately, those efforts have not worked. Nearly 70 percent of inner city and rural fourth graders cannot read on a basic level, and low-income students lag behind their counterparts by an average of 20 percentile points on national assessment tests.

The hard lesson of the last 35 years is that money alone cannot be the vehicle for change in our public schools. There must also be accountability.

To ensure that Federal education dollars are being used effectively, we must ask States to assess student achievement in academics. One cannot correct a problem if one does not know that it exists; and for far too long, we have been spending Federal tax dollars in education without being able to track our students' progress and make certain that they are learning.

The budget before us today provides a framework for the most important change in Federal education policy since President Johnson. It paves the way for us to rededicate the Federal role in education to helping students who might otherwise fall through the cracks. It provides the resources needed to implement a system of accountability so parents will be able to know whether their children are learning.

This budget provides the resources necessary to accomplish these bold goals. It provides money to States to develop the test to track student performance each year, the centerpiece of the President's plan to leave no child behind. It targets resources to those who need it most by providing substantial funding for title I which provides aid to low-income students. Federal education funding for the Elementary and Secondary Education Act, the principle Federal law to aid disadvantaged students, is increased significantly.

Funding for reading programs is tripled, increasing to $5 billion over 5 years. This program will help reduce the number of children placed in special-education classes simply because they have not learned to read, moving the Federal Government closer to its original promise of providing up to 40 percent of the average per-pupil expenditures in IDEA to the States.

This budget also provides $2.6 billion for States to improve teacher quality through high-quality professional development, recruitment, and retention activities.

It addresses other educational priorities as well in higher education. An additional $1 billion is included for Pell Grants, increasing the maximum award for all students to provide more need-based grant aid to low-income college students.

Mr. Chairman, until we have a real system of accountability in place, it is truly unfair to our children to enact massive increases in Federal education

spending beyond the reasonable steps outlined in this budget resolution. Spending without accountability is the approach that Washington has followed in the past; and as a tragic consequence, many children have been trapped in chronically failing schools and denied the opportunity to realize the American dream.

This budget provides a framework that allows Republicans and Democrats to work together to close the achievement gap and to improve education quality and hope to our Nation's most disadvantaged students.

I commend the gentleman from Iowa (Mr. NUSSLE) for his leadership in crafting a budget that represents the hopes, dreams, and aspirations of all Americans, particularly those of the next generation of American students.

Mr. SPRATT. Mr. Chairman, I yield myself 3½ minutes.

Mr. Chairman, our Republican colleagues have just laid out six principles by which to judge their resolution and our resolution. Let me take each one of those principles and apply it and compare the two resolutions.

First of all, maximum debt elimination. I heartily agree the more debt we can eliminate the better. Let's look at the bottom line on the two resolutions. Our budget resolution will provide $3.7 trillion for debt reduction. Theirs will provide $2.8 trillion for debt reduction. We provide $915 billion more for debt reduction. It is not even close. Furthermore, to the extent that they spend $1 out of this $500 billion contingency fund that they create, that will be $1 less for debt reduction.

Tax relief. Some of this surplus, a substantial share of it surely should be given back to the American people. We heartily agree with that principle. So what have we got? A third of the surplus that we set aside for tax relief, and we target it to those taxpayers who need it most, hard-working middle-income families.

Furthermore, this resolution makes in order, directs the Committee on Ways and Means by May 1 to provide $60 billion in tax relief this year, fiscal year 2001, before September 30, in order to give this sagging economy a stimulus. That means we have got $800 billion of tax reduction in this bill. By any yardstick, that is substantial tax reduction.

Education is at the top of the charts, a big concern amongst all people all over this country. Their budget increases education by 5.6 percent next year. Compare that to last year: 18 percent increase last year. Compare it to the last 5 years: 13 percent over the last 5 years. Compare it to our budget resolution: $130 billion more for elementary and secondary education, higher education, Pell Grants across the spectrum, $130 billion more than they provide for education. There is no comparison. There is no question. We win hands down on the issue of education.

National defense. I believe in a strong national defense. That is why we put in our budget realistic funding for defense. We have $115 billion in our budget over and above inflation for national defense. Their budget, on the other hand, baselines national defense and tells us that, when Mr. Rumsfeld tells us what the number is, they will supply a new number. In the meantime, we are providing substantial increase and realistically budgeting national defense.

Medicare reform, Medicare reform, read their budget. I defy my colleagues to find one syllable in there that deals with Medicare reform. It does not take up the issue. The only thing that even pretends to be Medicare reform in their resolution is a vague proposal to have some kind of prescription-drug coverage. But guess what. It is paid for out of the Medicare trust fund, the HI trust fund, which is already obligated for inpatient benefits. Now they double-obligate it.

They drain $153 billion off the Medicare trust fund, I guess you can call that reform; but I will tell you, my colleagues, what it does, it shortens the solvent life. It makes the problem worse. I would not call it wholesome reform.

Finally, Social Security. They make it point number six. We make it point number one.

□ 1045

Now that we have the wherewithal, the resources to do something about the Social Security situation, that is, the liabilities that we have for benefits promised but not yet provided, we intend to do something. We take $910 billion, one-third of the surplus over the next 10 years, and put it, 50 percent, in the Social Security Trust Fund, 50 percent in the Medicare Trust Fund. We extend the solvent life of Medicare to 2040 and Social Security to 2050.

There is no question that on all six of these principles we win hands down. Look at the scorecard, then decide how to vote. My colleagues should vote for our resolution. It is better even by the criteria they set down.

Mr. NUSSLE. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona (Mr. STUMP), the very distinguished chairman of the Committee on Armed Services.

Mr. STUMP. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, the budget resolution currently before the House sets a level of funding for the national defense function of $324.6 billion, or $14.3 billion higher than the previous provided for in the current year. This was also the level proposed by the President in his February 27 economic plan.

However, it should be understood that this level of funding should be viewed only as a placeholder pending the completion of the administration's comprehensive strategy review that will define the proper course this Nation should take in securing our national security interests in the coming decade and beyond. At the completion of this review, scheduled for later this spring, Secretary Rumsfeld will forward conclusions to the President that I am confident will recommend an adjustment in the amount of funding proposed for the national defense functions.

In anticipation of this process, the budget resolution contains a specific provision, section 6, which establishes a strategic reserve fund and the mechanism to use this budget resource within this fund to accommodate an increase in defense allocation resulting from the administration's strategy review.

I support President Bush's decision to first establish the strategic framework for the Department of Defense before putting forth a definitive defense spending plan. It marks a refreshing break from the previous administration's practice of allowing arbitrary budgetary considerations to set national security policy.

However, I am firmly convinced that regardless of what strategy adjustments the President proposes, there are severe and immediate and compelling needs facing the military that will require an infusion of additional budget resources this year and beyond. Therefore, while I would have preferred that the defense number in the budget resolution reflect this reality, I am satisfied that the resolution provides an adequate mechanism to revisit this question later in the year after the decision has been made for the proper funding level for defense.

Mr. Chairman, I want to thank the gentleman from Iowa (Chairman NUSSLE) for working with me and other members of the Committee on Armed Services on this very difficult problem. With the colloquy that he and I had yesterday, I am satisfied that this clarifies our outstanding concerns, and I urge my colleagues to support this resolution.

Mr. MCDERMOTT. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I heard people talking about a shell game, and I listened to the gentleman from South Carolina (Mr. SPRATT), and I thought of having seen this shell game actually played in the State of Illinois, southern Illinois. I want to use one example so my colleagues will understood it.

In the budget that is being proposed, the American people have paid, or will pay, $526 billion more than is necessary over the next 10 years to cover Medicare. So that $526 billion is represented by this little coffee bean, and we put it underneath the contingency fund. We also say we are going to use it for Medicare, and we are also going to use it for the drug benefit.

The Republican budget uses that same $526 billion in two different places. They use 239 billion over here and 153 billion over there, and they still say, that we have a contingency fund over here. Now, that bean cannot be under all three of these shells. It simply is not possible. It can, however, be moved around, and that is why the game is like a county fair. You keep moving the bean or the money around, and the public guesses which one of the shells that bean is under.

The Republicans are figuring that the public is not smart enough to know that we are going to move it around and move it around and keep talking, and they will never know that they are spending it in three different places.

Now, the Democratic alternative, which is very simple, says we are going to use that money for advancing the long-term strength of Medicare. It is to be used after 2010, when the baby boomers start coming on the rolls, rather than spending it on the contingency fund for things in the next 10 years, or using it for the drug benefit. We are going to keep it for the time when the baby boomers come on line. Additionally, out of the money that we save from not cutting so many taxes, we put an honest-to-God $330 billion benefit for prescription drugs.

This is the foolishness of what they have done. The President says $153 billion for prescription drugs. The bill they had on the floor last year was for $159 billion, now estimated to be $200 billion. So they are not even funding what they offered last year. And what we—the Democrats—are saying is that is not an adequate benefit. $330 billion is what we are offering to the American people, and we are not going to play a shell game with them.

We are saving the Medicare surplus for Medicare as we know it, and we are adding to it a benefit.

Mr. NUSSLE. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. COMBEST), the very distinguished chairman of the Committee on Agriculture.

Mr. COMBEST. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I would like to congratulate the gentleman from Iowa (Mr. NUSSLE) for working closely with us. This budget resolution contains an innovative feature that I want to address.

Mr. Chairman, the Congress and the Committee on Agriculture that I chair have been struggling for over 3 years to cope with major economic crises on the farm. The basic programs that we passed in 1996 have not been able to keep up with collapsing prices and skyrocketing costs, leaving family farmers hanging on by a thread. As it should have, Congress has stepped in with emergency economic assistance in each of the last 3 years, and many farmers are in business today because of that.

Mr. Chairman, it is time to stop ad hoc assistance and move to a more permanent solution that producers and their lenders can count on.

Mr. Chairman, in preparation for this, the Committee on Agriculture is completing a series of almost 1½ years of hearings to determine what our future course should be. The gentleman from Iowa (Mr. NUSSLE), recognizing the critical need that our farmers face, worked closely with us to address the problem. This resolution names agriculture along with defense as a budget item eligible for access to the $517 billion reserve fund for fiscal years 2002 through 2011. In addition, it accesses fiscal year 2001 reserve funds for assistance in the current year.

Mr. Chairman, when the Committee on Agriculture reports legislation later this summer, budget allocations can be adjusted to reflect the Committee on Agriculture's action. By granting access to the reserve fund, the House will have an opportunity to consider a policy reform that will meet the needs of our farmers within the constraints of our budget. This will not produce a debate over numbers, but instead a serious discussion of the farm policies needed in the current situation in the coming years.

Mr. Chairman, I have spoken to the President at length about the problems facing farmers. I was impressed by both his understanding of the problem and his willingness to help address them. The gentleman from Iowa (Mr. NUSSLE) and his budget team have brought to the floor a resolution that not only makes provision for the immediate crisis of this year's crop, but provides the means to put a more permanent policy in place based upon policy needs rather than driven by number fixation.

Mr. Chairman, every Member who is working to relieve the pain of American farmers should join me with enthusiasm in supporting this budget. It is just the prescription to deliver a cure for farmers' problems instead of another Band-Aid.

Mr. MCDERMOTT. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. DAVIS).

Mr. DAVIS of Florida. Mr. Chairman, the last two speakers on the other side have made a very important point, and that is there is universal acknowledgment that in this upcoming fiscal year, there will be a spending increase for agriculture, and, more significantly, in defense. But we are not prepared today to confront those facts in terms of how much it is going to cost, and it is one reason why the contingency fund is not an appropriate way for us to be having this debate.

We ought to be honest with the American people on how much is the President going to propose for defense. Many of us are prepared to support a large percentage of that. How does that affect our ability to choose between the size of the tax cut and our ability to pay down the debt.

Mr. Chairman, one of the other things I want to highlight that you have heard a lot of discussion about in support of the Democratic alternative is why paying down the debt, taking one-third of the surplus and paying down the debt, or, as the Blue Dogs would propose, half of the surplus, will help Medicare and Social Security.

Mr. Chairman, as the baby boomers start to retire in 2012, this is going to put enormous strain on both Medicare and Social Security. There will be no easy choices. Raising the retirement age, nobody in this Chamber is going to advocate an increase in the payroll taxes. In fact, a lot of us would like to reduce the payroll tax.

Mr. Chairman, one of the few things available to us to soften the pain associated with these choices is to use more general revenue. We already put general revenue into Medicare. It is something that we have to consider doing with Social Security as part of the solution to preserve Social Security and Medicare for the retirement of the baby boomers, not to mention the cost of a prescription drug plan, which we all have to acknowledge will not be inexpensive. How can we do that?

Mr. Chairman, by paying down the debt, we preserve our ability to use general revenue to be part of the solution to preserve the solvency of Social Security and Medicare. The State of Florida, and every State in this Nation, has a tremendous amount at stake if we do not do this right. We need to plan now.

Mr. Chairman, the only prudent thing to do is to use the lion's share of the projected surplus to pay down the debt and begin to prepare Medicare and Social Security for the retirement of the baby boomers.

Mr. NUSSLE. Mr. Chairman, I yield 1 minute to the gentlewoman from Virginia (Mrs. JO ANN DAVIS).

Mrs. JO ANN DAVIS of Virginia. Mr. Chairman, I rise today to draw attention to what I believe is a serious deficiency in the budget resolution for fiscal year 2002.

Mr. Chairman, while I commend the gentleman from Iowa (Mr. NUSSLE) for his hard work on the budget resolution, I would be remiss if I did not speak to the yearly military budget shortfalls of between $50 billion and $100 billion per year.

Mr. Chairman, if we do not address this reality now, we are facing a budgetary train wreck that is simply unavoidable. My concern is that this budget only allows for marginal improvements. Mr. Chairman, we must push beyond marginal improvements. This requires a dual-track approach. While we plan for the realities of the 21st century's many challenges, we must take care of the force that we are fielding today and ensure peace

through strength. I do not believe that we adequately address this in the budget resolution; however, I intend to support this budget resolution and take it as a good-faith effort, but I do so with reservations.

Mr. Chairman, I look forward to working with the gentleman from Arizona (Mr. STUMP) to address military funding shortfalls during the authorization process and with the Committee on Appropriations.

Mr. MCDERMOTT. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Chairman, I rise in opposition to this budget resolution because it is not balanced. The consuming desire of our Republican colleagues for immediate political gratification has caused them to pursue exploding tax cuts for the most privileged people in our society without regard to our obligations both to our parents for Social Security and Medicare and to our children for educational opportunities.

Mr. Chairman, with the tax cuts for the privileged that are authorized by this resolution, we are setting a course, a path, to head back to the era of deficits, to head back to a period when we are no longer reducing the national debt and encouraging economic expansion and lower interest rates. That is a fiscal mistake.

□ 1100

A budget is more than number crunching. People can get crunched, too. Recently, the first particulars of this Bush budget and its impact on children in this country have leaked out. These are the troubling numbers and details that will be coming out this next month after votes are taken on the tax cuts. Under this Bush budget, the children of America, who rely on child care will be ''bush-whacked.'' The entire Early Learning Opportunities Fund designed to improve the quality of child care in this country, will be totally eliminated. $200 million will be removed from block grants to the states, for assisting the working poor in obtaining child care. This cut at a time when we already have 41,000 children in the State of Texas waiting to get access to child care; that under this waiting list will only grow. Although there are 900,000 reported cases of abuse and neglect of children across America, there will be an 18 percent cut in federal funding for state child protective services.

I am for all of the tax cuts that fiscal sanity will permit, but reality of this budget is that these tax cuts really cost. They cost and crunch our children in a very harsh way.

Last year, candidate Bush borrowed the slogan from the Children's Defense Fund, ''leave no child behind,'' but the unrealistic tax breaks for those at the top make clear that this Republican budget has as its mantra ''leave no millionaire behind.''

Mr. NUSSLE. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. CULBERSON), a new member of the Committee on the Budget.

Mr. CULBERSON. Mr. Chairman, as a new Member of Congress who has been here less than 3 months and a member of the Committee on the Budget, I have sought earnestly and honestly to find the true facts of the situation here; and I want to make two quick points.

First and foremost, it has come to my attention, I understand that the previous Congresses, when the Reagan tax cut was enacted, revenues doubled but spending tripled. I also want to make the point to the listening public that the Republican budget plan pays off as much publicly held debt as is legally possible to do so without incurring a penalty. That is a vitally important point, and I want to make sure the listeners understand that we cannot pay off any more debt than is contemplated by President Bush's budget without incurring penalties, and the Democratic budget plan would tax the taxpayers with $100 billion to $150 billion in penalties over 10 years, according to the Office of Management and Budget. And a very good source, who has been objective, is Alan Greenspan who says we are paying off all Federal debt that can be paid off and the publicly held debt will be eliminated by the end of this decade. That is a vitally important point that I hope the public will remember.

Mr. MCDERMOTT. Mr. Chairman, I yield 1½ minutes to the gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. Mr. Chairman, I thank my friend, the gentleman from Washington (Mr. MCDERMOTT) for yielding me this time.

Mr. Chairman, the choice before us today is not a choice between economic theories. It is a choice between moral positions. There is a major difference between the Democratic plan that I support put forth by the gentleman from South Carolina (Mr. SPRATT) and the majority plan, and that major difference is this: Our plan pays off about $1 trillion more of debt over the next 10 years than does the Republican plan.

This is a choice between instant gratification in 2001 or responsible treatment for our children for the next 10 years. The Republican budget does reflect one thing about American life. It reflects an unfortunate cultural tendency toward instant gratification; have a party now; spend all the money now and pass the bills off to the next generation.

A vote for the Spratt budget means that our children are $1 trillion less in debt than they would be under the majority budget. Forsake instant gratification. Do what is responsible for the future. Reject the Republican budget and adopt the Spratt substitute instead.

Mr. NUSSLE. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. SCHROCK), a very able, new member of our committee and the president of the freshman class.

Mr. SCHROCK. Mr. Chairman, this good budget contains about $400 million for military housing for our men and women in uniform, and that is a good thing. To give an example how bad military housing is, let me talk about Fort Story, which is an Army post in Virginia Beach, the Second Congressional District that I represent. There are 168 family units. Two have been condemned; 166 have been labeled code red, which means unacceptable. Most have been built before 1958. Several predate World War II.

As an example, the sergeant major of that command, the highest ranking enlisted man at that post, was living in a 1,700 square foot set of quarters that had been condemned. The floors had turned to sponge; termite infested and there was asbestos everywhere. It was going to cost $70,000 to clean it up; and Congress would only allow $20,000 to repair that, so it has to be condemned.

If we are going to make the mom and kids happy and keep dad in, what we have to do is make sure we provide the quality of life issues that are so important to the military people; and housing is one of them. I am delighted that this very good budget contains money for that.

Mr. MCDERMOTT. Mr. Chairman, I yield 1½ minutes to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I thank my friend, the gentleman from Washington (Mr. MCDERMOTT), for yielding me this time.

Mr. Chairman, the authors of this budget resolution owe my constituents and owe every American an explanation. How can they justify siphoning money out of the Medicare trust fund when Medicare solvency is already in jeopardy? Which of their budget priorities is more important than Medicare?

In 1965, Republican Members of Congress overwhelmingly opposed establishing the Medicare program. In 1994, Newt Gingrich, then Speaker of the House and the Republican leader of this House, stated that he would like to see Medicare, quote, ''wither on the vine,'' unquote.

Now the Republicans control the White House and control the Congress. They want to accelerate Medicare insolvency, and they want to privatize the Medicare program.

Medicare is not some throw-away program that one can experiment with, that one can starve, that one can walk away from, that one can ultimately abandon. To the Republicans, I say do America a favor. Put the best interests of Americans ahead of their top-heavy tax cuts and their indiscriminate disdain for public programs, especially

those as overwhelmingly successful and popular as Medicare.

Mr. NUSSLE. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Connecticut (Mrs. JOHNSON), the subcommittee chairwoman in charge of Medicare.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I regret that my colleagues on the other side of the aisle are playing such purposeful politics with this budget debate. The bottom line is that the HI trust fund, that is the hospital trust fund, that is part of the larger fund, can only be used for Medicare and it can be used for Medicare reform as well, because this body, Democrats and Republicans, voted for the lockbox bill. In fact, we voted 407 to 2. Everybody voted for it, and it said that the money in the HI trust fund could be used for Medicare and Medicare reform. So that is just that. Also, in this resolution we have explicitly provided the funding for a proposal that the President might propose for prescription drugs and/or Medicare reform or that we in Congress might write.

Where is the money going to come from? First of all, there is more money in this budget for prescription drugs than there ever was in a Clinton budget, and he talked about it all the time. So we have pretty good money in this budget.

Remember that Clinton funded his entire first prescription drug bill from savings within Medicare.

Now, I did not believe that was possible then and I do not believe it now, but it does remind us that we can make some savings within the program to also rededicate those resources to prescription drugs.

Then there are 40 trust funds currently in surplus. Any one of those trust funds could be used to carry the money into Medicare reform or prescription drugs. In other words, there is money in the bill, there is authority in the bill for us to write the prescription drug bill that we think will serve seniors and their children and grandchildren in the future.

If we just pay for all of the drugs, we are talking a trillion dollars over 10 years. Medicare is going to double its costs in the same 10 years. So now we are at a trillion five. The defense budget, at its biggest, will never exceed $300 billion.

We simply have to bring a prudent drug bill to the floor because the seniors do not need just prescription drugs. They need chronic-disease management. They need much better preventive health services than Medicare now offers.

Is it not pathetic that only last year we gave them coverage for pelvic exams and pap tests? So we have a lot of things we have to do to modernize Medicare, and we are obliged to bring back a disciplined, prudent prescription drug bill that meets the needs of seniors but also allows them the additional new services they need.

Mr. MCDERMOTT. Mr. Chairman, I yield myself 45 seconds.

Mr. Chairman, I would say that the gentlewoman from Connecticut (Mrs. JOHNSON) brings out the walnut shells in me because when she starts talking about the fact that all of the money is going to Medicare and do not worry, it is in a lockbox, anybody who reads that lockbox bill and can read the English language can realize that one can call anything reform and the money comes out of it. That is all that bill says.

What it means is benefits are either going to be cut or provider payments are going to be cut, or something is going to be taken away if they are not going to cut down. The President says we are $645 billion short, and we are still talking about modernizing, which means cut.

Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Chairman, I thank the gentleman from Washington (Mr. MCDERMOTT) for yielding me this time.

Mr. Chairman, when I talk with the folks back home in New Jersey and they discover that the tax cuts, three-quarters of them, will not even kick in until more than 5 years from now, and they combine that with their realization that there is a lot of uncertainty about these projections, they wonder whether they are ever going to see this.

In fact, Mr. Chairman, we would be doing them a much greater favor in putting more money in their pockets if we pay down the debt. The Democratic version would pay down the debt a trillion dollars faster in the next 10 years. That would make us better able to deal with Social Security and Medicare when the baby boomers retire.

It would lower interest rates, which would help farmers and students and small businesswomen, home buyers; and by establishing fiscal discipline, it would improve consumer and investor confidence. That would be more money in the people's pockets.

Furthermore, the Democratic version goes considerably farther in investing in education and research, the necessary ingredients of a successful economy.

In both of those areas, they are necessary to lead to productivity growth. Again, more money in the pockets of the people of America.

Mr. NUSSLE. Mr. Chairman, I reserve the balance of my time.

Mr. MCDERMOTT. Mr. Chairman, I yield 2½ minutes to the gentleman from Rhode Island (Mr. KENNEDY).

Mr. KENNEDY of Rhode Island. Mr. Chairman, this is really a debate about our Nation's priorities. What do we want this country to be in the next 20 years? Do we want it to remain the strongest country on the face of the Earth or do we want it to slip back into third world status?

If this country is to remain strong, we need to invest in our people. That is the single most important investment this country can make in the future.

One in four children in my district in Rhode Island, in my first district, grows up in poverty; one in four. Yet, this Republican Congress would propose giving nearly half of the $2 trillion surplus to the richest 1 percent of our country.

Let us look at it, right here, choosing how we spend $280 billion. Are we going to invest it in our kids or are we going to invest it in a few millionaires who already have made it? I might add, to anyone who thinks that everyone who has made a million dollars earned it, let me just say something. I made a million dollars, and I did not earn it. I was given it by my parents and my grandparents. Know what? Wealth is now transferred from the rich to the rich.

Know what? People who are working for a living are not even earning enough to make it rich because this Republican Congress is gutting education; it is gutting job training; it is gutting those things that we know help people earn a living.

One of the things that this budget cuts is actual child care subsidies. Hello. I thought that this Congress was family friendly. What are they doing? They are eliminating over 50,000 subsidies for child care. Now what does one think those parents are going to do without the child care? Oh, they will go back on welfare. No, we do not want welfare, the Republicans say.

Okay, well, give me a solution. I will say that this budget is all wrong for this country. The President of the United States says he wants to leave no child behind, but in this budget he will end up leaving millions of children behind.

Know what? Those kids out there do not even know it today. Those parents do not even know it. The people in this gallery may know it, but there are going to be millions of children who are never going to even know that the vote we make today is the vote that is going to seal their future. It is going to seal their future either in poverty or it is going to brighten up their future, like the Democratic plan would have it by investing in the programs that will make them strong people.

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The thing that made this country so strong after World War II was the GI bill. It invested in a whole generation of Americans. Let us not miss the lesson of that importance of education; let us invest in the Democratic budget.

Mr. MCDERMOTT. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri (Mr. SKELTON).

Mr. SKELTON. Mr. Chairman, I rise today in support of the Democratic

budget and in the alternative, the Blue Dog budget. It is quite familiar for me to stand here and address the subject of military budgets. For many years under both administrations, Democrats and Republicans, I would point out where we believe this body and America as a Nation were failing to set appropriate priorities in the defense budget. Far too often I have known that we were trying to do too much with too little. So I was glad to see both candidates for President advocate increases in the defense budget. It was good news. But that is not what is coming to pass.

I am disappointed with the President's defense budget for 2002 which the majority adopts in the budget resolution. The Bush budget provides about $325 billion for national security activities, of which $310.5 billion is for the Department of Defense. But then we have to take out the retiree health professions and then we have to adjust for inflation; and when that is done, we have an actual increase of only $100 million, $100 million. That will fix the gymnasium at West Point. So the $100 million increase in the defense budget makes a mockery of the President's campaign pledge that help is on the way. He must have meant spiritual help.

In contrast, both the Democratic budget and the Blue Dog budget provide more money for defense. The Democratic alternative provides for $2.7 billion more in fiscal year 2002, $48 billion more in 10 years, $7 billion in fiscal year 2001 for a supplemental. The Blue Dog provides for $4.5 billion more in fiscal year 2002, $19.3 billion over 5 years, $7 billion in fiscal year 2001 for a supplemental.

So despite the campaign rhetoric, the Republican administration has utterly failed to live up to its commitments. I thus speak in favor of the Democratic budget and, in the alternative, the Blue Dog budget.

Mr. McDERMOTT. Mr. Chairman, I yield myself the remainder of the time.

I just want to say in benediction here that it did not have to be this way. We had no hearings at which the Secretary of Defense would even come up to the committee and tell us. There is not anybody on this floor who does not think there is going to be more money in the defense budget, but he would not even come up and talk to us about it. There was no talking with our side about this budget.

What we have here is a sham budget from the Republicans. They get full credit for it. God bless them.

Mr. NUSSLE. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, I think we saw from particularly the gentleman from Rhode Island probably the biggest contrast between the Republican and the Democrat substitutes. The gentleman from Rhode Island was very clear that the Democrats believe that government can solve people's problems, that government can take care of people, that government can solve all of the ills that our Nation has before it.

Republicans believe something just a little bit different, and that is we believe individuals and families make better decisions about their daily lives than the government can for them, and that if we could just keep the resources in their pocket to begin with, they could be empowered to make those decisions.

The most important debate of today, March 28, is not happening in the halls of Congress. Do we know where it is happening? It is happening around the kitchen tables of America as families struggle to balance their checkbooks, as they struggle to figure out how to send their kids to college, as they struggle between the decisions of, do I buy Nikes or do I buy Keds, whether we should buy name-brand cereal or should we buy generic. How do I pay my heating bill when I live in California? How do I pay my heating bill when I live in Iowa? How do I make the decisions that face me every single day about mortgages, about paying my visa bill, about my own debt; and when they hear on C-SPAN, which is probably droning in the background as they sit around their kitchen table, and they hear us talking about the debt held by the public and how we are doing such a great job, they say, what about me? What about my debt? How much money are you taking from me? It is almost April 15. These people have paid their taxes, and they find out, we have more money than we need.

Mr. Chairman, we are balancing the budget. We have this done now for the fifth year in a row, number one; number two, the most debt reduced by any budget that has ever been provided, and there is still money left over. After paying for all of the Medicare reform with a prescription-drug benefit, there is still money left over. With all of Social Security set aside so that we can make sure that generations to come have got Social Security to retire, and there is still money left over. With an 11.5 percent increase in education, there is still money left over. Increases for military, for agriculture, a number of other opportunities and priorities within the budget, and there is still money left over.

I would say to my friends, it is not your money. It is not my money. It is their money, and they deserve it back, because they have paid enough, they have paid too much. We have met the priorities of this budget, and it is time to give them a refund. There is no 7–Eleven in the country that once you have paid for your gas and your Snickers bar and your Coca Cola or whatever it might be and you give the person a $20 bill and the bill comes up to only about $18, who would keep the change? In fact, in Iowa, they would even run out into the parking lot and chased you down to give you your change.

Mr. Chairman, let us give the American people back their change, and let us do it today.

Mr. UDALL of Colorado. Mr. Chairman, to govern is to choose—and today the House was called on to make some basic choices about the future of the economy and the future of our country.

We need to proceed carefully and responsibly. We should steer a course that responds effectively to the challenges of today without risking the opportunities of the future on the outcome of a riverboat gamble.

That is why we should take a different course than the one proposed by the Republican leadership. And that is why I supported the Blue Dog alternative and the Spratt Substitute—because those alternatives were more credible, less risky, and more responsible.

Mr. Chairman, Coloradans know well the dangers of relying on long-range forecasts. We live in an arid state—visit us in the summer and you will see that the sun shines almost every day. We like it that way, and so do our summer visitors. But it means we have to be careful and plan ahead.

We know it would be imprudent to drain the reservoirs and rely just on forecasts of surplus water in the years ahead.

But that is what the Republican budget does—not with water, but with fiscal policy, with the budget, and with the economy.

The Republican plan relies on a ten-year economic forecaster and runs the risk of shortening the solvency of Social Security and Medicare if that forecast doesn't pan out.

And, in the meantime, it would neglect other important needs in order to pay for the President's tax plan.

As a result, it would not do enough to reduce the publicly-held debt and would short-change education, seniors, research, and the environment.

By contrast, the Blue Dog substitute was far more prudent. To start with, it was a five-year plan, not one depending on a 10-year forecast. It would have allowed us to immediately reduce taxes by $23 billion this year, and to make further substantial reductions in taxes over the next four years. It would have allowed us to pay off a full half of the publicly-held debt by 2006. And it would have allowed us to make the investments we need to make in education, health care, and our communities.

Unfortunately the refusal of the Republican leadership to proceed on that reasonable course meant that the Blue Dog substitute was rejected. That was a mistake—and it was compounded by the rejection of the Spratt substitute.

The Spratt substitute was also a ten-year plan. But it was much better than the Republican plan. It would have allowed us to pay off most of the publicly-held debt by 2008. It would have enabled us to provide tax relief to all taxpayers, including the millions of people who pay more in payroll taxes than in income taxes. It would have allowed us to provide a real and meaningful prescription-drug benefit for Medicare beneficiaries—without risking the solvency of Medicare as the Republican plan

does. And it would allow us to do what needs to be done to promote science, protect our environment, and respond to the pressures of population growth and sprawl—needs that the Republican plan seriously shortchanges.

When the Spratt substitute was rejected, I was left with no responsible choice except to vote against the risky Republican budget plan.

That plan is very deficient—it is filled with problems. In area after area it seriously shortchanges our country's needs and offers the American people a series of empty promises—all that while betting our continued prosperity on a 10-year forecast that leaves no room for error.

Mr. Chairman, the list of deficiencies in the Republican plan is a long one—too long for me to spell out now. So, let me focus on just a few.

SHORTCHANGING THE ENVIRONMENT

The Republican budget plan backtracks on last year's landmark agreement to provide dedicated funding for conservation. It does not provide the funding called for in that agreement, and falls far short of a commitment to meeting the needs of our communities to protect open space and respond to the pressures of growth and sprawl.

In contrast, the Democratic substitute offered by Representative Spratt would have provided the full $10.4 billion called for in last year's agreement. It also would have made sure we have the resources to improve the nation's water-supply infrastructure, revitalize brownfields in our cities, and make other needed investments in our public lands and environment.

These are areas of particular concern to all of us in Colorado, and I am particularly disappointed by these shortcomings in the Republican plan.

SHORTCHANGING SCIENCE

The Republican plan also pays too little attention to important funding needs of our science, space, and technology programs.

In particular, the numbers on NSF and NASA concern me. Neither of these premier science agencies receives a requested increase that even keeps pace with inflation. Even VA–HUD Appropriations Subcommittee Chairman Walsh has described the NSF request as falling far short of what is needed. Along with my Democratic colleagues on the Science Committee, I have committed my support to an increase in the NSF budget for FY 2002 of at least 15 percent to enable the Foundation to carry out adequately its vital role in support of science and engineering education and research.

Federal funding for research is a necessary precondition for continued economic success and security in our high-technology economy. I believe that science funding for all our agencies must be increased.

Also of particular concern to me is the funding levels of research accounts at the Department of Energy. The Republican resolution would cut appropriated energy programs for FY2002 by 15 percent, or $500 million, below the level needed, according to CBO, to maintain constant purchasing power. It remains unclear how this 15 percent cut will translate into decreases in specific DOE programs, but rumors are that DOE's clean energy research and development programs will see cuts of between 20 to 50 percent from FY2001 levels.

Funding for these accounts is critical to help us reduce our dependence on foreign oil and diversify our energy production portfolio.

The Bush budget claims an increase in this account, but it would not materialize until FY2004, and then only under the far-from-certain scenario of oil extraction from the Arctic National Wildlife Refuge (ANWR). I am glad that the Republican budget resolution does not assume receipts from oil leasing in ANWR—but neither does it make clear how clean energy accounts will be funded.

Dr. D. Allen Bromley, former President Bush's science advisor from 1989–1993, wrote in a March 9 New York Times op-ed that the Bush budget—which the Republican budget resolution mirrors almost exactly—"includes cuts, after accounting for inflation, to the three primary sources of ideas and personnel in the high-tech economy: NSF is cut by 2.6 percent, NASA by 3.6 percent, and the Department of Energy by an alarming 7.1 percent. The proposed cuts to scientific research are a self-defeating policy. Congress must increase the federal investment in science. No science, no surplus. It's that simple."

I believe we must heed Dr. Bromley's call. In FY2002, the Democratic substitute would provide $300 million more than the Republican resolution for NSF, NASA, and Department of Science programs—and $3 billion more than the Republican resolution over the ten-year period.

Here again, adoption of the Democratic substitute would have been a step in the right direction.

In conclusion, Mr. Chairman, I regret that today the House decided to bet so much on such a risky proposition as the Republican plan. I hope that our losses are less than I fear—but the odds are very much against us.

Mr. LEVIN. Mr. Chairman, budgets are about making choices. When a family sits down at the beginning of the year to write a budget, it must anticipate expenditures and honestly balance these against available resources. Families understand they have to allocate limited income among any number of competing priorities: paying the mortgage, car payments, dinners out, groceries, summer vacation expenses, saving for retirement or a child's future college expenses. The purpose of a budget is to confront these choices and make informed decisions.

The budget before the House today has little or nothing to do with making honest, informed choices. The document we are debating is about one thing, and one thing alone: enacting the President's tax program. It sacrifices everything else to that end.

At the heart of this budget is a gamble that future budget surpluses will be large enough to pay for the President's ten-year, two-trillion-dollar tax package. As the Congressional Budget Office has admitted, these surplus estimates are notoriously inaccurate. If the projected surpluses fail to materialize, the President's tax cut will eat into Social Security and Medicare. No one in his right mind would take out a home equity loan with a balloon payment and then count on winning the lottery to pay it off. Committing to such an oversized tax package on the basis of uncertain surplus projections is not budgeting. It's gambling with our nation's economy.

Budgetary considerations aside, the President's tax package is also the wrong medicine for the economic situation we face today. The President's plan is heavily backloaded, and provides almost no tax relief now when it's most needed.

The holes in this budget are big enough to drive Air Force One through. The defense budget anticipated by the budget resolution is tentative, pending the completion of the Administration's strategic review. The budget attempts to paper over these and other deficiencies. The same is true for Social Security and Medicare. Every one of us knows that significant resources will be needed to shore up these critical programs as the Baby Boom generation approaches retirement in a few years. We should step up to the plate to meet the financial challenges ahead, yet the budget before us actually makes the situation worse by diverting funds out of the Medicare Trust Fund, shortening the life of the Medicare Trust Fund by five years.

The Republican budget is long on rhetoric but actually shortchanges critical domestic initiatives. For example, the Republican prescription drug proposal provides insufficient funding for the President's so-called "immediate helping hand" proposal. The President's proposal is neither immediate, nor helpful to millions of seniors struggling with escalating drug costs. Even worse, the Republican budget pays for their prescription drug bill out of the Medicare Trust Fund, shortening Medicare's solvency. By contrast, the Democratic budget alternative's prescription drug proposal is more than twice as large and provides a meaningful benefit for seniors without endangering Medicare.

Similarly, the Majority's budget underfunds education. The Republican budget guts the school renovation program, diverts the money to other programs, and has the nerve to call this an education increase. It shortchanges funding for the Individuals with Disabilities Education Act. By contrast, the Democratic budget alternative boosts funding to reduce class size, provides for school modernization and teacher recruitment, and adequately funds special education and Head Start.

We can do better, which is why I will support the Democratic budget framework. Our budget provides $730 billion for tax relief. Unlike the GOP plan, which lavishes a disproportionate share of the tax cuts on the richest one-percent of taxpayers, the Democratic plan provides tax relief to all working families. It extends the solvency of Social Security and Medicare. We pay down more of the nation's debt. Finally, the Democratic framework sets aside resources for critical investments in education, prescription drugs, veterans, defense, and protecting the environment.

No company in America could get away with a business plan like the one offered today by the Republican majority. None of the families we represent would mortgage their financial future on such a risky foundation. We shouldn't either. Reject the Republican budget and adopt the Democratic substitute.

Mr. SMITH of Michigan. Mr. Chairman, I am particularly disappointed that none of the proposed budgets offered today address the serious problems facing Social Security. Setting aside the surplus coming in to Social Security

actually does nothing to avert Social Security's insolvency. I think there is a greater understanding in this body in the last few years about the serious problems that Social Security faces in the future. Because of that increased understanding, I am even more disappointed in the unwillingness of Members to address Social Securities unsolvency. Suggesting the budget provides for paying down all the available ''public debt'' is actually a negative for me. It means we won't be using the surplus for fixing Social Security.

Social Security today has an unfunded liability of $9 trillion and we need to solve the problem now. That $9 trillion unfunded liability translates in terms of future dollars to an astounding shortage of a $120 trillion over the next 75 years. This means that there will be $120 trillion additional funding needed over and above the revenues coming in from the Social Security tax, if we are to maintain promised benefits over the next 75 years. The shortfalls are real. We know the number of people that are working now and will be entitled to benefits. We know the number of future workers and future retirees and therefore, the funding needed to fund benefits.

So, again Mr. Chairman, it should concern us all that we are not addressing this serious problem within the context of this budget—or any of the substitutes offered today.

Mr. CRANE. Mr. Chairman, the fiscal year 2002 budget resolution—Securing America's Future, A Budget that Works for Every Family—is a budget that is realistic and reasonable. While I personally would like to see a slower increase in the overall growth of spending and supported the Republican Study Group's amendment to do so, this budget does attempt to hold spending increases to roughly the rate of inflation.

Republicans have already proven that we can balance the budget and pay off the federal debt. With this budget we are refusing to squander the $5.6 trillion surplus projected over the next 10 years. The Republican budget has the right balance of priorities: cutting taxes, paying off debt, strengthening Social Security, modernizing Medicare, and bolstering our national defense.

The Republican plan will pay off $2.3 trillion of the national debt, the maximum that can be repaid without penalty. The Republican plan will also provide needed tax relief for working families by cutting tax rates, eliminating the marriage tax penalty, doubling the child tax credit, and repealing the death tax.

Looking back a decade ago, it seems impossible that the government could ever dig itself out of its financial hole. For too long, uncontrollable spending and reckless ''borrowing'' reigned in Washington. Now, thanks to a fiscally-responsible Republican Congress, we have a budget that is realistic and reasonable, holding the overall growth of spending to roughly inflation, while increasing spending on important priorities that will ensure a more secure future for every American family.

This budget reins in government spending, limiting it to the about same rate of growth as the average family's budget. It reduces federal taxes. It pays down the debt. And it takes care of important priorities like Social Security, Medicare, and national defense.

Mrs. CLAYTON. Mr. Chairman, American farms face the deepest agricultural recession of the century. Current farm conditions are worse than those during the Great Depression, World War II, or the 80s farm crisis. The combination of low commodity prices, unfair markets abroad, repeated natural disasters, and skyrocketing input costs has put not just the farmer, but the entire fabric of rural America at risk. This is the recession that the Republican budget proposal ignores. Rather than providing real economic assistance in the budget baseline, the Republican budget relies on a red herring ''reserve fund.'' This reserve fund supposes to cover not only agricultural interests, but defense, tax extenders, and all other appropriate legislation.

It is also worth pointing out that the reserve fund in today's budget resolution is far smaller than we have been led to believe. Once the Medicare portion of the reserve fund is taken off-budget, about $500 billion dollars over $10 years remain. In reality, this leaves little room for agriculture. For example, in FY 2005 and 2006, the contingency fund has only $12 and $15 billion, respectively, available. This is barely sufficient to cover the requests of agricultural needs, not to mention other appropriate legislation of which there is certain to be plenty. This year a broad coalition of commodity and farm groups wrote to Congress requesting $9 billion for FY 2002, and $12 billion for each year thereafter. My amendment would have increased farm assistance programs by $9 billion in FY 2002 and by $45 billion over the next ten years. On a straight party line vote of 21 to 16 Republicans on the House Budget Committee, voted it down. This same amendment was also considered not in order by the Rules Committee.

The time is now for us to provide the needed funds by raising the agricultural baseline. If we are to be honest and of true assistance to our farmers, we must move away from the emergency assistance that we have provided in recent years. Emergency, ad-hoc funding is inherently unstable and unpredictable. Producers and lenders alike are understandably nervous about basing their financial decisions on money that may or may not materialize. This uncertainty threatens to chill the entire farm economy.

Mr. Chairman, farmers need help now. And they deserve better than to be promised so much, but with so little assistance. I urge my Republican colleagues to join with me in supporting our hardworking farmers by voting no to the Republican budget resolution. I will only support a budget resolution this year that supports farmers in the same way that they have supported this nation for so long. The Republican budget absolutely does not.

Mrs. CAPPS. Mr. Chairman, today the House debates the Budget Resolution. This critical legislation lays out the framework for the federal budget and spells out our nation's economic priorities. I cast my vote for a budget that is fiscally responsible, provides tax relief for all Americans, and invests in the programs that improve our quality of life.

The prosperity that we have enjoyed over the last decade has produced today's record budget surpluses and projections for huge future surpluses. These projections present us with the opportunity to keep our fiscal house in order, while meeting the key important needs of the American people.

The budget I support will allow us, first of all, to pass substantial tax cuts. Since coming to Congress, I have voted repeatedly to cut taxes. At a minimum, we should lower overall tax rates, fix the marriage penalty, and reform the estate tax laws.

Secondly, I voted for a budget resolution that devotes a third of the surplus to debt reduction. Clearly, we must continue paying down the $3.4 trillion national debt. Our progress in debt reduction has kept interest rates down and allowed families to pay less for their homes and cars.

Finally, the budget framework provides the funding necessary to address the most pressing needs of families on the Central Coast and across our nation. It invests in education, strengthens Social Security, Medicare and national defense, and provides the funding needed for an affordable prescription drug plan for all seniors.

Mr. Chairman, I pride myself on working in a bipartisan manner to address the concerns of my constituents. But I cannot, in good conscience, support the President's budget, as proposed today by the majority party.

The $2 trillion tax cut proposed by the President is simply too big. It won't allow us to pay down the debt. I also fear that a tax cut of this magnitude could open the door to a new era of runaway deficits that would cripple our economy and saddle our children with the burden of crushing debt.

In addition, I opposed the majority party's budget proposal because it depletes the resources we need to keep Social Security and Medicare solvent and provides only a slight increase in education. Finally, the President's budget will actually bring about deep cuts in several key areas, like veterans, agriculture, and environmental protection.

Mr. Chairman, today the House was faced with starkly differing proposals for setting the economic priorities of our nation. I truly believe that the votes I cast were in the best interests of our families and our future.

Mr. COYNE. Mr. Chairman, I rise in opposition to the budget resolution before us today.

This budget resolution is unrealistic and irresponsible. It makes optimistic and incautious assumptions about future budget surpluses to justify a massive series of tax cuts that would result in the chronic underfunding of important federal action on health care, education, transportation, veterans' benefits, housing, justice, environmental protection, and scientific research over the next ten years. This budget resolution would not do enough to shore up Social Security and Medicare, and it will effectively rule out the enactment of a comprehensive Medicare prescription drug benefit.

If recent years are accurate indicators, and I believe that they are, the Republican majorities in the House and Senate will adopt a budget resolution that even they are unwilling to implement. There are a number of Republican Representatives and Senators who will not support appropriations bills later this year that make irresponsible cuts in programs that they support.

Consideration of the annual budget resolution, unfortunately, has become a grotesque caricature of what is supposed to be. In recent years, Congress has consistently passed budgets that everyone knew it couldn't abide

by. The House has already passed a trillion-dollar tax cut, and we are scheduled to pass a $400 billion tax cut tomorrow—after we have passed a budget resolution, granted, but certainly not after the House and Senate have agreed on the final tax cut and spending figures for Fiscal Year 2002. If Congress enacts massive permanent tax cuts and then passes appropriations bills that spend more than the amount authorized in this fantasy budget resolution, it seems all too likely that the federal budget will soon be running massive deficits again.

The budget resolution is in no way binding on the Republican majority. The all too common practice of disregarding the budget resolution in recent years has been formalized in the document before us today by the inclusion of a provision which allows the chairman of the House Budget Committee to adjust tax and spending levels unilaterally later in the year.

Congress has made many difficult decisions in order to produce the substantial surpluses we enjoy today. Our success has been made possible, however, only by remarkable economic conditions that we have done little to produce, and economic developments beyond our control could dramatically alter our fiscal reality in a very short period of time. Do we really want to throw this all away by celebrating prematurely and profligately? I don't think that we should.

I urge my colleagues to act conservatively and wisely. I urge them to pass a budget that funds discretionary programs at levels that reflect the appropriations levels we all know we will enact later this year. I urge them to use much of the on-budget surplus to pay down the national debt. And I urge them to pass a smaller, fairer, more fiscally responsible, and more honest tax cut that provides tax relief to the households that need it the most. In short, I urge my colleagues to reject the budget resolution before us and support the Democratic alternative budget.

Mr. DINGELL. Mr. Chairman, last week the President told us that it was all right for American families to swallow drinking water with five times the arsenic allowed in Europe when he halted a safe drinking water regulation. Today we are being asked to swallow another dangerous proposal—his budget.

I am proud of the day in 1964 when I presided over the House when it passed Medicare legislation. It is probably the most important vote I cast in my life. It has brought protection and health to our country's seniors ever since. But today, just like in 1995, when my Republican colleagues took control of this chamber, Medicare is under attack again—and for the same reason—to pay for a tax cut, which will go primarily to the richest individuals in the country.

The budget before us would actually raid the Medicare Trust Fund, just weeks after we passed legislation to stop that. According to Budget Committee analysts, the budget will ultimately dip into the Trust Fund to pay for either tax cuts or undefined contingent funding.

The budget resolution marks a retreat from the President's promise to design a meaningful prescription drug benefit. The budget includes just $153 billion over ten years for the new benefit, which is even less than the plan brought forward by my Republican colleagues last year. That proposal, which would give money to HMO's, was called unworkable and far too little.

The Democratic proposal would allocate more than double this amount and provide a meaningful drug benefit to all Medicare recipients who choose to participate, not just a small percentage who are poor. We could easily afford this benefit. But the President's budget puts tax cuts ahead of the needs of our seniors.

Even worse, this budget pays for its drug benefit by using the Medicare Hospital Insurance Trust Fund—money intended to pay for seniors' hospital care. In simple terms, this means we will pay for a drug benefit today by bankrupting Medicare sooner, and reduce future ability to pay for the doctor and hospital care seniors need, the old proverbial borrowing from Peter to pay Paul. That is wrong. We need to add a real prescription drug benefit to Medicare, but this is not the way to do it.

I could mention many other problems in this budget—how it shortchanges veterans and safe drinking water for starters—but let me just mention the energy budget. As Ranking Member on the Energy and Commerce Committee, I have heard a lot of rhetoric from the Administration on how we need to focus on our energy needs, but what does the President's budget do?

It actually cuts $700 million from the Department of Energy's budget. While the President has refused to tell us where these cuts will come from, news sources indicate it will come from energy research into conservation and renewable energy. How can this make any sense whatsoever?

The bottom line is that the President's tax cut of over $2 trillion is driving all of these decisions. This debate helps all of us, and the American people, understand that we must choose our priorities carefully. Last year's campaign was marked by Republican obfuscation. But now they are making choices—the wrong choices.

Do we want to protect Social Security and Medicare or do we want a big tax cut now? The President has told us, for example, that reducing taxes on estates over $2 million is more important than saving Social Security and Medicare. Will we agree? I, for one, will not.

The Republican budget is a blueprint for future borrowing at best, and draconian cuts at worst. It should be rejected. The Democratic Substitute, offered by the gentleman from South Carolina [Mr. SPRATT] is a much better alternative that will provide a fiscally responsible tax cut and will provide more adequate funding for education, Social Security, Medicare and prescription drugs, while continuing to pay down the debt.

Ms. ROYBAL-ALLARD. Mr. Chairman, in poll after poll, the American people have stated that tax cuts should not come at the expense of Medicare.

Still, the Republican budget resolution we are considering in the House this week takes $153 billion from the Medicare Trust Fund and diverts it to a new prescription drug benefit and unnamed Medicare ''reforms.''

CBO Director Dan Crippen has testified that adding a prescription drug benefit to the Medicare program could cost not $153 billion—but more than $1 trillion over the next decade.

Even Energy and Commerce Chairman BILLY TAUZIN has admitted that a prescription drug benefit for seniors will cost far more than $153 billion. We all know the problem.

The Bush ''super-sized'' tax cut puts the solvency of the Medicare Trust Fund in jeopardy.

And Bush's oversized tax cut will squeeze out the budget resources we must have for a sorely-needed prescription drug benefit for our seniors.

The working families and senior citizens in my Los Angeles district can count. They realize that the Republican budget resolution just doesn't add up. I urge my colleagues to join me in opposing this legislation.

Mrs. CHRISTENSEN. Mr. Chairman, I rise today in strong opposition to the Republican Budget because it severely cuts many of the programs, which benefits the needy in our country in order to pay for huge tax breaks for the wealthy.

I rise, as well, to urge support for the Democratic substitute which provides a fiscally responsible tax cut for middle income families, as well as, adequate funds for education, Social Security, Medicare, prescription drugs and it continues to pay down the national debt.

Mr. Chairman, 20 days ago, this House took the first step in dismantling all of our hard work and the progress that we have made in education, health care, housing and the many other needs of our constituents by passing the first piece of the Bush $1.6 Trillion tax cut.

Today, my friends on the other side of the isle intend to compound this shame by adopting what the Washington Post on Sunday called ''a Lollipop Budget'' because of the lollipops it provides to the few who need them the least, while leaving the government without the means to meet its obligations.

The budget the majority intends to pass today most surely will squander all of the funds necessary for critical investments in our nation.

Under this regressive budget plan for fiscal year 2002, there will be no money for, prescription drugs and ensuring the solvency of Social Security and Medicare.

Because of estimates that 12.2 million low and moderate income families with children—31.5 percent of all families with children—the majority of them headed by hard working adults, would not receive any tax reduction at all under this budget plan meaning that many Americans, especially Black and Hispanic will be left further behind.

Under this budget plan there will be inadequate spending for education, no New Markets initiative to provide the venture capital needed in our communities, 45 million Americans will continue to be without health insurance, and that HMO's will continue to make profits by denying care and the continued denial of prescription drug coverage for the over 25 million seniors who must choose between paying for food or medicine.

For my constituents who's tax system mirrors the Federal IRS Code, this budget will mean that the loss of $28 million to our local treasury on top of the devastating cuts in programs upon which they rely for a helping hand up.

Under this budget plan Americans living in the territories and others living in the states

will be denied access to health care because Medicaid will be cut so that those who are in the top 10% of incomes in this country can get more.

Unlike the Republican Budget, the Democrat Budget retires the public debt by 2008, provides tax relief to all taxpayers, provides a credible prescription drug benefit, extends the solvency of Medicare and Social Security and provides realistic funding for priority investments for veterans, healthcare, the environment, education and law enforcement.

Mr. Chairman, we cannot afford to pass the Republican budget because of the harm that it will do to average Americans.

We have the resources today to right the wrongs of the past. We must insist that President Bush and the leadership of this Congress not squander our nation's wealth, but to invest it instead in the people.

Mr. KIRK. Mr. Chairman, I rise in support of the resolution. Today, we are preparing to vote to approve a responsible budget that meets our priorities: saving Social Security for seniors today and tomorrow, repaying $2.3 trillion in debt, improving education, providing a prescription drug benefit to our needy seniors, and providing tax relief to restart our flagging economy.

This budget also addresses a number of other key issues. The value of investment in foreign assistance is included, with special mention given to the urgent funding needs to support the Middle East Peace Process and the war on drugs in the Andean countries. The work of the U.S. Agency for International Development is commended. This is a direct result of the critical work being performed in areas including health care, democracy building and disaster relief.

The Great Lakes Naval Training Center is located in my district, and because of this vital role in training the fleet, naval training receives the attention it deserves in this resolution. Additional support is offered to the initiative to improve our national defense by reviewing the goals and needs of our Armed Forces to improve overall efficiency. This budget offers the Department of Defense the flexibility it needs to complete this thorough review and grants the Congress the ability to provide additional funding if the review deems it necessary.

Special mention is made of our imperative need to clean up nuclear waste, an issue of great importance in the City of Zion. It is here that 1,000 tons of highly radioactive spent nuclear fuel is stored less than 120 yards from Lake Michigan.

Both the President and now Congress commit to doubling funding for the National Institutes of Health (NIH), the world's leading biomedical research institution. Because of the ground breaking research conducted at NIH, lives are saved and health care costs are reduced while jobs are created. This is particularly important for the health care companies based in my district, and this resolution addresses this critical need.

As a member of the Budget Committee, I have seen Chairman NUSSLE and Ranking Minority Member SPRATT set out to do the work of our Committee with a spirit of bipartisanship that shows itself in mutual respect, open dialog, and a willingness to hear all points of view. I am proud to support their efforts.

Mutual respect has been evident during all of this year's budget debate. Open dialog has been the order of the day in all bipartisan meetings, and was especially evident during the markup of this budget resolution, when Budget Committee staff members presented a detailed functional breakdown of the budget and answered questions from all members of the Budget Committee. I want to commend the staff, particularly Rich Meade, Jim Bates, Jim Cantwell, Jason McKitrick and Paul Restuccia, for their expertise and hard work over the last few weeks.

This budget is a first step toward implementing the priorities we all value. I urge my colleagues to support me in voting for it. To succeed in implementing the goals of this resolution, we need to continue to follow the principles of bipartisanship that Chairman NUSSLE has shown us in the Budget Committee. I urge my colleagues to support the Chairman in this, as well, and vote in favor of the resolution.

Mr. DICKS. Mr. Chairman, during last year's campaign, President Bush made many promises to the American people. He promised to preserve Social Security and Medicare. He pledged to provide a prescription drug benefit for seniors. He said that he would increase our spending on national defense to improve readiness on national defense to improve readiness and the morale of our troops; and he declared that he would increase the federal commitment to education and maintain our efforts to protect the environment.

The FY 2002 budget before us today, based upon the President's own budget blueprint, sacrifices all of these promises and priorities in order to fulfill just one: a giant tax cut that offers its greatest benefits to the wealthiest Americans.

In my judgment, this budget is fiscally unsound because it relies upon rosy assumptions of economic growth and of subsequent government revenues to generate continued budget surpluses. And if these projected surpluses do not materialize, this Republican budget will cause the nation to return to the days of budget deficits and escalating national debt from which we only recently emerged. I would caution my colleagues to consider this point before casting their vote on the measure.

I am especially concerned about the shortsightedness of this budget with regard to our nation's defense. Although the President promised to increase defense spending to ensure that our military is prepared to meet challenges it will face in the 21st century, this budget allocation will not even keep pace with inflation. We already know that $3.9 billion will be necessary to provide health care benefits to Medicare-eligible military retirees for 2002 in accordance with last year's National Defense Authorization Act, a fact that is not considered in this budget. The President and many of my colleagues also support a national missile defense program, the cost of which will be enormous, further draining resources from an already depleted defense budget.

This budget also does not assume any action in this current fiscal year to address the urgently-needed supplemental appropriations for the Department of Defense. This is another faulty assumption and another area in which the Bush administration is retreating on the promise that "Help is on the Way" to address readiness concerns, the already-approved pay raise, and the need to improve quality of life for military personnel and their families. I believe that this issue is so important that I have already proposed a supplemental appropriations bill for my colleagues' consideration, containing legitimate emergency appropriations items that have been submitted by all of the services. To ignore these requests, as has been done in the Republican budget, is unwise.

My friends on the other side of the aisle will argue that Congress still may increase defense spending pending the outcome of a strategic review of defense requirements. I would point out to my colleagues that by the end of this week, it is likely that the House will have passed tax cuts totaling more than $1.35 billion—almost 85 percent of the allocation provided for tax cuts in this budget resolution. Several components of the President's tax proposal remain to be considered, including the elimination of the estate tax, expanding the charitable deduction, and making permanent the research and experimentation tax credit. Once this tax package is approved, where will the money be found to fund any increase in defense? Very likely it would require deep cuts to Social Security and Medicare, and to education and the environment.

In contrast to this anti-defense Republican budget, the Democratic substitute delivers on defense, providing a $7.1 billion defense supplemental for 2001 and providing $48 billion more for defense over the next 10 years than the Republican budget. This level of funding will improve the quality of life for our troops and their families, enable the modernization and replacement of aging equipment, and provide the research and development needed to ensure that our military remains the strongest and most efficient armed force in the world.

I am also very concerned about the shortcomings in the Republican budget with regard to natural resources and the environment. Their plan cuts $2.3 billion from last year's level, effectively an 11 percent cut considering inflation. Even after adjusting the budget to take into account for emergency funding made last year, the Republican budget plan does not return to last year's funding level until 2007.

As the Ranking Democratic Member of the Interior Appropriations Subcommittee, I have concerns about what the proposed budget implications will be for our public lands and natural resource priorities. We already have unmet needs and backlogs. Any cuts to these important programs only worsen these problems.

The Democratic alternative is much more responsible with regard to our nation's commitment to protecting the environment. Our substitute budget provides $3.6 billion more than the Republican plan for natural resources and environmental programs, adhering to last year's agreement regarding conservation programs, making needed investments in water infrastructure, and helping western states such as my state of Washington to better plan for and respond to the threat of wildfires.

Although Congress considers a budget resolution every year, there are times when annual decisions like this one have impacts that extend far beyond the next 12 months. In 1993, for example, Congress considered and

approved one such budget that helped our nation to gain control over the escalating budget deficits we had experienced under the previous Bush and Reagan Administrations—deficits that were launched, interestingly, by the Reagan Administration's insistence on passing an enormous tax reduction bill. With the assistance of hindsight, I believe it is clear that this 1993 budget is, in no small part, responsible for the extremely positive financial circumstances we have enjoyed in the past several years.

In my judgment, the FY 2002 budget we are debating today will be much like that 1993 budget: a major landmark in our nation's fiscal history. What we pass today will outline how we will allocate the surpluses we project over the next ten years. We are determining whether we will devote necessary resources to preserving Social Security and Medicare, improving our national defense, protecting the environment, improving education, and providing sensible tax relief for working Americans; or, if we are going to abandon these needs to finance a politically popular tax cut. I urge my colleagues to oppose the Republican budget resolution and to support the Democratic alternative.

Mr. EVANS. Mr. Chairman, simply stated, H. Con. Res. 83 should be defeated. The budget resolution reported by the House Budget Committee on a straight party-line vote, fails our veterans. It does not provide the discretionary funding needed for veterans' benefits and services, particularly health care. H. Con. Res. 83 falls far short of the $2.1 billion increase in discretionary funding for veterans programs next year which Chairman CHRIS SMITH and I agreed was needed to, ''Help us raise veterans benefits and services to a level at which we can confidently say as a Nation in freedom and at peace, at a time of plenty, we provide for our veterans.''

It is bad enough that this budget fails to provide the funding needed for next fiscal year, which begins on October 1, 2001. But adding insult to injury, this budget plan actually calls for a nearly one billion dollar cut in funding for veterans benefits and services in the following budget year, fiscal year 2003. The $24.3 billion in discretionary spending proposed by the Budget Committee will not adequately fund veterans programs for fiscal year 2002. The nearly one billion reduction in funding for 2003 is a blueprint for devastating cuts in benefits and services for veterans. These are the benefits and services our veterans have earned by their honorable service to the Nation.

Perhaps even worse, the Budget Committee plan directs the House Committee on Veterans' Affairs to achieve ''savings'' in veterans benefits programs of more than $7 billion. I look forward to the Budget Committee members who support this blueprint providing details on the specific veterans benefits they propose to reduce or eliminate. Clearly, Congress should not cut veterans benefits provided in current law to help finance a nearly $2 trillion tax cut. A tax cut that mainly benefits those who are already the richest in our society. That is what this budget asks. I say no.

This nation honors its commitments. We have a national obligation to veterans. But it seems some want to ignore our nation's obligations to veterans. For them honoring this nation's obligations to veterans is not a priority.

Their priorities include instead a massive tax cut for the wealthiest in our society. Some veterans wait an entire year for a medical clinic appointment. That is shameful. That does not honor the sacrifice and service of our veterans. Some pay lip service to veterans, but veterans need real service.

If we do not honor veterans in both words and deeds, then we dishonor their service. I will not ignore America's veterans. They have already given of themselves for us.

As a nation, we owe veterans a tremendous debt. Our budget surplus allows that debt to be repaid if veterans are truly a priority. Veterans should be first in line. Today they are being pushed to the back as massive tax cuts for the wealthiest in society are the flavor of the month.

Our nation does not fully honor its obligations to veterans when we pause briefly on Memorial Day and Veterans Day. Our nation does not fully honor its obligations to veterans by building monuments. How well our nation honors its obligations to veterans is best measured in the benefits and services we provide those who have served and sacrificed for our Nation.

For these reasons and others, I urge the defeat of H. Con. Res. 83.

Mr. CASTLE. Mr. Chairman, I rise today to express my opposition to the changes that were made to the emergency budget reserve account language in the FY02 Budget Resolution reported out of the House Budget Committee.

The reported budget reserve account language was meaningful. It created a $5.6 billion budget reserve account that could only be used for major emergencies. The most important feature was that the Budget Committee held the keys to determining whether the spending proposed met the legal definition of an emergency.

The compromise that has been negotiated since then guts the budget reserve account. The Appropriations Committee unilaterally determines if the proposed spending meets the definition of an emergency. Furthermore, the Appropriations Committee can exhaust the $5.6 billion budget reserve account with low level ''emergencies'' and rely on Congress to pass legislation to fund ''major'' emergencies above the discretionary caps when the time comes.

I urge my fellow colleagues to join me and Chairman NUSSLE in sponsoring legislation that will be introduced today to make a real budget reserve account a permanent feature of our budgeting process.

In closing, I want to thank Chairman NUSSLE for his efforts to reform our budget process. He has been at the forefront of this issue since he first came to Washington, D.C. As the process moves forward, I will be pleased to support his efforts every step of the way.

Mr. COSTELLO. Mr. Chairman, I intend to vote against the ten-year budget offered by the Republican leadership today because its $1.6 billion tax cut is too large and it fails to adequately fund important priorities such as agriculture, education, veterans, the COPS program, prescription drugs for seniors and national defense. I will also vote against the Democratic budget, because while it is a vast improvement on the Republican plan, it is also based on unreliable ten-year projections.

Instead, I will support the alternative budget offered by the Blue Dogs, because it is based on economic estimates covering only the next five years. This body knows from experience that trying to predict the economy over five years is difficult, and that over ten years it is impossible. The Blue Dog five-year budget makes sense. It provides for a reasonable tax cut while paying down the debt and devoting more resources to critical priorities that the Republican budget neglects.

I am particularly concerned about the excessive Republican tax cut amid signs that the economy is slowing, which could lead to big deficits in the future. While I support a significant tax cut and will vote again this year to repeal the estate tax and eliminate the marriage penalty tax, I believe a five-year budget will allow a better opportunity to assess the health of the economy and to tailor policies to keep it strong. I am also concerned that the Republican budget allows for the privatization of Social Security, which could jeopardize the long-term solvency of the program.

Mr. Chairman, we learned from the Reagan polices of the 1980s that large tax cuts do not lead to balanced budgets, let along surpluses. We need a more fiscally responsible approach than the Republicans are currently offering to provide tax relief while keeping our important commitments to programs like Social Security and Medicare. I believe the Blue Dog budget meets these goals and I urge my colleagues to support it.

The CHAIRMAN. Pursuant to the rule, the concurrent resolution shall be considered for amendment under the 5-minute rule. The amendment specified in part A of House Report 107–30 and the amendment specified in the order of the House of earlier today are adopted and the concurrent resolution, as amended, is considered read.

The text of House Concurrent Resolution 83, as amended, is as follows:

H. CON. RES. 83

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2002.

The Congress declares that the concurrent resolution on the budget for fiscal year 2001 is hereby revised and replaced and that this is the concurrent resolution on the budget for fiscal year 2002 and that the appropriate budgetary levels for fiscal years 2003 through 2011 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for each of fiscal years 2001 through 2011:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2001: $1,624,700,000,000.
Fiscal year 2002: $1,635,800,000,000.
Fiscal year 2003: $1,699,000,000,000.
Fiscal year 2004: $1,755,700,000,000.
Fiscal year 2005: $1,816,700,000,000.
Fiscal year 2006: $1,872,200,000,000.
Fiscal year 2007: $1,948,600,000,000.
Fiscal year 2008: $2,041,700,000,000.
Fiscal year 2009: $2,143,200,000,000.
Fiscal year 2010: $2,256,600,000,000.

Fiscal year 2011: $2,387,000,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be reduced are as follows:

Fiscal year 2001: $5,800,000,000.
Fiscal year 2002: $67,700,000,000.
Fiscal year 2003: $83,100,000,000.
Fiscal year 2004: $108,600,000,000.
Fiscal year 2005: $133,100,000,000.
Fiscal year 2006: $167,400,000,000.
Fiscal year 2007: $187,100,000,000.
Fiscal year 2008: $201,100,000,000.
Fiscal year 2009: $217,000,000,000.
Fiscal year 2010: $232,700,000,000.
Fiscal year 2011: $240,900,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2001: $1,556,900,000,000.
Fiscal year 2002: $1,613,700,000,000.
Fiscal year 2003: $1,660,300,000,000.
Fiscal year 2004: $1,723,200,000,000.
Fiscal year 2005: $1,799,900,000,000.
Fiscal year 2006: $1,851,600,000,000.
Fiscal year 2007: $1,918,000,000,000.
Fiscal year 2008: $1,998,500,000,000.
Fiscal year 2009: $2,077,000,000,000.
Fiscal year 2010: $2,161,500,000,000.
Fiscal year 2011: $2,252,800,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2001: $1,508,900,000,000.
Fiscal year 2002: $1,579,800,000,000.
Fiscal year 2003: $1,634,600,000,000.
Fiscal year 2004: $1,698,600,000,000.
Fiscal year 2005: $1,777,600,000,000.
Fiscal year 2006: $1,825,700,000,000.
Fiscal year 2007: $1,889,900,000,000.
Fiscal year 2008: $1,973,700,000,000.
Fiscal year 2009: $2,053,600,000,000.
Fiscal year 2010: $2,139,900,000,000.
Fiscal year 2011: $2,230,200,000,000.

(4) SURPLUSES.—For purposes of the enforcement of this resolution, the amounts of the surpluses are as follows:

Fiscal year 2001: $115,800,000,000.
Fiscal year 2002: $56,000,000,000.
Fiscal year 2003: $64,400,000,000.
Fiscal year 2004: $57,100,000,000.
Fiscal year 2005: $39,100,000,000.
Fiscal year 2006: $46,500,000,000.
Fiscal year 2007: $58,700,000,000.
Fiscal year 2008: $68,000,000,000.
Fiscal year 2009: $89,600,000,000.
Fiscal year 2010: $116,700,000,000.
Fiscal year 2011: $156,800,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 2001: $5,575,000,000,000.
Fiscal year 2002: $5,623,000,000,000.
Fiscal year 2003: $5,674,000,000,000.
Fiscal year 2004: $5,733,000,000,000.
Fiscal year 2005: $5,807,000,000,000.
Fiscal year 2006: $5,875,000,000,000.
Fiscal year 2007: $5,928,000,000,000.
Fiscal year 2008: $5,969,000,000,000.
Fiscal year 2009: $5,988,000,000,000.
Fiscal year 2010: $6,344,000,000,000.
Fiscal year 2011: $6,721,000,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority and budget outlays for fiscal years 2001 through 2011 for each major functional category are:

(1) National Defense (050):

Fiscal year 2001:
(A) New budget authority, $310,300,000,000.
(B) Outlays, $300,600,000,000.
Fiscal year 2002:
(A) New budget authority, $324,600,000,000.
(B) Outlays, $319,300,000,000.
Fiscal year 2003:
(A) New budget authority, $333,300,000,000.
(B) Outlays, $325,500,000,000.
Fiscal year 2004:
(A) New budget authority, $342,600,000,000.
(B) Outlays, $334,000,000,000.
Fiscal year 2005:
(A) New budget authority, $352,200,000,000.
(B) Outlays, $347,200,000,000.
Fiscal year 2006:
(A) New budget authority, $362,100,000,000.
(B) Outlays, $354,600,000,000.
Fiscal year 2007:
(A) New budget authority, $372,200,000,000.
(B) Outlays, $361,900,000,000.
Fiscal year 2008:
(A) New budget authority, $382,700,000,000.
(B) Outlays, $375,600,000,000.
Fiscal year 2009:
(A) New budget authority, $393,500,000,000.
(B) Outlays, $386,500,000,000.
Fiscal year 2010:
(A) New budget authority, $404,500,000,000.
(B) Outlays, $397,600,000,000.
Fiscal year 2011:
(A) New budget authority, $416,300,000,000.
(B) Outlays, $409,200,000,000.

(2) International Affairs (150):

Fiscal year 2001:
(A) New budget authority, $22,400,000,000.
(B) Outlays, $19,700,000,000.
Fiscal year 2002:
(A) New budget authority, $23,900,000,000.
(B) Outlays, $19,600,000,000.
Fiscal year 2003:
(A) New budget authority, $23,900,000,000.
(B) Outlays, $19,900,000,000.
Fiscal year 2004:
(A) New budget authority, $24,500,000,000.
(B) Outlays, $20,400,000,000.
Fiscal year 2005:
(A) New budget authority, $25,400,000,000.
(B) Outlays, $20,800,000,000.
Fiscal year 2006:
(A) New budget authority, $26,200,000,000.
(B) Outlays, $21,400,000,000.
Fiscal year 2007:
(A) New budget authority, $26,900,000,000.
(B) Outlays, $22,100,000,000.
Fiscal year 2008:
(A) New budget authority, $27,400,000,000.
(B) Outlays, $22,800,000,000.
Fiscal year 2009:
(A) New budget authority, $28,000,000,000.
(B) Outlays, $23,600,000,000.
Fiscal year 2010:
(A) New budget authority, $28,400,000,000.
(B) Outlays, $24,200,000,000.
Fiscal year 2011:
(A) New budget authority, $29,600,000,000.
(B) Outlays, $25,000,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 2001:
(A) New budget authority, $21,000,000,000.
(B) Outlays, $19,600,000,000.
Fiscal year 2002:
(A) New budget authority, $22,200,000,000.
(B) Outlays, $21,000,000,000.
Fiscal year 2003:
(A) New budget authority, $22,600,000,000.
(B) Outlays, $21,900,000,000.
Fiscal year 2004:
(A) New budget authority, $23,100,000,000.
(B) Outlays, $22,600,000,000.
Fiscal year 2005:
(A) New budget authority, $23,600,000,000.
(B) Outlays, $23,200,000,000.
Fiscal year 2006:
(A) New budget authority, $24,300,000,000.
(B) Outlays, $23,700,000,000.
Fiscal year 2007:
(A) New budget authority, $24,900,000,000.
(B) Outlays, $24,300,000,000.
Fiscal year 2008:
(A) New budget authority, $25,600,000,000.
(B) Outlays, $24,900,000,000.
Fiscal year 2009:
(A) New budget authority, $26,200,000,000.
(B) Outlays, $25,600,000,000.
Fiscal year 2010:
(A) New budget authority, $26,700,000,000.
(B) Outlays, $26,100,000,000.
Fiscal year 2011:
(A) New budget authority, $27,800,000,000.
(B) Outlays, $26,900,000,000.

(4) Energy (270):

Fiscal year 2001:
(A) New budget authority, $1,200,000,000.
(B) Outlays, −$100,000,000.
Fiscal year 2002:
(A) New budget authority, $800,000,000.
(B) Outlays, −$200,000,000.
Fiscal year 2003:
(A) New budget authority, $800,000,000.
(B) Outlays, −$500,000,000.
Fiscal year 2004:
(A) New budget authority, $900,000,000.
(B) Outlays, −$600,000,000.
Fiscal year 2005:
(A) New budget authority, $900,000,000.
(B) Outlays, −$500,000,000.
Fiscal year 2006:
(A) New budget authority, $1,000,000,000.
(B) Outlays, −$400,000,000.
Fiscal year 2007:
(A) New budget authority, $1,100,000,000.
(B) Outlays, −$200,000,000.
Fiscal year 2008:
(A) New budget authority, $2,200,000,000.
(B) Outlays, $400,000,000.
Fiscal year 2009:
(A) New budget authority, $2,300,000,000.
(B) Outlays, $800,000,000.
Fiscal year 2010:
(A) New budget authority, $2,300,000,000.
(B) Outlays, $1,000,000,000.
Fiscal year 2011:
(A) New budget authority, $2,200,000,000.
(B) Outlays, $900,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 2001:
(A) New budget authority, $28,800,000,000.
(B) Outlays, $26,400,000,000.
Fiscal year 2002:
(A) New budget authority, $26,700,000,000.
(B) Outlays, $26,400,000,000.
Fiscal year 2003:
(A) New budget authority, $26,800,000,000.
(B) Outlays, $27,000,000,000.
Fiscal year 2004:
(A) New budget authority, $27,700,000,000.
(B) Outlays, $27,500,000,000.
Fiscal year 2005:
(A) New budget authority, $27,900,000,000.
(B) Outlays, $27,700,000,000.
Fiscal year 2006:
(A) New budget authority, $28,000,000,000.
(B) Outlays, $27,800,000,000.
Fiscal year 2007:
(A) New budget authority, $28,600,000,000.
(B) Outlays, $28,300,000,000.
Fiscal year 2008:
(A) New budget authority, $29,300,000,000.
(B) Outlays, $28,800,000,000.
Fiscal year 2009:
(A) New budget authority, $30,600,000,000.
(B) Outlays, $29,900,000,000.
Fiscal year 2010:
(A) New budget authority, $31,200,000,000.
(B) Outlays, $30,500,000,000.
Fiscal year 2011:
(A) New budget authority, $32,400,000,000.
(B) Outlays, $31,500,000,000.

(6) Agriculture (350):

Fiscal year 2001:

(A) New budget authority, $26,300,000,000.
(B) Outlays, $23,700,000,000.
Fiscal year 2002:
(A) New budget authority, $19,100,000,000.
(B) Outlays, $17,500,000,000.
Fiscal year 2003:
(A) New budget authority, $18,600,000,000.
(B) Outlays, $17,000,000,000.
Fiscal year 2004:
(A) New budget authority, $18,500,000,000.
(B) Outlays, $17,100,000,000.
Fiscal year 2005:
(A) New budget authority, $18,300,000,000.
(B) Outlays, $16,900,000,000.
Fiscal year 2006:
(A) New budget authority, $17,900,000,000.
(B) Outlays, $16,300,000,000.
Fiscal year 2007:
(A) New budget authority, $16,500,000,000.
(B) Outlays, $14,900,000,000.
Fiscal year 2008:
(A) New budget authority, $15,600,000,000.
(B) Outlays, $14,100,000,000.
Fiscal year 2009:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $14,400,000,000.
Fiscal year 2010:
(A) New budget authority, $15,900,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2011:
(A) New budget authority, $16,100,000,000.
(B) Outlays, $14,700,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 2001:
(A) New budget authority, $2,500,000,000.
(B) Outlays, −$800,000,000.
Fiscal year 2002:
(A) New budget authority, $7,400,000,000.
(B) Outlays, $4,400,000,000.
Fiscal year 2003:
(A) New budget authority, $8,600,000,000.
(B) Outlays, $3,200,000,000.
Fiscal year 2004:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $8,600,000,000.
Fiscal year 2005:
(A) New budget authority, $12,700,000,000.
(B) Outlays, $9,000,000,000.
Fiscal year 2006:
(A) New budget authority, $12,700,000,000.
(B) Outlays, $8,400,000,000.
Fiscal year 2007:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $9,200,000,000.
Fiscal year 2008:
(A) New budget authority, $13,900,000,000.
(B) Outlays, $9,300,000,000.
Fiscal year 2009:
(A) New budget authority, $14,300,000,000.
(B) Outlays, $9,600,000,000.
Fiscal year 2010:
(A) New budget authority, $18,700,000,000.
(B) Outlays, $12,800,000,000.
Fiscal year 2011:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $9,800,000,000.
(8) Transportation (400):
Fiscal year 2001:
(A) New budget authority, $62,100,000,000.
(B) Outlays, $51,700,000,000.
Fiscal year 2002:
(A) New budget authority, $61,000,000,000.
(B) Outlays, $55,600,000,000.
Fiscal year 2003:
(A) New budget authority, $58,700,000,000.
(B) Outlays, $58,300,000,000.
Fiscal year 2004:
(A) New budget authority, $59,200,000,000.
(B) Outlays, $60,200,000,000.
Fiscal year 2005:
(A) New budget authority, $59,700,000,000.
(B) Outlays, $62,000,000,000.
Fiscal year 2006:
(A) New budget authority, $60,300,000,000.
(B) Outlays, $63,700,000,000.
Fiscal year 2007:
(A) New budget authority, $60,800,000,000.
(B) Outlays, $64,900,000,000.
Fiscal year 2008:
(A) New budget authority, $61,300,000,000.
(B) Outlays, $66,400,000,000.
Fiscal year 2009:
(A) New budget authority, $61,800,000,000.
(B) Outlays, $68,000,000,000.
Fiscal year 2010:
(A) New budget authority, $62,200,000,000.
(B) Outlays, $69,300,000,000.
Fiscal year 2011:
(A) New budget authority, $63,100,000,000.
(B) Outlays, $71,200,000,000.
(9) Community and Regional Development (450):
Fiscal year 2001:
(A) New budget authority, $11,200,000,000.
(B) Outlays, $11,400,000,000.
Fiscal year 2002:
(A) New budget authority, $10,100,000,000.
(B) Outlays, $11,400,000,000.
Fiscal year 2003:
(A) New budget authority, $10,300,000,000.
(B) Outlays, $11,000,000,000.
Fiscal year 2004:
(A) New budget authority, $10,600,000,000.
(B) Outlays, $10,700,000,000.
Fiscal year 2005:
(A) New budget authority, $10,900,000,000.
(B) Outlays, $10,400,000,000.
Fiscal year 2006:
(A) New budget authority, $11,200,000,000.
(B) Outlays, $10,300,000,000.
Fiscal year 2007:
(A) New budget authority, $11,500,000,000.
(B) Outlays, $10,500,000,000.
Fiscal year 2008:
(A) New budget authority, $11,800,000,000.
(B) Outlays, $10,800,000,000.
Fiscal year 2009:
(A) New budget authority, $12,100,000,000.
(B) Outlays, $11,000,000,000.
Fiscal year 2010:
(A) New budget authority, $12,300,000,000.
(B) Outlays, $11,300,000,000.
Fiscal year 2011:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $11,600,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 2001:
(A) New budget authority, $76,900,000,000.
(B) Outlays, $69,800,000,000.
Fiscal year 2002:
(A) New budget authority, $82,100,000,000.
(B) Outlays, $76,200,000,000.
Fiscal year 2003:
(A) New budget authority, $82,000,000,000.
(B) Outlays, $81,700,000,000.
Fiscal year 2004:
(A) New budget authority, $83,900,000,000.
(B) Outlays, $82,300,000,000.
Fiscal year 2005:
(A) New budget authority, $87,300,000,000.
(B) Outlays, $84,800,000,000.
Fiscal year 2006:
(A) New budget authority, $90,200,000,000.
(B) Outlays, $87,700,000,000.
Fiscal year 2007:
(A) New budget authority, $92,800,000,000.
(B) Outlays, $90,400,000,000.
Fiscal year 2008:
(A) New budget authority, $95,700,000,000.
(B) Outlays, $93,000,000,000.
Fiscal year 2009:
(A) New budget authority, $98,400,000,000.
(B) Outlays, $95,900,000,000.
Fiscal year 2010:
(A) New budget authority, $100,500,000,000.
(B) Outlays, $98,400,000,000.
Fiscal year 2011:
(A) New budget authority, $104,600,000,000.
(B) Outlays, $101,400,000,000.
(11) Health (550):
Fiscal year 2001:
(A) New budget authority, $182,600,000,000.
(B) Outlays, $175,500,000,000.
Fiscal year 2002:
(A) New budget authority, $204,000,000,000.
(B) Outlays, $201,100,000,000.
Fiscal year 2003:
(A) New budget authority, $229,700,000,000.
(B) Outlays, $225,800,000,000.
Fiscal year 2004:
(A) New budget authority, $246,500,000,000.
(B) Outlays, $244,700,000,000.
Fiscal year 2005:
(A) New budget authority, $253,800,000,000.
(B) Outlays, $251,500,000,000.
Fiscal year 2006:
(A) New budget authority, $266,800,000,000.
(B) Outlays, $264,600,000,000.
Fiscal year 2007:
(A) New budget authority, $287,000,000,000.
(B) Outlays, $284,200,000,000.
Fiscal year 2008:
(A) New budget authority, $307,600,000,000.
(B) Outlays, $305,200,000,000.
Fiscal year 2009:
(A) New budget authority, $329,700,000,000.
(B) Outlays, $327,600,000,000.
Fiscal year 2010:
(A) New budget authority, $354,200,000,000.
(B) Outlays, $352,500,000,000.
Fiscal year 2011:
(A) New budget authority, $382,400,000,000.
(B) Outlays, $380,200,000,000.
(12) Medicare (570):
Fiscal year 2001:
(A) New budget authority, $217,500,000,000.
(B) Outlays, $217,700,000,000.
Fiscal year 2002:
(A) New budget authority, $229,100,000,000.
(B) Outlays, $229,100,000,000.
Fiscal year 2003:
(A) New budget authority, $243,900,000,000.
(B) Outlays, $243,700,000,000.
Fiscal year 2004:
(A) New budget authority, $260,200,000,000.
(B) Outlays, $260,400,000,000.
Fiscal year 2005:
(A) New budget authority, $291,800,000,000.
(B) Outlays, $291,700,000,000.
Fiscal year 2006:
(A) New budget authority, $309,900,000,000.
(B) Outlays, $309,700,000,000.
Fiscal year 2007:
(A) New budget authority, $336,100,000,000.
(B) Outlays, $336,400,000,000.
Fiscal year 2008:
(A) New budget authority, $362,800,000,000.
(B) Outlays, $362,700,000,000.
Fiscal year 2009:
(A) New budget authority, $391,100,000,000.
(B) Outlays, $390,800,000,000.
Fiscal year 2010:
(A) New budget authority, $423,400,000,000.
(B) Outlays, $423,700,000,000.
Fiscal year 2011:
(A) New budget authority, $459,400,000,000.
(B) Outlays, $459,400,000,000.
(13) Income Security (600):
Fiscal year 2001:
(A) New budget authority, $255,900,000,000.
(B) Outlays, $256,900,000,000.
Fiscal year 2002:
(A) New budget authority, $271,500,000,000.
(B) Outlays, $272,100,000,000.
Fiscal year 2003:
(A) New budget authority, $281,800,000,000.
(B) Outlays, $282,300,000,000.
Fiscal year 2004:
(A) New budget authority, $293,300,000,000.
(B) Outlays, $292,500,000,000.
Fiscal year 2005:

(A) New budget authority, $308,100,000,000.
(B) Outlays, $306,700,000,000.
Fiscal year 2006:
(A) New budget authority, $315,900,000,000.
(B) Outlays, $314,400,000,000.
Fiscal year 2007:
(A) New budget authority, $323,400,000,000.
(B) Outlays, $321,900,000,000.
Fiscal year 2008:
(A) New budget authority, $337,900,000,000.
(B) Outlays, $336,500,000,000.
Fiscal year 2009:
(A) New budget authority, $349,300,000,000.
(B) Outlays, $347,600,000,000.
Fiscal year 2010:
(A) New budget authority, $359,900,000,000.
(B) Outlays, $358,200,000,000.
Fiscal year 2011:
(A) New budget authority, $371,600,000,000.
(B) Outlays, $369,400,000,000.
(14) Social Security (650):
Fiscal year 2001:
(A) New budget authority, $9,800,000,000.
(B) Outlays, $9,800,000,000.
Fiscal year 2002:
(A) New budget authority, $11,000,000,000.
(B) Outlays, $11,000,000,000.
Fiscal year 2003:
(A) New budget authority, $11,700,000,000.
(B) Outlays, $11,700,000,000.
Fiscal year 2004:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $12,500,000,000.
Fiscal year 2005:
(A) New budget authority, $13,300,000,000.
(B) Outlays, $13,300,000,000.
Fiscal year 2006:
(A) New budget authority, $14,200,000,000.
(B) Outlays, $14,200,000,000.
Fiscal year 2007:
(A) New budget authority, $15,200,000,000.
(B) Outlays, $15,200,000,000.
Fiscal year 2008:
(A) New budget authority, $16,200,000,000.
(B) Outlays, $16,200,000,000.
Fiscal year 2009:
(A) New budget authority, $17,500,000,000.
(B) Outlays, $17,500,000,000.
Fiscal year 2010:
(A) New budget authority, $18,900,000,000.
(B) Outlays, $18,900,000,000.
Fiscal year 2011:
(A) New budget authority, $20,400,000,000.
(B) Outlays, $20,400,000,000.
(15) Veterans Benefits and Services (700):
Fiscal year 2001:
(A) New budget authority, $46,700,000,000.
(B) Outlays, $45,900,000,000.
Fiscal year 2002:
(A) New budget authority, $52,300,000,000.
(B) Outlays, $51,600,000,000.
Fiscal year 2003:
(A) New budget authority, $53,000,000,000.
(B) Outlays, $52,800,000,000.
Fiscal year 2004:
(A) New budget authority, $55,300,000,000.
(B) Outlays, $54,900,000,000.
Fiscal year 2005:
(A) New budget authority, $59,300,000,000.
(B) Outlays, $58,900,000,000.
Fiscal year 2006:
(A) New budget authority, $58,800,000,000.
(B) Outlays, $58,300,000,000.
Fiscal year 2007:
(A) New budget authority, $58,100,000,000.
(B) Outlays, $57,700,000,000.
Fiscal year 2008:
(A) New budget authority, $62,000,000,000.
(B) Outlays, $61,600,000,000.
Fiscal year 2009:
(A) New budget authority, $63,400,000,000.
(B) Outlays, $63,000,000,000.
Fiscal year 2010:
(A) New budget authority, $64,700,000,000.
(B) Outlays, $64,400,000,000.
Fiscal year 2011:
(A) New budget authority, $67,100,000,000.
(B) Outlays, $66,700,000,000.
(16) Administration of Justice (750):
Fiscal year 2001:
(A) New budget authority, $30,600,000,000.
(B) Outlays, $30,000,000,000.
Fiscal year 2002:
(A) New budget authority, $30,900,000,000.
(B) Outlays, $30,300,000,000.
Fiscal year 2003:
(A) New budget authority, $31,900,000,000.
(B) Outlays, $32,100,000,000.
Fiscal year 2004:
(A) New budget authority, $33,600,000,000.
(B) Outlays, $34,100,000,000.
Fiscal year 2005:
(A) New budget authority, $34,600,000,000.
(B) Outlays, $34,700,000,000.
Fiscal year 2006:
(A) New budget authority, $35,700,000,000.
(B) Outlays, $35,300,000,000.
Fiscal year 2007:
(A) New budget authority, $36,600,000,000.
(B) Outlays, $36,100,000,000.
Fiscal year 2008:
(A) New budget authority, $37,600,000,000.
(B) Outlays, $37,100,000,000.
Fiscal year 2009:
(A) New budget authority, $38,500,000,000.
(B) Outlays, $38,100,000,000.
Fiscal year 2010:
(A) New budget authority, $39,200,000,000.
(B) Outlays, $38,800,000,000.
Fiscal year 2011:
(A) New budget authority, $40,800,000,000.
(B) Outlays, $40,200,000,000.
(17) General Government (800):
Fiscal year 2001:
(A) New budget authority, $16,300,000,000.
(B) Outlays, $16,100,000,000.
Fiscal year 2002:
(A) New budget authority, $16,700,000,000.
(B) Outlays, $16,300,000,000.
Fiscal year 2003:
(A) New budget authority, $16,300,000,000.
(B) Outlays, $16,300,000,000.
Fiscal year 2004:
(A) New budget authority, $16,700,000,000.
(B) Outlays, $16,600,000,000.
Fiscal year 2005:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $16,700,000,000.
Fiscal year 2006:
(A) New budget authority, $17,500,000,000.
(B) Outlays, $17,100,000,000.
Fiscal year 2007:
(A) New budget authority, $17,900,000,000.
(B) Outlays, $17,500,000,000.
Fiscal year 2008:
(A) New budget authority, $18,000,000,000.
(B) Outlays, $17,700,000,000.
Fiscal year 2009:
(A) New budget authority, $18,400,000,000.
(B) Outlays, $18,000,000,000.
Fiscal year 2010:
(A) New budget authority, $18,700,000,000.
(B) Outlays, $18,300,000,000.
Fiscal year 2011:
(A) New budget authority, $19,400,000,000.
(B) Outlays, $18,900,000,000.
(18) Net Interest (900):
Fiscal year 2001:
(A) New budget authority, $273,600,000,000.
(B) Outlays, $273,600,000,000.
Fiscal year 2002:
(A) New budget authority, $257,600,000,000.
(B) Outlays, $257,600,000,000.
Fiscal year 2003:
(A) New budget authority, $253,200,000,000.
(B) Outlays, $253,200,000,000.
Fiscal year 2004:
(A) New budget authority, $248,500,000,000.
(B) Outlays, $248,500,000,000.
Fiscal year 2005:
(A) New budget authority, $242,400,000,000.
(B) Outlays, $242,400,000,000.
Fiscal year 2006:
(A) New budget authority, $239,000,000,000.
(B) Outlays, $239,000,000,000.
Fiscal year 2007:
(A) New budget authority, $236,500,000,000.
(B) Outlays, $236,500,000,000.
Fiscal year 2008:
(A) New budget authority, $233,300,000,000.
(B) Outlays, $233,300,000,000.
Fiscal year 2009:
(A) New budget authority, $229,300,000,000.
(B) Outlays, $229,300,000,000.
Fiscal year 2010:
(A) New budget authority, $224,400,000,000.
(B) Outlays, $224,400,000,000.
Fiscal year 2011:
(A) New budget authority, $219,100,000,000.
(B) Outlays, $219,100,000,000.
(19) Allowances (920):
Fiscal year 2001:
(A) New budget authority, −$500,000,000.
(B) Outlays, −$300,000,000.
Fiscal year 2002:
(A) New budget authority, $5,000,000,000.
(B) Outlays, $1,800,000,000.
Fiscal year 2003:
(A) New budget authority, $5,500,000,000.
(B) Outlays, $4,000,000,000.
Fiscal year 2004:
(A) New budget authority, $6,000,000,000.
(B) Outlays, $4,800,000,000.
Fiscal year 2005:
(A) New budget authority, $6,200,000,000.
(B) Outlays, $5,700,000,000.
Fiscal year 2006:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $6,100,000,000.
Fiscal year 2007:
(A) New budget authority, $6,600,000,000.
(B) Outlays, $6,300,000,000.
Fiscal year 2008:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $6,400,000,000.
Fiscal year 2009:
(A) New budget authority, $7,000,000,000.
(B) Outlays, $6,600,000,000.
Fiscal year 2010:
(A) New budget authority, $7,200,000,000.
(B) Outlays, $6,800,000,000.
Fiscal year 2011:
(A) New budget authority, $7,500,000,000.
(B) Outlays, $7,000,000,000.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 2001:
(A) New budget authority, −$38,300,000,000.
(B) Outlays, −$38,300,000,000.
Fiscal year 2002:
(A) New budget authority, −$42,300,000,000.
(B) Outlays, −$42,300,000,000.
Fiscal year 2003:
(A) New budget authority, −$52,300,000,000.
(B) Outlays, −$52,300,000,000.
Fiscal year 2004:
(A) New budget authority, −$53,200,000,000.
(B) Outlays, −$53,200,000,000.
Fiscal year 2005:
(A) New budget authority, −$45,500,000,000.
(B) Outlays, −$45,500,000,000.
Fiscal year 2006:
(A) New budget authority, −$46,500,000,000.
(B) Outlays, −$46,500,000,000.
Fiscal year 2007:
(A) New budget authority, −$48,200,000,000.
(B) Outlays, −$48,200,000,000.
Fiscal year 2008:
(A) New budget authority, −$49,100,000,000.
(B) Outlays, −$49,100,000,000.
Fiscal year 2009:
(A) New budget authority, −$50,200,000,000.
(B) Outlays, −$50,200,000,000.

Fiscal year 2010:

(A) New budget authority, −$51,800,000,000.

(B) Outlays, −$51,800,000,000.

Fiscal year 2011:

(A) New budget authority, −$53,300,000,000.

(B) Outlays, −$53,300,000,000.

SEC. 4. RECONCILIATION.

(a) SUBMISSIONS BY THE HOUSE COMMITTEE ON WAYS AND MEANS FOR TAX RELIEF.—The House Committee on Ways and Means shall—

(1) report to the House a reconciliation bill—

(A) not later than May 2, 2001;

(B) not later than May 23, 2001; and

(C) not later than June 20, 2001; and

(2) submit to the Committee on the Budget recommendations pursuant to section (c)(2)(F)(ii) not later than September 11, 2001, that consists of changes in laws within its jurisdiction sufficient to reduce the total level of revenues by not more than: $5,783,000,000 for fiscal year 2001, $64,427,000,000 for fiscal year 2002, $80,036,000,000 for fiscal year 2003, $106,584,000,000 for fiscal year 2004, $130,973,000,000 for fiscal year 2005, $165,166,000,000 for fiscal year 2006, and $1,625,951,000,000 for the period of fiscal year 2001 through 2011.

(b) SUBMISSIONS BY HOUSE COMMITTEES ON ENERGY AND COMMERCE AND WAYS AND MEANS FOR MEDICARE REFORM AND PRESCRIPTION DRUGS.—(1) Not later than July 24, 2001, the House Committees named in paragraph (2) shall submit their recommendations to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(2)(A) The House Committee on Energy and Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays by not more than the following: $2,500,000,000 for fiscal year 2001, $11,200,000,000 for fiscal year 2002, $12,900,000,000 for fiscal year 2003, $14,800,000,000 for fiscal year 2004, $12,500,000,000 for fiscal year 2005, $12,800,000,000 for fiscal year 2006, and $153,000,000,000 for the period of fiscal year 2001 through 2011.

(B) The House Committee on Ways and Means shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays by not more than the following: $2,500,000,000 for fiscal year 2001, $11,200,000,000 for fiscal year 2002, $12,900,000,000 for fiscal year 2003, $14,800,000,000 for fiscal year 2004, $12,500,000,000 for fiscal year 2005, $12,800,000,000 for fiscal year 2006, and $153,000,000,000 for the period of fiscal year 2001 through 2011.

(c) OTHER SUBMISSIONS BY HOUSE COMMITTEES.—(1) Not later than September 11, 2001, the House Committees named in paragraph (2) shall submit their recommendations to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(2)(A) The House Committee on Education and the Workforce shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays by not more than the following: $5,000,000 for fiscal year 2001, $5,000,000 for fiscal year 2002, $5,000,000 for fiscal year 2003, $5,000,000 for fiscal year 2004, $7,000,000 for fiscal year 2005, $10,000,000 for fiscal year 2006, and $87,000,000 for the period of fiscal year 2001 through 2011.

(B) The House Committee on Energy and Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays by not more than the following: $0 for fiscal year 2001, $180,000,000 for fiscal year 2002, $466,000,000 for fiscal year 2003, $561,000,000 for fiscal year 2004, $681,000,000 for fiscal year 2005, $836,000,000 for fiscal year 2006, and $7,867,000,000 for the period of fiscal year 2001 through 2011.

(C) The House Committee on Financial Services shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce revenues, as follows: $0 for fiscal year 2001, $139,000,000 for fiscal year 2002, $101,000,000 for fiscal year 2003, $92,000,000 for fiscal year 2004, $96,000,000 for fiscal year 2005, $101,000,000 for fiscal year 2006, and $1,112,000,000 for the period of fiscal year 2001 through 2011.

(D) The House Committee on Government Reform shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays by not less than the following: $0 for fiscal year 2001, $0 for fiscal year 2002, $496,000,000 for fiscal year 2003, $523,000,000 for fiscal year 2004, $501,000,000 for fiscal year 2005, $475,000,000 for fiscal year 2006, and $3,871,000,000 for the period of fiscal year 2001 through 2011.

(E) The House Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays by not more than the following: $0 for fiscal year 2001, $264,000,000 for fiscal year 2002, $479,000,000 for fiscal year 2003, $761,000,000 for fiscal year 2004, $816,000,000 for fiscal year 2005, $885,000,000 for fiscal year 2006, and $7,087,000,000 for the period of fiscal year 2001 through 2011.

(F)(i) The House Committee on Ways and Means shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays by not more than the following: $0 for fiscal year 2001, $820,000,000 for fiscal year 2002, $3,035,000,000 for fiscal year 2003, $2,842,000,000 for fiscal year 2004, $3,925,000,000 for fiscal year 2005, $4,267,000,000 for fiscal year 2006, and $39,515,000,000 for the period of fiscal year 2001 through 2011.

(ii) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to reduce the total level of revenues as specified in subsection (a).

(d) SPECIAL RULES.—In the House, if any bill reported pursuant to subsection (a) or subsection (c)(2)(F)(ii), amendment thereto or conference report thereon, has refundable tax provisions that increase outlays, the chairman of the Committee on the Budget may increase the amount of new budget authority provided by such provisions (and outlays flowing therefrom) allocated to the Committee on Ways and Means and adjust the revenue levels set forth in such subsection accordingly such that the increase in outlays and reduction in revenue resulting from such bill does not exceed the amounts specified in subsection (a) or subsection (c)(2)(F)(ii), as applicable.

SEC. 5. RESERVE FUND FOR EMERGENCIES.

(a) ALLOCATIONS FOR EMERGENCIES.—(1) In the House, in addition to the allocation provided under section 302(a) of the Congressional Budget Act of 1974, the joint explanatory statement of managers accompanying this resolution shall include a separate allocation of $5,627,000,000 in new budget authority and $2,617,000,000 in outlays for emergencies for natural disasters for fiscal year 2002 to the Committee on Appropriations. Such allocation shall be deemed to be an allocation made under section 302(a) of the Congressional Budget Act of 1974 for purposes of section 302(f)(1).

(2) In the House, after the reporting of a bill or joint resolution by the Committee on Appropriations, or the offering of an amendment thereto or the submission of a conference report thereon, the chairman of the Committee on Appropriations shall suballocate the amounts of new budget authority and outlays allocated to it under paragraph (1) by the amount provided by that measure for an emergency for natural disasters as defined by this section and so designated pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985. Suballocations under this paragraph may be made only after the Committee on Appropriations has reported legislation (as adjusted for any amendments thereto or conference reports thereon) providing at least $1,923,000,000 in new budget authority for fiscal year 2002 for accounts identified in the joint explanatory statement of managers accompanying the conference report on this resolution. Such suballocations shall be deemed to be suballocations made under section 302(b) of the Congressional Budget Act of 1974 for purposes of section 302(f)(1).

(b) DEFINITIONS.—As used in this section:

(1) The term ''emergency'' means a situation (other than a threat to national security) that—

(A) requires new budget authority (and outlays flowing therefrom) to prevent the imminent loss of life or property or in response to the loss of life or property; and

(B) is unanticipated.

(2) The term ''unanticipated'' means that the underlying situation is—

(A) sudden, which means quickly coming into being or not building up over time;

(B) urgent, which means a pressing and compelling need requiring immediate action;

(C) unforeseen, which means not predicted or anticipated as an emerging need; and

(D) temporary, which means not of a permanent duration.

(c) DEVELOPMENT OF GUIDELINES.—As soon as practicable, the chairman of the Committee on the Budget of the House shall, after consulting with the chairman of the Committee on Appropriations of the House, publish in the Congressional Record guidelines for application of the definition of emergency set forth in subsection (b).

(d) COMMITTEE EXPLANATION OF EMERGENCY LEGISLATION.—Whenever the Committee on Appropriations of the House (including a committee of conference) reports any bill or joint resolution that provides new budget authority for any emergency, the report accompanying that bill or joint resolution (or the joint explanatory statement of managers in the case of a conference report on any such bill or joint resolution) should explain the reasons such amount designated under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 falls within the definition of emergency set forth in subsection (b) pursuant to the guidelines published under subsection (c).

(e) CBO REPORT ON THE BUDGET.—The Director of the Congressional Budget Office shall include in each report submitted under section 202(e)(1) of the Congressional Budget Act of 1974 the average annual enacted levels of discretionary budget authority and the resulting outlays for emergencies for the 5 fiscal years preceding the fiscal year of the most recently agreed to concurrent resolution on the budget.

(f) SECTION 314(b)(1) ADJUSTMENT.—Section 314(b)(1) of the Congressional Budget Act of 1974 shall not apply in the House—

(1) for fiscal year 2001; or

(2) for fiscal year 2002 or any subsequent fiscal year, except for emergencies affecting national security.

SEC. 6. STRATEGIC RESERVE FUND.

(a) ADJUSTMENTS.—In the House, the chairman of the Committee on the Budget may, not later than July 25, 2001, increase allocations of new budget authority (and outlays flowing therefrom) and adjust aggregates (and adjust any other appropriate levels) for fiscal year 2002 for a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2002, and for any fiscal year for a bill to reauthorize title I of the Federal Agriculture Improvement Act of 1996 and other appropriate legislation, reported by July 11, 2001, and legislation to provide for medicare reform and a prescription drug benefit; and, in the House, the chairman may also make adjustments for amendments to or conference reports on such bills. The chairman shall consider the recommendations of the President's National Defense Review, any comparable review by the President of national agricultural policy, and any statement of administrative policy or supplemental budget request relating to any matter referred to in the preceding sentence.

(b) LIMITATIONS.—(1) The adjustments for any bill referred to in subsection (a) shall be in an amount not to exceed the amount by which such bill breaches the applicable allocation or aggregate.

(2) The total adjustments made under subsection (a) for any fiscal year may not cause the surplus set forth in this resolution for any fiscal year, as adjusted, covered by this resolution to be less than the surplus of the Federal Hospital Insurance Trust Fund for that fiscal year, as determined consistent with procedures set forth in H.R. 2 (107th Congress), as passed the House.

SEC. 7. SUPPLEMENTAL RESERVE FUND FOR MEDICARE.

In the House, whenever a reconciliation bill is reported, or an amendment thereto is offered or a conference report thereon is submitted, under section 4, the chairman of the Committee on the Budget may, for any of fiscal years 2001 through 2011, increase any allocations and aggregates of new budget authority (and outlays resulting therefrom) up to the amount provided by that measure to reform medicare and provide coverage for prescription drugs that is in excess of the instruction to the Committee on Energy and Commerce and the Committee on Ways and Means under section 4(b) (and make all other appropriate adjustments). The total adjustments made under this section for any fiscal year may not exceed the amount by which the Congressional Budget Office's estimate of the President's prescription drug plan (or, if such a plan is not submitted in a timely manner, the Congressional Budget Office's estimate of a comparable plan submitted by the chairmen of the committees of jurisdiction at levels to be determined by the chairman of the Committee on the Budget) exceeds the levels set forth in section 4(b)(2) for the period of fiscal years 2001 through 2011.

SEC. 8. RESERVE FUND FOR FISCAL YEAR 2001.

(a) ADJUSTMENTS.—In the House, the chairman of the Committee on the Budget may increase allocations of new budget authority (and outlays flowing therefrom) and adjust aggregates (and adjust any other appropriate levels) for fiscal year 2001 for reported bills, or amendments thereto or conference reports thereon: (1) by the amount of new budget authority (and the outlays resulting therefrom) provided by such measure to eliminate shortfalls for the Department of Defense, for assistance for producers of program crops and specialty crops, and for other critical needs; and (2) by the amount of reduction in revenue caused by such measure providing immediate tax relief.

(b) LIMITATIONS.—(1) The adjustments for any bill referred to in subsection (a) shall be in an amount not to exceed the amount by which such bill breaches the applicable allocation or aggregate.

(2) The total adjustments made under subsection (a) for fiscal year 2001 may not cause the surplus set forth in this resolution for that fiscal year, as adjusted, to be less than the surplus of the Federal Hospital Insurance Trust Fund for that fiscal year, as determined consistent with procedures set forth in H.R. 2 (107th Congress), as passed the House.

SEC. 9. RESERVE FUND FOR PROMOTION OF FULL FUNDING FOR SPECIAL EDUCATION.

In the House, whenever the Committee on Appropriations reports a bill or joint resolution, or an amendment thereto is offered, or a conference report thereon is submitted that provides new budget authority for fiscal year 2002 in excess of $6,368,000,000 for programs authorized under the Individuals with Disabilities Education Act (IDEA), the chairman of the Committee on the Budget may increase the appropriate allocations of new budget authority and outlays by the amount of that excess, but not to exceed $1,250,000,000 (and adjust any other appropriate levels).

SEC. 10. RESERVE FUND FOR ADDITIONAL TAX CUTS AND DEBT REDUCTION.

If the report provided pursuant to section 202(e)(2) of the Congressional Budget Act of 1974, the budget and economic outlook: update (for fiscal years 2002 through 2011), estimates an on-budget surplus for any of fiscal years 2001 through 2011 that exceeds the estimated on-budget surplus set forth in the Congressional Budget Office's January 2001 budget and economic outlook for such fiscal year, the chairman of the Committee on the Budget of the House may, in an amount not to exceed the increase in such surplus for that fiscal year—

(1) reduce the recommended level of Federal revenues and make other appropriate adjustments (including the reconciliation instructions) for that fiscal year;

(2) reduce the appropriate level of the public debt, increase the amount of the surplus, and make other appropriate adjustments for that fiscal year; or

(3) any combination of paragraphs (1) and (2).

SEC. 11. APPLICATION AND EFFECT OF CHANGES IN ALLOCATIONS AND AGGREGATES.

(a) APPLICATION.—Any adjustments of allocations and aggregates made pursuant to this resolution shall—

(1) apply while that measure is under consideration;

(2) take effect upon the enactment of that measure; and

(3) be published in the Congressional Record as soon as practicable.

(b) EFFECT OF CHANGED ALLOCATIONS AND AGGREGATES.—Revised allocations and aggregates resulting from these adjustments shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(c) BUDGET COMMITTEE DETERMINATIONS.—For purposes of this resolution—

(1) the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives; and

(2) such chairman, as applicable, may make any other necessary adjustments to such levels to carry out this resolution, and any adjustments permitted under sections 6, 7, and 8 may include changes in the appropriate reconciliation instructions.

SEC. 12. COMPLIANCE WITH SECTION 13301 OF THE BUDGET ENFORCEMENT ACT OF 1990.

(a) IN GENERAL.—In the House, notwithstanding section 302(a)(1) of the Congressional Budget Act of 1974 and section 13301 of the Budget Enforcement Act of 1990, the joint explanatory statement accompanying the conference report on any concurrent resolution on the budget shall include in its allocation under section 302(a) of such Act to the Committee on Appropriations amounts for the discretionary administrative expenses of the Social Security Administration.

(b) SPECIAL RULE.—In the House, for purposes of applying section 302(f) of the Congressional Budget Act of 1974, estimates of the level of total new budget authority and total outlays provided by a measure shall include any discretionary amounts provided for the Social Security Administration.

SEC. 13. RESTRICTIONS ON ADVANCE APPROPRIATIONS.

For purposes of title III of the Congressional Budget Act of 1974, advance appropriations shall be scored as new budget authority for the fiscal year in which the appropriations are enacted, except that advance appropriations up to the levels specified in the joint explanatory statement of managers accompanying this resolution for programs, projects, activities or accounts identified in such joint statement shall continue to be scored as new budget authority in the year in which they first become available for obligation.

SEC. 14. FEDERAL EMPLOYEE PAY.

(a) FINDINGS.—The House of Representatives finds the following:

(1) Members of the uniformed services and civilian employees of the United States make significant contributions to the general welfare of the Nation.

(2) Increases in the pay of members of the uniformed services and of civilian employees of the United States have not kept pace with increases in the overall pay levels of workers in the private sector, so that there now exists—

(A) a 32 percent gap between compensation levels of Federal civilian employees and compensation levels of private sector workers; and

(B) an estimated 10 percent gap between compensation levels of members of the uniformed services and compensation levels of private sector workers.

(3) The President's budget proposal for fiscal year 2002 includes a 4.6 percent pay raise for military personnel.

(4) The Office of Management and Budget has requested that Federal agencies plan their fiscal year 2002 budgets with a 3.6 percent pay raise for civilian Federal employees.

(5) In almost every year during the past 2 decades, there have been equal adjustments in the compensation of members of the uniformed services and the compensation of civilian employees of the United States.

(b) SENSE OF THE HOUSE OF REPRESENTATIVES.—It is the sense of the House of Representatives that rates of compensation for civilian employees of the United States should be adjusted at the same time, and in the same proportion, as are rates of compensation for members of the uniformed services.

SEC. 15. ASSET BUILDING FOR THE WORKING POOR.

(a) FINDINGS.—Congress find the following:

(1) For the vast majority of United States households, the pathway to the economic mainstream and financial security is not through spending and consumption, but through savings, investing, and the accumulation of assets.

(2) One-third of all Americans have no assets available for investment and another 20 percent have only negligible assets. The situation is even more serious for minority households; for example, 60 percent of African-American households have no or negative financial assets.

(3) Nearly 50 percent of all children in America live in households that have no assets available for investment, including 40 percent of Caucasian children and 73 percent of African-American children.

(4) Up to 20 percent of all United States households do not deposit their savings in financial institutions and, thus, do not have access to the basic financial tools that make asset accumulation possible.

(5) Public policy can have either a positive or a negative impact on asset accumulation. Traditional public assistance programs based on income and consumption have rarely been successful in supporting the transition to economic self-sufficiency. Tax policy, through $288,000,000,000 in annual tax incentives, has helped lay the foundation for the great middle class.

(6) Lacking an income tax liability, low-income working families cannot take advantage of asset development incentives available through the Federal tax code.

(7) Individual Development Accounts have proven to be successful in helping low-income working families save and accumulate assets. Individual Development Accounts have been used to purchase long-term, high-return assets, including homes, postsecondary education and training, and small business.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Federal tax code should support a significant expansion of Individual Development Accounts so that millions of low-income, working families can save, build assets, and move their lives forward; thus, making positive contributions to the economic and social well-being of the United States, as well as to its future.

SEC. 16. FEDERAL FIRE PREVENTION ASSISTANCE.

(a) FINDINGS.—Congress finds the following:

(1) Increased demands on firefighting and emergency medical personnel have made it difficult for local governments to adequately fund necessary fire safety precautions.

(2) The Government has an obligation to protect the health and safety of the firefighting personnel of the United States and to ensure that they have the financial resources to protect the public.

(3) The high rates in the United States of death, injury, and property damage caused by fires demonstrates a critical need for Federal investment in support of firefighting personnel.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Government should support the core operations of the Federal Emergency Management Agency by providing needed fire grant programs to assist our firefighters and rescue personnel as they respond to more than 17,000,000 emergency calls annually. To accomplish this task, Congress supports preservation of the Assistance to Firefighters grant program. Continued support of the Assistance to Firefighters grant program will enable local firefighters to adequately protect the lives of countless Americans put at risk by insufficient fire protection.

SEC. 17. SALES TAX DEDUCTION.

(a) FINDINGS.—The House finds that—

(1) in 1986 the ability to deduct State sales taxes was eliminated from the Federal tax code;

(2) the States of Tennessee, Texas, Wyoming, Washington, Florida, Nevada, and South Dakota have no State income tax;

(3) the citizens of those seven States continue to be treated unfairly by paying significantly more in taxes to the Government than taxpayers with an identical profile in different State because they are prohibited from deducting their State sales taxes from their Federal income taxes in lieu of a State income tax;

(4) the design of the Federal tax code is preferential in its treatment of States with State income taxes over those without State income taxes;

(5) the current Federal tax code infringes upon States' rights to tax their citizens as they see fit in that the Federal tax code exerts unjust influence on States without State income taxes to impose one their citizens;

(6) the current surpluses that our Government holds provide an appropriate time and opportunity to allow taxpayers to deduct either their State sales taxes or their State income taxes from their Federal income tax returns; and

(7) over 50 Members of the House have cosponsored legislation to restore the sales tax deduction option to the Federal tax code.

(b) SENSE OF HOUSE.—It is the sense of the House of Representatives that the Committee on Ways and Means should consider legislation that makes State sales tax deductible against Federal income taxes.

SEC. 18. FUNDING FOR GRADUATE MEDICAL EDUCATION AT CHILDREN'S TEACHING HOSPITALS.

It is the sense of Congress that:

(1) Function 550 of the President's budget should include an appropriate level of funding for graduate medical education conducted at independent children's teaching hospitals in order to ensure access to care by millions of children nationwide.

(2) An emphasis should be placed on the role played by community health centers in underserved rural and urban communities. An increase in funding for community health centers should not come at the expense of the Community Access Program. Both programs should be funded adequately, with the intention of doubling funding for increased capacity for community health centers, in addition to keeping the Community Access Program operational.

(3) The medicare program should emphasize such preventive medical services as those provided by vision rehabilitation professionals in saving Government funds and preserving the independence of a growing number of seniors in the coming years.

(4) Funding under function 550 should also reflect the importance of the Ryan White CARE Act to persons afflicted with HIV/AIDS. Funds allocated from the CARE Act serve as the safety net for thousands of low-income people living with HIV/AIDS who reside in metropolitan areas but are ineligible for entitlement programs. Moreover, the CARE Act provides critically needed grants directly to existing community-based clinics and public health providers to develop and deliver both early and ongoing comprehensive services to persons with HIV/AIDS.

SEC. 19. CONCURRENT RETIREMENT AND DISABILITY BENEFITS TO RETIRED MEMBERS OF THE ARMED FORCES.

(a) FINDINGS.—Congress finds that the Secretary of Defense is the appropriate official for evaluating the existing standards for the provision of concurrent retirement and disability benefits to retired members of the Armed Forces and the need to change these standards.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the Secretary of Defense should report to the congressional committees of jurisdiction on the provision of concurrent retirement and disability benefits to retired members of the Armed Forces;

(2) the report should address the number of individuals retired from the Armed Forces who would otherwise be eligible for disability compensation, the comparability of the policy to Office of Personnel Management guidelines for civilian Federal retirees, the applicability of this policy to prevailing private sector standards, the number of individuals potentially eligible for concurrent benefits who receive other forms of Federal assistance and the cost of that assistance, and alternative initiatives that would accomplish the same end as concurrent receipt of military retired pay and disability compensation;

(3) the Secretary of Defense should submit legislation that he considers appropriate; and

(4) upon receiving such report, the committees of jurisdiction, working with the Committees on the Budget of the House and Senate, should consider appropriate legislation.

The CHAIRMAN. No further amendment is in order except the amendments printed in part B of the report. Each amendment may be offered only in the order printed in the report, may be offered only by the Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment.

After conclusion of consideration of the concurrent resolution for amendment, there shall be a final period of general debate which shall not exceed 10 minutes, equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget.

It is now in order to consider amendment number 1 printed in part B of House Report 107–30.

AMENDMENT NO. 1 IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. KUCINICH

Mr. KUCINICH. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment No. 1 in the nature of a substitute offered by Mr. KUCINICH:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2002.

The Congress declares that this is the concurrent resolution on the budget for fiscal year 2002 and that the appropriate budgetary levels for fiscal years 2003 through 2011 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for each of fiscal years 2002 through 2011:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2002: $1,671,613,000,000.
Fiscal year 2003: $1,743,536,000,000.
Fiscal year 2004: $1,820,660,000,000.
Fiscal year 2005: $1,903,395,000,000.
Fiscal year 2006: $1,979,608,000,000.
Fiscal year 2007: $2,060,355,000,000.
Fiscal year 2008: $2,170,035,000,000.
Fiscal year 2009: $2,264,741,000,000.
Fiscal year 2010: $2,377,927,000,000.
Fiscal year 2011: $2,499,618,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 2002: $34,500,000,000.
Fiscal year 2003: $41,200,000,000.
Fiscal year 2004: $46,300,000,000.
Fiscal year 2005: $49,000,000,000.
Fiscal year 2006: $62,600,000,000.
Fiscal year 2007: $75,400,000,000.
Fiscal year 2008: $84,700,000,000.
Fiscal year 2009: $98,000,000,000.
Fiscal year 2010: $114,000,000,000.
Fiscal year 2011: $130,900,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2002: $1,644,212,000,000.
Fiscal year 2003: $1,691,703,000,000.
Fiscal year 2004: $1,756,548,000,000.
Fiscal year 2005: $1,836,715,000,000.
Fiscal year 2006: $1,881,717,000,000.
Fiscal year 2007: $1,946,814,000,000.
Fiscal year 2008: $2,016,811,000,000.
Fiscal year 2009: $2,086,903,000,000.
Fiscal year 2010: $2,159,932,000,000.
Fiscal year 2011: $2,238,940,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2002: $1,605,871,000,000.
Fiscal year 2003: $1,662,777,000,000.
Fiscal year 2004: $1,734,976,000,000.
Fiscal year 2005: $1,812,019,000,000.
Fiscal year 2006: $1,852,444,000,000.
Fiscal year 2007: $1,915,721,000,000.
Fiscal year 2008: $1,991,123,000,000.
Fiscal year 2009: $2,062,464,000,000.
Fiscal year 2010: $2,136,979,000,000.
Fiscal year 2011: $2,215,937,000,000.

(4) SURPLUSES.—For purposes of the enforcement of this resolution, the amounts of the surpluses are as follows:

Fiscal year 2002: $65,742,000,000.
Fiscal year 2003: $80,759,000,000.
Fiscal year 2004: $85,684,000,000.
Fiscal year 2005: $91,376,000,000.
Fiscal year 2006: $127,164,000,000.
Fiscal year 2007: $144,634,000,000.
Fiscal year 2008: $178,192,000,000.
Fiscal year 2009: $202,277,000,000.
Fiscal year 2010: $240,948,000,000.
Fiscal year 2011: $283,681,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 2002: $5,641,000,000,000.
Fiscal year 2003: $5,671,000,000,000.
Fiscal year 2004: $5,696,000,000,000.
Fiscal year 2005: $5,712,000,000,000.
Fiscal year 2006: $5,700,000,000,000.
Fiscal year 2007: $5,665,000,000,000.
Fiscal year 2008: $5,596,000,000,000.
Fiscal year 2009: $6,006,000,000,000.
Fiscal year 2010: $6,361,000,000,000.
Fiscal year 2011: $6,737,000,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority and budget outlays for fiscal years 2002 through 2011 for each major functional category are:

(1) National Defense (050):

Fiscal year 2002:
(A) New budget authority, $258,495,000,000.
(B) Outlays, $272,550,000,000.
Fiscal year 2003:
(A) New budget authority, $265,998,000,000.
(B) Outlays, $267,442,000,000.
Fiscal year 2004:
(A) New budget authority, $273,371,000,000.
(B) Outlays, $275,340,000,000.
Fiscal year 2005:
(A) New budget authority, $280,655,000,000.
(B) Outlays, $279,539,000,000.
Fiscal year 2006:
(A) New budget authority, $288,245,000,000.
(B) Outlays, $282,897,000,000.
Fiscal year 2007:
(A) New budget authority, $296,097,000,000.
(B) Outlays, $287,870,000,000.
Fiscal year 2008:
(A) New budget authority, $304,171,000,000.
(B) Outlays, $299,138,000,000.
Fiscal year 2009:
(A) New budget authority, $312,560,000,000.
(B) Outlays, $307,561,000,000.
Fiscal year 2010:
(A) New budget authority, $321,107,000,000.
(B) Outlays, $316,107,000,000.
Fiscal year 2011:
(A) New budget authority, $330,102,000,000.
(B) Outlays, $324,998,000,000.

(2) International Affairs (150):

Fiscal year 2002:
(A) New budget authority, $22,389,000,000.
(B) Outlays, $18,327,000,000.
Fiscal year 2003:
(A) New budget authority, $22,909,000,000.
(B) Outlays, $18,831,000,000.
Fiscal year 2004:
(A) New budget authority, $23,357,000,000.
(B) Outlays, $19,369,000,000.
Fiscal year 2005:
(A) New budget authority, $24,037,000,000.
(B) Outlays, $19,589,000,000.
Fiscal year 2006:
(A) New budget authority, $24,614,000,000.
(B) Outlays, $20,031,000,000.
Fiscal year 2007:
(A) New budget authority, $25,200,000,000.
(B) Outlays, $20,598,000,000.
Fiscal year 2008:
(A) New budget authority, $25,557,000,000.
(B) Outlays, $21,118,000,000.
Fiscal year 2009:
(A) New budget authority, $25,995,000,000.
(B) Outlays, $21,720,000,000.
Fiscal year 2010:
(A) New budget authority, $26,498,000,000.
(B) Outlays, $22,287,000,000.
Fiscal year 2011:
(A) New budget authority, $27,087,000,000.
(B) Outlays, $22,800,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 2002:
(A) New budget authority, $21,583,000,000.
(B) Outlays, $20,725,000,000.
Fiscal year 2003:
(A) New budget authority, $22,055,000,000.
(B) Outlays, $21,361,000,000.
Fiscal year 2004:
(A) New budget authority, $22,379,000,000.
(B) Outlays, $21,945,000,000.
Fiscal year 2005:
(A) New budget authority, $22,839,000,000.
(B) Outlays, $22,429,000,000.
Fiscal year 2006:
(A) New budget authority, $23,323,000,000.
(B) Outlays, $20,847,000,000.
Fiscal year 2007:
(A) New budget authority, $23,812,000,000.
(B) Outlays, $23,280,000,000.
Fiscal year 2008:
(A) New budget authority, $24,303,000,000.
(B) Outlays, $23,743,000,000.
Fiscal year 2009:
(A) New budget authority, $24,816,000,000.
(B) Outlays, $24,339,000,000.
Fiscal year 2010:
(A) New budget authority, $25,335,000,000.
(B) Outlays, $24,749,000,000.
Fiscal year 2011:
(A) New budget authority, $25,879,000,000.
(B) Outlays, $25,274,000,000.

(4) Energy (270):

Fiscal year 2002:
(A) New budget authority, $1,360,000,000.
(B) Outlays, −$19,000,000.
Fiscal year 2003:
(A) New budget authority, $1,328,000,000.
(B) Outlays, −$72,000,000.
Fiscal year 2004:
(A) New budget authority, $1,309,000,000.
(B) Outlays, −$120,000,000.
Fiscal year 2005:
(A) New budget authority, $1,254,000,000.
(B) Outlays, −$91,000,000.
Fiscal year 2006:
(A) New budget authority, $1,336,000,000.
(B) Outlays, −$3,000,000.
Fiscal year 2007:
(A) New budget authority, $1,411,000,000.
(B) Outlays, $71,000,000.
Fiscal year 2008:
(A) New budget authority, $1,882,000,000.
(B) Outlays, $440,000,000.
Fiscal year 2009:
(A) New budget authority, $1,998,000,000.
(B) Outlays, $579,000,000.
Fiscal year 2010:
(A) New budget authority, $2,021,000,000.
(B) Outlays, $703,000,000.
Fiscal year 2011:
(A) New budget authority, $1,990,000,000.
(B) Outlays, $691,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 2002:
(A) New budget authority, $30,031,000,000.
(B) Outlays, $28,305,000,000.
Fiscal year 2003:
(A) New budget authority, $30,826,000,000.
(B) Outlays, $30,076,000,000.
Fiscal year 2004:
(A) New budget authority, $31,810,000,000.
(B) Outlays, $31,152,000,000.
Fiscal year 2005:
(A) New budget authority, $32,648,000,000.
(B) Outlays, $31,959,000,000.
Fiscal year 2006:
(A) New budget authority, $33,519,000,000.
(B) Outlays, $32,842,000,000.
Fiscal year 2007:
(A) New budget authority, $34,417,000,000.
(B) Outlays, $33,627,000,000.
Fiscal year 2008:
(A) New budget authority, $35,341,000,000.
(B) Outlays, $34,465,000,000.
Fiscal year 2009:
(A) New budget authority, $36,714,000,000.

(B) Outlays, $35,813,000,000.
Fiscal year 2010:
(A) New budget authority, $37,761,000,000.
(B) Outlays, $36,840,000,000.
Fiscal year 2011:
(A) New budget authority, $38,787,000,000.
(B) Outlays, $37,841,000,000.
(6) Agriculture (350):
Fiscal year 2002:
(A) New budget authority, $19,265,000,000.
(B) Outlays, $17,593,000,000.
Fiscal year 2003:
(A) New budget authority, $18,507,000,000.
(B) Outlays, $16,924,000,000.
Fiscal year 2004:
(A) New budget authority, $18,562,000,000.
(B) Outlays, $17,120,000,000.
Fiscal year 2005:
(A) New budget authority, $18,406,000,000.
(B) Outlays, $16,915,000,000.
Fiscal year 2006:
(A) New budget authority, $17,952,000,000.
(B) Outlays, $16,353,000,000.
Fiscal year 2007:
(A) New budget authority, $16,583,000,000.
(B) Outlays, $15,009,000,000.
Fiscal year 2008:
(A) New budget authority, $15,723,000,000.
(B) Outlays, $14,134,000,000.
Fiscal year 2009:
(A) New budget authority, $15,921,000,000.
(B) Outlays, $14,441,000,000.
Fiscal year 2010:
(A) New budget authority, $16,053,000,000.
(B) Outlays, $14,674,000,000.
Fiscal year 2011:
(A) New budget authority, $16,203,000,000.
(B) Outlays, $14,819,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 2002:
(A) New budget authority, $10,029,000,000.
(B) Outlays, $6,497,000,000.
Fiscal year 2003:
(A) New budget authority, $11,246,000,000.
(B) Outlays, $5,825,000.
Fiscal year 2004:
(A) New budget authority, $15,891,000,000.
(B) Outlays, $11,593,000,000.
Fiscal year 2005:
(A) New budget authority, $16,009,000,000.
(B) Outlays, $12,239,000,000.
Fiscal year 2006:
(A) New budget authority, $15,982,000,000.
(B) Outlays, $11,643,000,000.
Fiscal year 2007:
(A) New budget authority, $16,086,000,000.
(B) Outlays, $11,904,000,000.
Fiscal year 2008:
(A) New budget authority, $16,242,000,000.
(B) Outlays, $11,734,000,000.
Fiscal year 2009:
(A) New budget authority, $16,313,000,000.
(B) Outlays, $11,770,000,000.
Fiscal year 2010:
(A) New budget authority, $16,428,000,000.
(B) Outlays, $11,722,000,000.
Fiscal year 2011:
(A) New budget authority, $16,542,000,000.
(B) Outlays, $11,745,000,000.
(8) Transportation (400):
Fiscal year 2002:
(A) New budget authority, $64,444,000,000.
(B) Outlays, $56,167,000,000.
Fiscal year 2003:
(A) New budget authority, $62,392,000,000.
(B) Outlays, $60,521,000,000.
Fiscal year 2004:
(A) New budget authority, $60,999,000,000.
(B) Outlays, $62,662,000,000.
Fiscal year 2005:
(A) New budget authority, $63,601,000,000.
(B) Outlays, $64,225,000,000.
Fiscal year 2006:
(A) New budget authority, $64,245,000,000.
(B) Outlays, $65,702,000,000.
Fiscal year 2007:
(A) New budget authority, $64,908,000,000.
(B) Outlays, $66,577,000,000.
Fiscal year 2008:
(A) New budget authority, $65,597,000,000.
(B) Outlays, $67,775,000,000.
Fiscal year 2009:
(A) New budget authority, $66,303,000,000.
(B) Outlays, $69,221,000,000.
Fiscal year 2010:
(A) New budget authority, $67,035,000,000.
(B) Outlays, $70,588,000,000.
Fiscal year 2011:
(A) New budget authority, $67,796,000,000.
(B) Outlays, $72,183,000,000.
(9) Community and Regional Development (450):
Fiscal year 2002:
(A) New budget authority, $11,892,000,000.
(B) Outlays, $11,730,000,000.
Fiscal year 2003:
(A) New budget authority, $12,067,000,000.
(B) Outlays, $11,731,000,000.
Fiscal year 2004:
(A) New budget authority, $12,350,000,000.
(B) Outlays, $11,967,000,000.
Fiscal year 2005:
(A) New budget authority, $12,664,000,000.
(B) Outlays, $11,913,000,000.
Fiscal year 2006:
(A) New budget authority, $12,933,000,000.
(B) Outlays, $11,936,000,000.
Fiscal year 2007:
(A) New budget authority, $13,198,000,000.
(B) Outlays, $12,181,000,000.
Fiscal year 2008:
(A) New budget authority, $13,476,000,000.
(B) Outlays, $12,444,000,000.
Fiscal year 2009:
(A) New budget authority, $13,759,000,000.
(B) Outlays, $12,696,000,000.
Fiscal year 2010:
(A) New budget authority, $14,048,000,000.
(B) Outlays, $12,962,000,000.
Fiscal year 2011:
(A) New budget authority, $14,340,000,000.
(B) Outlays, $13,233,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 2002:
(A) New budget authority, $110,389,000,000.
(B) Outlays, $94,926,000,000.
Fiscal year 2003:
(A) New budget authority, $117,559,000,000.
(B) Outlays, $110,183,000,000.
Fiscal year 2004:
(A) New budget authority, $125,822,000,000.
(B) Outlays, $119,806,000,000.
Fiscal year 2005:
(A) New budget authority, $135,923,000,000.
(B) Outlays, $129,772,000,000.
Fiscal year 2006:
(A) New budget authority, $139,035,000,000.
(B) Outlays, $134,017,000,000.
Fiscal year 2007:
(A) New budget authority, $148,706,000,000.
(B) Outlays, $143,631,000,000.
Fiscal year 2008:
(A) New budget authority, $151,981,000,000.
(B) Outlays, $148,841,000,000.
Fiscal year 2009:
(A) New budget authority, $155,367,000,000.
(B) Outlays, $152,778,000,000.
Fiscal year 2010:
(A) New budget authority, $158,833,000,000.
(B) Outlays, $156,541,000,000.
Fiscal year 2011:
(A) New budget authority, $162,392,000,000.
(B) Outlays, $160,127,000,000.
(11) Health (550):
Fiscal year 2002:
(A) New budget authority, $194,085,000,000.
(B) Outlays, $190,959,000,000.
Fiscal year 2003:
(A) New budget authority, $212,445,000,000.
(B) Outlays, $210,723,000,000.
Fiscal year 2004:
(A) New budget authority, $227,483,000,000.
(B) Outlays, $226,534,000,000.
Fiscal year 2005:
(A) New budget authority, $243,984,000,000.
(B) Outlays, $242,370,000,000.
Fiscal year 2006:
(A) New budget authority, $260,317,000,000.
(B) Outlays, $258,667,000,000.
Fiscal year 2007:
(A) New budget authority, $279,956,000,000.
(B) Outlays, $277,662,000,000.
Fiscal year 2008:
(A) New budget authority, $300,281,000,000.
(B) Outlays, $298,181,000,000.
Fiscal year 2009:
(A) New budget authority, $321,645,000,000.
(B) Outlays, $319,851,000,000.
Fiscal year 2010:
(A) New budget authority, $346,303,000,000.
(B) Outlays, $344,676,000,000.
Fiscal year 2011:
(A) New budget authority, $373,436,000,000.
(B) Outlays, $371,993,000,000.
(12) Medicare (570):
Fiscal year 2002:
(A) New budget authority, $284,179,000,000.
(B) Outlays, $282,221,000,000.
Fiscal year 2003:
(A) New budget authority, $299,228,000,000.
(B) Outlays, $298,278,000,000.
Fiscal year 2004:
(A) New budget authority, $315,675,000,000.
(B) Outlays, $315,495,000,000.
Fiscal year 2005:
(A) New budget authority, $339,054,000,000.
(B) Outlays, $338,782,000,000.
Fiscal year 2006:
(A) New budget authority, $352,860,000,000.
(B) Outlays, $352,265,000,000.
Fiscal year 2007:
(A) New budget authority, $378,665,000,000.
(B) Outlays, $378,812,000,000.
Fiscal year 2008:
(A) New budget authority, $403,469,000,000.
(B) Outlays, $403,292,000,000.
Fiscal year 2009:
(A) New budget authority, $430,768,000,000.
(B) Outlays, $430,412,000,000.
Fiscal year 2010:
(A) New budget authority, $460,355,000,000.
(B) Outlays, $460,520,000,000.
Fiscal year 2011:
(A) New budget authority, $492,688,000,000.
(B) Outlays, $492,601,000,000.
(13) Income Security (600):
Fiscal year 2002:
(A) New budget authority, $284,148,000,000.
(B) Outlays, $278,365,000,000.
Fiscal year 2003:
(A) New budget authority, $294,503,000,000.
(B) Outlays, $291,588,000,000.
Fiscal year 2004:
(A) New budget authority, $305,450,000,000.
(B) Outlays, $302,923,000,000.
Fiscal year 2005:
(A) New budget authority, $319,479,000,000.
(B) Outlays, $317,443,000,000.
Fiscal year 2006:
(A) New budget authority, $327,026,000,000.
(B) Outlays, $324,705,000,000.
Fiscal year 2007:
(A) New budget authority, $334,003,000,000.
(B) Outlays, $332,385,000,000.
Fiscal year 2008:
(A) New budget authority, $348,527,000,000.
(B) Outlays, $347,026,000,000.
Fiscal year 2009:
(A) New budget authority, $360,130,000,000.
(B) Outlays, $350,381,000,000.
Fiscal year 2010:

(A) New budget authority, $371,190,000,000.
(B) Outlays, $369,313,000,000.
Fiscal year 2011:
(A) New budget authority, $382,791,000,000.
(B) Outlays, $380,446,000,000.
(14) Social Security (650):
Fiscal year 2002:
(A) New budget authority, $11,004,000,000.
(B) Outlays, $11,004,000,000.
Fiscal year 2003:
(A) New budget authority, $11,733,000,000.
(B) Outlays, $11,733,000,000.
Fiscal year 2004:
(A) New budget authority, $12,496,000,000.
(B) Outlays, $12,496,000,000.
Fiscal year 2005:
(A) New budget authority, $13,308,000,000.
(B) Outlays, $13,308,000,000.
Fiscal year 2006:
(A) New budget authority, $14,207,000,000.
(B) Outlays, $14,207,000,000.
Fiscal year 2007:
(A) New budget authority, $15,168,000,000.
(B) Outlays, $15,168,000,000.
Fiscal year 2008:
(A) New budget authority, $16,241,000,000.
(B) Outlays, $16,241,000,000.
Fiscal year 2009:
(A) New budget authority, $17,483,000,000.
(B) Outlays, $17,483,000,000.
Fiscal year 2010:
(A) New budget authority, $18,878,000,000.
(B) Outlays, $18,878,000,000.
Fiscal year 2011:
(A) New budget authority, $20,388,000,000.
(B) Outlays, $20,388,000,000.
(15) Veterans Benefits and Services (700):
Fiscal year 2002:
(A) New budget authority, $57,418,000,000.
(B) Outlays, $54,482,000,000.
Fiscal year 2003:
(A) New budget authority, $59,615,000,000.
(B) Outlays, $58,336,000,000.
Fiscal year 2004:
(A) New budget authority, $61,813,000,000.
(B) Outlays, $60,927,000,000.
Fiscal year 2005:
(A) New budget authority, $66,036,000,000.
(B) Outlays, $65,329,000,000.
Fiscal year 2006:
(A) New budget authority, $65,637,000,000.
(B) Outlays, $64,735,000,000.
Fiscal year 2007:
(A) New budget authority, $65,178,000,000.
(B) Outlays, $64,601,000,000.
Fiscal year 2008:
(A) New budget authority, $69,313,000,000.
(B) Outlays, $68,792,000,000.
Fiscal year 2009:
(A) New budget authority, $71,790,000,000.
(B) Outlays, $71,292,000,000.
Fiscal year 2010:
(A) New budget authority, $73,876,000,000.
(B) Outlays, $73,369,000,000.
Fiscal year 2011:
(A) New budget authority, $76,060,000,000.
(B) Outlays, $75,538,000,000.
(16) Administration of Justice (750):
Fiscal year 2002:
(A) New budget authority, $32,431,000,000.
(B) Outlays, $31,436,000,000.
Fiscal year 2003:
(A) New budget authority, $32,545,000,000.
(B) Outlays, $32,809,000,000.
Fiscal year 2004:
(A) New budget authority, $35,330,000,000.
(B) Outlays, $35,543,000,000.
Fiscal year 2005:
(A) New budget authority, $36,420,000,000.
(B) Outlays, $36,347,000,000.
Fiscal year 2006:
(A) New budget authority, $37,466,000,000.
(B) Outlays, $37,036,000,000.
Fiscal year 2007:
(A) New budget authority, $38,543,000,000.
(B) Outlays, $38,013,000,000.
Fiscal year 2008:
(A) New budget authority, $39,665,000,000.
(B) Outlays, $39,152,000,000.
Fiscal year 2009:
(A) New budget authority, $40,822,000,000.
(B) Outlays, $40,292,000,000.
Fiscal year 2010:
(A) New budget authority, $42,021,000,000.
(B) Outlays, $41,483,000,000.
Fiscal year 2011:
(A) New budget authority, $43,284,000,000.
(B) Outlays, $42,278,000,000.
(17) General Government (800):
Fiscal year 2002:
(A) New budget authority, $16,996,000,000.
(B) Outlays, $16,503,000,000.
Fiscal year 2003:
(A) New budget authority, $17,151,000,000.
(B) Outlays, $16,925,000,000.
Fiscal year 2004:
(A) New budget authority, $17,582,000,000.
(B) Outlays, $17,445,000,000.
Fiscal year 2005:
(A) New budget authority, $18,060,000,000.
(B) Outlays, $17,688,000,000.
Fiscal year 2006:
(A) New budget authority, $18,568,000,000.
(B) Outlays, $18,115,000,000.
Fiscal year 2007:
(A) New budget authority, $19,109,000,000.
(B) Outlays, $18,644,000,000.
Fiscal year 2008:
(A) New budget authority, $18,791,000,000.
(B) Outlays, $18,445,000,000.
Fiscal year 2009:
(A) New budget authority, $19,377,000,000.
(B) Outlays, $18,882,000,000.
Fiscal year 2010:
(A) New budget authority, $19,968,000,000.
(B) Outlays, $19,437,000,000.
Fiscal year 2011:
(A) New budget authority, $20,599,000,000.
(B) Outlays, $20,048,000,000.
(18) Net Interest (900):
Fiscal year 2002:
(A) New budget authority, $256,860,000,000.
(B) Outlays, $256,860,000,000.
Fiscal year 2003:
(A) New budget authority, $251,900,000,000.
(B) Outlays, $251,900,000,000.
Fiscal year 2004:
(A) New budget authority, $246,030,000,000.
(B) Outlays, $246,030,000,000.
Fiscal year 2005:
(A) New budget authority, $237,809,000,000.
(B) Outlays, $237,809,000,000.
Fiscal year 2006:
(A) New budget authority, $230,958,000,000.
(B) Outlays, $230,958,000,000.
Fiscal year 2007:
(A) New budget authority, $224,040,000,000.
(B) Outlays, $224,040,000,000.
Fiscal year 2008:
(A) New budget authority, $215,519,000,000.
(B) Outlays, $215,519,000,000.
Fiscal year 2009:
(A) New budget authority, $205,519,000,000.
(B) Outlays, $205,519,000,000.
Fiscal year 2010:
(A) New budget authority, $194,220,000,000.
(B) Outlays, $194,220,000,000.
Fiscal year 2011:
(A) New budget authority, $182,136,000,000.
(B) Outlays, $182,136,000,000.
(19) Allowances (920):
Fiscal year 2002:
(A) New budget authority, −$483,000,000.
(B) Outlays, −$457,000,000.
Fiscal year 2003:
(A) New budget authority, −$492,000,000.
(B) Outlays, −$526,000,000.
Fiscal year 2004:
(A) New budget authority, −$499,000,000.
(B) Outlays, −$560,000,000.
Fiscal year 2005:
(A) New budget authority, −$509,000,000.
(B) Outlays, −$583,000,000.
Fiscal year 2006:
(A) New budget authority, −$519,000,000.
(B) Outlays, −$603,000,000.
Fiscal year 2007:
(A) New budget authority, −$531,000,000.
(B) Outlays, −$617,000,000.
Fiscal year 2008:
(A) New budget authority, −$540,000,000.
(B) Outlays, −$629,000,000.
Fiscal year 2009:
(A) New budget authority, −$551,000,000.
(B) Outlays, −$640,000,000.
Fiscal year 2010:
(A) New budget authority, −$560,000,000.
(B) Outlays, −$652,000,000.
Fiscal year 2011:
(A) New budget authority, −$571,000,000.
(B) Outlays, −$665,000,000.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 2002:
(A) New budget authority, −$42,303,000,000.
(B) Outlays, −$42,303,000,000.
Fiscal year 2003:
(A) New budget authority, −$51,812,000,000.
(B) Outlays, −$51,812,000,000.
Fiscal year 2004:
(A) New budget authority, −$52,692,000,000.
(B) Outlays, −$52,692,000,000.
Fiscal year 2005:
(A) New budget authority, −$44,962,000,000.
(B) Outlays, −$44,962,000,000.
Fiscal year 2006:
(A) New budget authority, −$45,986,000,000.
(B) Outlays, −$45,986,000,000.
Fiscal year 2007:
(A) New budget authority, −$47,733,000,000.
(B) Outlays, −$47,733,000,000.
Fiscal year 2008:
(A) New budget authority, −$48,728,000,000.
(B) Outlays, −$48,728,000,000.
Fiscal year 2009:
(A) New budget authority, −$49,825,000,000.
(B) Outlays, −$49,825,000,000.
Fiscal year 2010:
(A) New budget authority, −$51,438,000,000.
(B) Outlays, −$51,438,000,000.
Fiscal year 2011:
(A) New budget authority, −$52,988,000,000.
(B) Outlays, −$82,988,000,000.

SEC. 4. RECONCILIATION.

The House Committee on Ways and Means shall report to the House a reconciliation bill not later than May 2, 2001, that consists of changes in laws within its jurisdiction sufficient to reduce the total level of revenues by not more than: $34,500,000,000 for fiscal year 2002, $41,200,000,000 for fiscal year 2003, $46,300,000,000 for fiscal year 2004, $49,000,000,000 for fiscal year 2005, $62,600,000,000 for fiscal year 2006, and $737,000,000,000 for the period of fiscal year 2002 through 2011.

SEC. 5. RESERVE FUND FOR ELECTION REFORM.

In the House, whenever a bill is reported, or an amendment thereto is offered or a conference report thereon is submitted, to provide comprehensive election reform (that includes provisions to provide matching grants to States and localities to upgrade voting equipment with an 80/20 Federal/State-locality match), the chairman of the Committee on the Budget may, for any of fiscal years 2002 through 2006, increase any allocations and aggregates of new budget authority (and outlays resulting therefrom) up to the amount provided by that measure for that purpose (and make all other appropriate adjustments). The total adjustments made under this section for any fiscal year may not exceed $500,000,000.

SEC. 6. RESERVE FUND FOR MEDICARE PRESCRIPTION DRUG BENEFITS.

In the House, whenever a bill is reported, or an amendment thereto is offered or a conference report thereon is submitted, to provide comprehensive medicare prescription drug coverage for all beneficiaries with an 80/20 Federal/beneficiary match, and provisions to allow for reimportation and bulk purchase discounts, the chairman of the Committee on the Budget may, for any of fiscal years 2002 through 2011, increase any allocations and aggregates of new budget authority (and outlays resulting therefrom) up to the amount provided by that measure for that purpose (and make all other appropriate adjustments). The total adjustments made under this section may not exceed $500,000,000,000.

The CHAIRMAN. Pursuant to House Resolution 100, the gentleman from Ohio (Mr. KUCINICH) and a Member opposed each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Chairman, I yield myself 1 minute.

A budget is a plan. It shows what we stand for. It measures that commitment in dollars. The Progressive Caucus budget stands for building enough schools, hiring enough teachers to create the 18-student classrooms ideal for learning, affordable prescription drugs for everyone, 100 percent government help to lower the price of prescription drugs, and an 80 percent direct assistance on Medicare, enough polling booths to accurately record the votes of every American, building affordable new housing, cutting wasteful spending in the Department of Defense.

The Progressive Caucus budget will give every American a $300 dividend as a fair share of the budget surplus. We have set aside one-third of the budget surplus to give the American people their dividend.

Mr. Chairman, I ask my colleagues to look at the Progressive Caucus budget, take a measure of our commitment. You will see that the caucus leads in advancing education, affordable prescription drugs, accurate elections, affordable housing, and government efficiency, and we provide more tax relief for average Americans.

Mr. Chairman, I reserve the balance of my time.

Mr. NUSSLE. Mr. Chairman, I claim the time in opposition.

Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. CULBERSON).

Mr. CULBERSON. Mr. Chairman, I want to reiterate a vitally important point that the American people need to remember as they listen to this debate. The Republican budget pays off as much of the publicly held debt as can be paid without incurring a significant financial penalty. This is a logical point that I as a new Member of Congress was not aware of until as a member of the Committee on the Budget we listened to the testimony of the experts. I sought very carefully to find the truth of this matter and determined as logically and clearly as I could see that a bond can only be paid off within the time period specified in the life of the bond; and clearly, all of the Americans out there listening to me know that if you have a bond fund and you as a bond holder expect to be paid on a regular schedule, want to be paid off early, you are going to get a premium for being paid off early.

The Republican budget, as confirmed by the testimony given to the Committee on the Budget, pays off as much publicly held debt as can be paid without incurring a penalty. The chart that we prepared shows what we are paying off. This is the amount of the national debt after a 10-year period. Chairman Alan Greenspan, who is, everyone acknowledges, an objective, impartial observer, said in his testimony to the Committee on the Budget that we are paying off all of the Federal debt by the end of this decade. In fact, Chairman Greenspan points out that we need to think about what happens when we have eliminated all publicly held debt.

The Progressive budget, the amendment before the House offered by the Democrats, seeks to pay off $747 billion more debt than can be paid off without incurring a penalty. If we adopt the amendment offered by the Democrats, the American taxpayers will incur a very significant financial penalty. The Office of Management and Budget estimates that the penalty that the American taxpayers will incur will exceed $100 billion.

Why should we incur this additional penalty? Why should we saddle the American taxpayer, who is already overtaxed, with an additional penalty?

The Republican budget alternative I want to stress pays off every single penny of this debt that can be paid off, and I think it is also vitally important for the American public as they listen to this debate to think about the implications of paying off more publicly held debt. Once all of that debt is paid off, we reach a point, as Chairman Greenspan said in his testimony, where once all the debt is eliminated, what is the Treasury going to do with all of this additional money that is coming in that is above and beyond what is necessary to pay for government programs and since there is no more publicly held debt to pay off, what do we do with all of that extra cash?

Chairman Greenspan said in his testimony he believes for long-term fiscal stability that it is far better for the Nation that the tax surpluses, and they are tax surpluses because we are being overtaxed, that the tax surpluses be lowered by tax reductions rather than by spending increases.

Mr. KUCINICH. Mr. Chairman, I would remind the gentleman from Texas that our budget would give $151 million to Texas for energy assistance.

Mr. Chairman, I yield 2 minutes to the gentleman from Oregon (Mr. DEFAZIO), one of the architects of this budget.

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman for yielding me this time.

The question here is are we going to have a people's budget, a budget that addresses the real needs and priorities of average Americans; or are we going to have a special-interest budget that cuts the programs important to most Americans in their daily lives, such as education, Medicare and others, and returns to the days of huge deficits? If we care about education, school construction, smaller class size, Pell grants to access higher education; if we care about Head Start, if we care about a real Medicare prescription-drug benefit, not a subsidy to the pharmaceutical industry, they are doing just fine, thank you very much. If we care about election reform, if we care about real tax cuts targeted to average Americans and not to those at the very top who have done so well already, then the Progressive budget is a much and far better alternative than the Republican budget.

□ 1130

It pays down more debt more quickly, despite this new concern about the Republicans about not paying down the debt too fast. No, that is a sham.

Then, if we are concerned about our veterans, we had better fund our veterans, particularly for the aging veterans population, World War II and Korea. If we care about our young men and women in the military, their quality of life, we will vote for this budget.

Yes, if Members care about the continuing waste at the Pentagon, I hear again and again, do not throw money at problems, do not throw money at problems. The Pentagon has huge problems. They cannot keep track of the money they spend. They are still paying $400 for $40 items. They have spent $50 billion on Star Wars, and they cannot hit anything. They have three new jet fighter programs in the works, two of which are over budget, behind schedule; a new helicopter that does not work, cannot meet its mission, way over budget.

They have huge management problems at the Pentagon, and their answer is throw more money at them. If it were any other part of the Federal budget, if it is education or the concerns of average Americans, no, we cannot put more money there. Do not throw Federal money at it. But the Pentagon, yes, throw more money at it.

This budget essentially does all the things the American people need most, and reforms the Pentagon and pays down the debt. This is the best alternative before the Congress today.

Mr. NUSSLE. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. GARY MILLER), a member of the Committee.

Mr. GARY MILLER of California. Mr. Chairman, it is interesting, we talk about education. We in our budget have proposed an increase in education, yet the proposal we have before us today is more mandates for local school districts. It says, when you are through hiring 100,000 teachers, we want you to hire another 100,000 counselors.

Well, maybe schools do not want counselors; maybe they need facilities, maybe they need money for special education. Maybe they do need money for counselors, but if they do not, we should not mandate them.

What we should do is tell education and the institutions associated with it that, here is the money; they know the needs of their children, they know the names of their children: Educate their children.

We have many Members coming before the House as if poor people only come in one color. There are black, white, brown, and red poor people. I know when I was a young man, I was raised by a single mother with my grandparents. We were poor. I remember coming home from school one day driving in a bus in seventh grade, and having the two boys before me, when we were driving on my street, they said, ''Can you imagine anyone having to live on that street?'' I never knew until that day I was poor.

When I decided to start a business, I had an old van that used more oil than gas. Every tool I had came in a cardboard box in the back. What did government do? Every time I tried to better myself, they took more of my money. All the Tax Code does today is build a wall between poor people and success and says, ''We are going to hold you down,'' because every time somebody works harder, every time they make more money, we take more money from them as government.

We need to allow the working people of this Nation to keep their money, and people in Congress need to realize it is the money belonging to the people who earned it, it is not our money, because government does not earn any money.

Some say it is too much of a tax cut, that we want to eliminate the tax cut, we want to use it for new programs that the government thinks are better programs. Then one will say, we need to pay down more debt.

Our budget pays down every bit of the available debt that we have over a 10-year period. Members can go beyond that and say, we are going to pay our debt that is not due. First of all, we have to find somebody who wants to allow us to pay off debt that is not due. If we do find those people, I guarantee Members, we will pay a premium to pay off that debt.

We need reasonable government, reasonable structure, as the private sector has. We pay our debts as they come due. We are saying we are going to do that, but we want to go farther. We want to tell the American people that they earned their money. We want them to succeed. We want to give them more than lip service.

When we tell people they do not deserve a tax cut, we are giving them lip service when it comes to them being successful in life. Let us allow people to succeed. Let us allow people to be entrepreneurs if they want to, to take advantage of the capitalistic system we have out there, a free-market system. If people want to work, want to work harder, let them keep more of their money.

Their budget does not do that, our budget does that.

Mr. KUCINICH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to reassure my good friend, the gentleman from California, that California would get $306 million in energy assistance under our bill.

Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. SOLIS), who is someone who fights for the economic rights of her people.

Ms. SOLIS. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise to express my full support for the Progressive Caucus budget resolution, which provides responsible and just resources for all Americans.

Unlike the Republican-proposed budget, which would ravage any reliable social programs that serve our Nation's poor, hard-working Americans, the Progressive Caucus would offer a fair tax without sacrificing the welfare of any of our citizens.

On the other hand, the Republican budget alternative would absolutely devastate the people in my district. They get no benefit from this budget. The majority of the people in my district make $31,000 a year. They get absolutely zero. The glass is empty. It is not even half full for them.

I am asking Members to consider alternatives that we are putting forward in the Progressive Caucus budget which would add and actually double grants, Pell grants, for needy students who would have a first chance, many the first in their family, to go forward and get a good education. Let us not leave any child behind. Let us not leave any minority or low-income student behind. Let us give them that education.

Let us also not rob those senior citizens that rely on MediCal and Social Security. There are thousands of senior citizens who need that support, many who have paid into the system. This is their money. They have worked many, many years here in our country to build this economy. Let us make sure that it goes back to their pockets, to those programs that they vitally need to survive.

I would also ask that we consider looking at what is happening right now in America. What we are talking about is an energy crisis in California, and we are talking about that happening all over the country. We really need to focus in on how we are going to provide some relief.

In California we know the experiment did not work. Let us not make that something that other States adopt as well. Let us move forward. Let us provide relief where it is needed. It is our money; send it back home. Vote for the Progressive Caucus budget.

Mr. NUSSLE. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from South Carolina (Mr. BROWN).

Mr. BROWN of South Carolina. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I would like to congratulate the chairman on putting together a mighty fine budget. Having chaired the Committee on Ways and Means in South Carolina, I recognize the difficulty of trying to match all the needs and all the requirements that are out there in this Nation with the limited resources we have.

But I applaud the gentleman and the other members of the Committee for standing firm that we would address the major issues that are facing this country, one being paying down the debt, and the other being returning some of the excess money back to those people that worked hard to make this great Nation strong, and giving some of that money back to them.

Our goal was to save Social Security, we have done that; to repay the debt, and we have a program to do that; improving education and returning tax overcharges back to our citizens, and those are being accomplished in this budget. I applaud the chairman and the other members of the committee for making that happen.

We all know that paying down the debt will mean better interest rates for all Americans. The Progressive Caucus budget calls for $745 billion more debt reduction than the committee's budget during the years 2002 to 2011. To achieve this, however, the government will either pay a penalty premium to retire ''unredeemable'' debt, or will build up cash surpluses which would be invested in private equities, introducing government ownership of the private economy.

We are making the strongest strides possible without unwise penalties. In 2002, we will eliminate some $213 billion in debt; in 5 years we will be up to $1.2 trillion; and in 10 years, $2.34 trillion.

In defense, we have made a decision that policy would drive the budget for defense, not dollars.

Another great concern of mine surrounds the Armed Forces budget. While the committee budget recognizes both immediate and long-term defense needs, the Progressive Caucus budget cuts deeply in defense. It provides $753

billion less in budget authority and $698 billion less in outlays during the years 2002 to 2011 than does the committee budget.

The quality of life for our Armed Forces personnel and their families is a priority in the House Republican budget, including increased pay, better housing, and $3.9 billion for the first year of expanded health benefits for over-65 military retirees.

The progressive budget slashes funds for national defense. We cannot afford to neglect our Armed Forces any longer. I applaud the chairman for supporting the committee budget.

Mr. KUCINICH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my friend from South Carolina should be delighted to know our budget includes an additional $45.5 million for energy assistance for the people of his great State.

Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. DAVIS), a fighter for the people of Chicago.

Mr. DAVIS of Illinois. Mr. Chairman, the need for public housing, low- and moderate-income housing, housing for the homeless, housing for veterans, housing for people with AIDS, all of these needs are well defined and well documented, yet the Bush budget cuts $859 million from the public housing budget.

We all know about the problems of drugs in public housing, yet the Bush budget takes $316 million from drug elimination grants. The Bush budget cuts $422 million from the Community Development Block Grants program, $200 million from home housing block grants, $640 million from Section 8. It is unbelievable.

Mr. Chairman, these cuts can do nothing but leave pain, frustration, and blood. I hope that people will know how to bleed with compassion, because these cuts surely are not. When we cut, cut, cut, and cut, all that we get is blood, blood, blood, and blood. The blood of the American people will be on the heads of those who wielded the knife.

On the other hand, the Progressive Caucus has a budget which invests $2 billion per year in affordable housing, gives increased funding for Section 8 by $575 million to provide 100,000 more vouchers; $500 million more to address the backlog of public housing; a 50 percent increase for the Child Care Block Grant program, and a $200 million increase for homeless assistance grants.

This is the kind of budget, Mr. Chairman, that we need. This is the kind of progressive budget that I would be pleased to vote for. So I urge support for the Progressive Caucus' budget.

Mr. NUSSLE. Mr. Chairman, I yield 3½ minutes to the gentleman from New Hampshire (Mr. BASS).

Mr. BASS. Mr. Chairman, I thank the chairman for yielding time to me.

Mr. Chairman, I rise in strong support of the Committee on the Budget's budget. This is a budget that balances very clearly the need to provide tax relief for working Americans, the need to save and protect Social Security, the need to pay down our Nation's debt, and, yes, the need to meet unfunded liabilities of the Federal Government.

I would commend our chairman, who has led the way every single year that he has been on this Committee on the Budget, and now as chairman, in finding the necessary resources to significantly increase funding not only for education programs, but most specifically the Individuals with Disabilities Education Act, IDEA.

Every year that I have been in this Congress, as contrasted with the years prior to me being in Congress, funding for this critical program has increased. I am pleased to say that this year in this budget we have set aside $1.25 billion to increase the part B IDEA funding program. It was never done before, and it is testimony to this chairman's commitment to IDEA as a program.

I will yield to the chairman for a couple of clarifications on this groundbreaking accomplishment. The fact is that the reserve fund allocation of $1.250 billion is intended solely for the part B IDEA grants to States, not just IDEA-related funding generally.

Now, the report specifies that the IDEA reserve fund is for part B, but the resolution does not. I was wondering if the chairman would respond to that briefly.

Mr. NUSSLE. Mr. Chairman, will the gentleman yield?

Mr. BASS. I yield to the gentleman from Iowa.

Mr. NUSSLE. Mr. Chairman, the gentleman is correct, number one.

Number two, we anticipate that the Committee on Appropriations will provide and other committees will provide the continued flexibility so that States and local school districts can meet the challenges of IDEA.

While the gentleman gave me some of the credit for that, and I appreciate that because it is a labor of love for me, there has been no one in this Congress who has held the banner any higher than the gentleman from New Hampshire.

I want to show Members what the gentleman has accomplished. This is the gentleman's work, I say to the gentleman from New Hampshire, since he has been here in Congress, these kinds of increases for special education. We are going to build on this average annual increase of 23 percent for special education.

While we celebrate that in this speech here today, we are not where we want to be yet. It is a labor of love for us. It is a labor of intellectual honesty, as well, of unfunded mandates. We are going to keep that fight going, but we have accomplished quite a bit in this budget. I appreciate the gentleman's leadership.

□ 1145

Mr. BASS. Mr. Chairman, reclaiming my time, I just want to emphasize, carrying on the point of the gentleman from Iowa (Mr. NUSSLE), that this is not necessarily instructions to the Committee on Appropriations to cap the fund at this amount. They are more than welcome to increase it above that. We certainly encourage them to increase the part B funding above that $1.25 or 1 and a quarter billion dollars, if they choose to do so.

Mr. NUSSLE. Mr. Chairman, will the gentleman yield?

Mr. BASS. I yield to the gentleman from Iowa.

Mr. NUSSLE. It is a commitment of that $1.25 billion, yes, number one, but, more importantly, as the gentleman knows, the House should work, under the circumstances will, to increase that as much as possible to meet its commitment to special education.

Mr. BASS. Mr. Chairman, I thank the gentleman from Iowa (Mr. NUSSLE), chairman of the Committee on the Budget, for his leadership on this important issue.

Mr. KUCINICH. Mr. Chairman, I would say to the gentleman from New Hampshire (Mr. BASS), my good friend, he will be glad to know this budget does not leave the people of New Hampshire out in the cold. We have $53 million for energy assistance.

Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. FILNER), who is a champion of veterans rights.

Mr. FILNER. Mr. Chairman, I thank the gentleman from Ohio (Mr. KUCINICH) for yielding the time to me.

Mr. Chairman, I rise as the ranking member of the Committee on Veterans' Affairs, Subcommittee on Health, in support of the Progressive Caucus budget, and to say that the Republican budget on the floor does not meet the needs of our veterans.

The budget this year not only provides merely for an inflationary increase for our health care for our veterans, but in the 2nd and the 3rd years of this budget, it actually is a decrease for our veterans.

Mr. Chairman, I hope the gentleman from Iowa (Mr. NUSSLE) can explain why our veterans in the years 2002 and 2003 of the budget resolution are cut from in the budget.

Mr. NUSSLE. Mr. Chairman, will the gentleman yield?

Mr. FILNER. We will get back to the gentleman.

When we have a veterans community that is waiting up to 2 years for health appointments, when we have 500,000 claims backlogged at this moment, claims for adjudication of benefits that are mounting at $10,000 a week, this budget that the Progressive Caucus has

meets those needs, whereas the budget resolution of the Republicans does not.

Our budget is supported by those who made up the independent budget, a coalition of veterans groups who said that the President's budget is short and the budget was short by up to $2 billion.

This is what we need for our veterans. We need to make sure that their health care is provided for in a timely basis; that their claims are adjudicated in a timely fashion.

We have a GI bill today, Mr. Chairman, that pays merely $500 a month to go to school. You cannot go to college with that kind of stipend. The Progressive Caucus budget actually begins to fund the Montgomery GI bill so we have a benefit that means something for our veterans.

It is a decade since the Persian Gulf War. We do not know what caused that illness, and we have no treatment for it. The budget of the majority has no funds for research into the Persian Gulf War illness. I can go on and on.

I say to the majority, my colleagues do not have a surplus unless we paid the bills. We have not paid our bills to our Nation's veterans. We have not lived up to our commitment. Vote for the Progressive Caucus budget.

Mr. NUSSLE. Mr. Chairman, I yield myself 30 seconds to answer the question of the gentleman from California (Mr. FILNER).

The Progressive Caucus say they spend more on veterans. Well, that is interesting. I appreciate that the Progressive Caucus may spend more, but evidently it is spent in the wrong places, because it is the Republican budget that has been applauded and endorsed by the House Committee on Veterans' Affairs, the American Legion, the AMVETS, the Disabled Veterans of America, the Paralyzed Veterans of America, and the VFW.

So I guess the gentleman can make his claims, but the veterans are on the side of the budget that we have here as the base bill today.

Mr. FILNER. Mr. Chairman, will the gentleman yield?

Mr. NUSSLE. I asked the gentleman to yield. The gentleman did not yield.

Mr. FILNER. The gentleman did not answer my question.

Mr. NUSSLE. I certainly would be willing to do that.

The CHAIRMAN. The time is controlled by the gentleman from Iowa (Mr. NUSSLE).

Mr. NUSSLE. Mr. Chairman, I yield myself 15 seconds and say I am very happy to yield to the gentleman from California (Mr. FILNER), but I would appreciate the same courtesy allowed to me.

Mr. Chairman, I yield 3 minutes to the gentleman from Florida (Mr. CRENSHAW), my friend and member of the Committee on Veterans' Affairs.

Mr. CRENSHAW. Mr. Chairman, there are a lot of things wrong with this Progressive budget, but probably the most important thing that is wrong with it is the way it slashes defense spending.

I happen to believe that the number one responsibility of the Federal Government is to protect American lives, and the only way you keep America safe is you keep America strong. This budget moves in the wrong direction.

In the last 8 years, we watched our military get hollowed out, reduced by 40 percent; and, yet, deployment has increased almost 400 percent. We sent our troops gallivanting all over the world; and, today, the young men and women in uniform are worried about the direction that we are going to take.

I would say this budget as it is slashes defense spending. It does not recognize the world as it is today. The Cold War is over, yes, but we still face nuclear proliferation, non-State terrorists groups, world criminal elements with tentacles all over the world, and I think we have to recognize that.

We have to make America strong again, and that is what our budget does. It increases defense spending almost 5 percent. It adds $5.6 billion to begin to increase the pay of our military, give them better housing, give them health care benefits. Already, you can see the morale is boosted among our troops.

Mr. Chairman, our budget spends $2.6 billion on research and development. It is a down payment for what we need to spend in the future. The President believes, and I believe, that we ought to have a top-to-bottom review, so that our defense strategy will drive our defense spending and not the other way around.

It is a time of transition, a time of testing, and we do not want to go out and spend money on technology that might not work or be available.

And once this top-to-bottom review is finished, once our President and our military leaders know the direction we want to take and have a clear vision, I am confident he will come back to this Congress, ask for our help, and we will give him the necessary resources.

Let us not go backwards and continue to hollow our military; let us move forward and make America strong again.

Mr. KUCINICH. Mr. Chairman, the gentleman from Florida (Mr. CRENSHAW), my very good friend, would be delighted to know there is $91 million for energy assistance in our budget.

Mr. Chairman, I yield 2 minutes to the gentlewoman from the District of Columbia (Ms. NORTON). I would like the gentlewoman to know how much we appreciate her leadership on housing issues.

Ms. NORTON. Mr. Chairman, I thank the gentleman from Ohio (Mr. KUCINICH) for yielding me the time.

Mr. Chairman, as we speak, one part of the Progressive Caucus budget has already become well known in the country; that is, our American people's dividend which, as it appears, may well be introduced in the Senate. We proposed $300 per family member. The Senate looks like it is going to promote $300 per worker. I would just as soon declare victory if Senators did, because it would return us to the proud tradition of progressive taxation long associated with the Federal Tax Code.

This is allegedly a quick fix. It certainly is, because that is all this economy needs now. Witness the Consumer Confidence Index that came out yesterday, which was way up above expectations. If we need more, we can revisit the tax cut later.

One part of the Progressive budget that I would like to focus on is the forgotten stepchild of the Federal budget, that is, affordable housing. We have experienced the biggest housing boom of the century, and the worst housing bust for affordable housing since the Great Depression.

As the economy has spun up, housing costs have spun out of control. There is zero, amazingly zero, for affordable housing in the majority's budget. The Progressive Caucus budget would give $2 billion. Amazingly, the majority actually cuts public housing repairs by $1 billion. We would increase it $500 million, because at the very least, we ought to save what pitiful housing stock we already have invested in.

There is more than enough tax cut to pay for help for affordable housing for working people. We would only make a start with our budget. Surely, a start is what working people are entitled to.

The Progressive Caucus budget focuses on the documented priorities of the American people: Affordable housing, prescription drugs, money for school construction and funds to reduce class size and electoral reform, finally.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. PUTNAM), a member of the Committee on the Budget.

Mr. PUTNAM. Mr. Chairman, I appreciate the opportunity to address this issue.

Mr. Chairman, one of the things I am reminded of as a freshman in this body is how diverse our land really is and how diverse the viewpoints are that come to Congress and stakeout their positions. The Progressive Caucus has laid out an interesting blueprint for the future of this country.

It has gutted defense allocations. It says to those young soldiers and sailors who are out there keeping the peace, defending the freedoms that we take for granted each and every day, it says to them that you are not our highest priority; that national defense is not our highest priority.

Mr. Chairman, I would submit that if that is progress, then I would rather stay put. I submit that that is regressive. We are going in the wrong direction.

Progress would be to look those soldiers and sailors in the eye and say we are behind you 100 percent. America supports the efforts and the dedication and the commitment that you display each and every day and the Congress will back up your sacrifice in a very meaningful and real way.

The Progressive Caucus budget does not address principle-based tax relief, the principle that it is wrong to tax people after they have died. It is wrong to treat people differently in the Tax Code because they choose to get married.

It does not address those bedrock foundation principles that government should not be involved in allocating how people run their lives based on the Tax Code. When it comes to education, it does not address the situation with individuals with disabilities, a very important issue that we have set aside, a tremendous trust fund in the Committee on the Budget presentation of the budget to address those needs.

It adds Federal mandates to those local school teachers, the local principals and counselors from California to Florida, from Maine to Texas who are trying day in and day out to treat the young people with respect, who inculcate in them the lessons of life instead of freeing them up to do what they do best. It adds another Federal mandate.

Mr. Chairman, I would submit that the Federal Department of DOE has never graduated a single student. They have never had the first parent-teacher conference, and for that reason, Mr. Chairman, I would urge this body to reject the regressive caucus position on the budget.

Mr. KUCINICH. Mr. Chairman, the gentleman from Florida (Mr. PUTNAM), I am sure, would be pleased to know that our budget provides $51 million for child care.

Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. HINCHEY), who is a strong defender of the rights of workers.

Mr. HINCHEY. Mr. Chairman, the majority party here, the Republicans, are seeking to sell their budget principally by advancing a huge tax reduction, and they claim to justify that huge tax reduction by saying that it is the people's money and they want to give that money back to the people.

First of all, that assertion is simply false. The biggest bulk of the tax cut goes to a tiny fraction of the American people, the wealthiest people in the country get the most reduction. If you are a millionaire, you will receive a reduction of about $50,000 when their budget and their tax cut is fully implemented.

The rest of the people in the country get very little and most of them get nothing.

If we were really interested in putting the people's money back in the pockets, in the hands of people so they could go to a 7–Eleven and make the purchase that was talked about a few moments ago, we would adopt the Progressive budget; that puts more money into the hands of more people sooner than the Republican tax cut does.

Yes, it is the people's money, but it is also the people's Social Security. The Republican budget cuts Social Security. It is also the people's Medicare. The Republican budget cuts Medicare. Their budget takes fully $1 trillion out of Social Security and Medicare in a bogus attempt to fund a prescription drug program, by which they subsidize the insurance companies and would provide very little in the way of prescription drugs to the people who really need them.

If we are interested in doing something for health care, adopt the Progressive budget. If we are interested in putting money in the hands of the people who can use it and would spend it, adopt the Progressive budget. If you are interested in doing something about education improving the quality of education for all the people of this country, adopt the Progressive budget, therein lies the solution to much of our economic problems not in the Republican budget.

□ 1200

Mr. NUSSLE. Mr. Chairman, I yield myself 15 seconds.

Show me where it shows Medicare or a Social Security cut in here. Show me a Medicare cut in here. Come over here and show me. It is not in our budget. My colleagues know it is not. Let us not use war of words like that. Show me the cut. We have a difference of opinion on how to get there, but do not tell me.

Mr. HINCHEY. Mr. Chairman, will the gentleman yield?

Mr. NUSSLE. Mr. Chairman, I ask the gentleman to come over here and show me the cut.

Mr. HINCHEY. Mr. Chairman, will the gentleman yield?

Mr. NUSSLE. Come here and show me the cut.

Mr. HINCHEY. Mr. Chairman, will the gentleman yield? If the gentleman will yield and give me an opportunity, I would be happy to show it to him.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE. Mr. Chairman, I rise to strongly support the committee budget. It is a good budget. It meets our priorities. I am interested to hear my friends from the Progressive Caucus. They represent the liberal wing of their party, and I will be speaking for the conservative wing when we have the Republican Study Committee budget coming up.

But I heard the tax cut attacked in this committee budget, that it was giving the money away to the wealthiest taxpayers. It does no such thing except it does give the money back to the people who paid the taxes. Thank heavens we do not live in a socialist republic yet, although perhaps if my friends in the Progressive Caucus have their way, we may get that. But thankfully, we still believe in equality under the law, and we do not believe it is just to take from one to give to another. So this is simply giving the money back to the people who pay the tax.

On the question of taxes, Mr. Chairman, I note that our budget here lets taxpayers keep substantially more of their own earnings, $1.6 billion over 10 years versus the less than $700 million under the Progressive budget.

Every American who pays income taxes receives tax relief under the House Republican budget. Only a select few get tax relief under the Progressive Caucus plan.

The other thing I would like to focus on in my remaining time is the question of defense. While the committee budget recognizes both the immediate and long-term defense needs, the Progressive budget cuts defense deeply. It provides $753 billion less in budget authority than does ours.

Now, we all know the quality of life for armed forces personnel.

Mr. DEFAZIO. Mr. Chairman, will the gentleman yield for a misstatement of fact?

Mr. DOOLITTLE. I do not have the time.

Mr. DEFAZIO. Mr. Chairman, the gentleman will not yield for a misstatement of fact?

Mr. DOOLITTLE. Mr. Chairman, the quality of life for armed forces personnel and their families is a priority in the House Republican budget. We need to do something for our men and women in the Armed Forces, and this does it.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair would ask the courtesy of all Members on both sides of the aisle to only speak to the Chair when under recognition. Members apparently have great passions and great interests on all sides of this issue, but the Chair would ask that Members respect the rules of the House.

Mr. KUCINICH. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Ohio (Mrs. JONES).

Mrs. JONES of Ohio. Mr. Chairman, I rise in support of this legislation.

Mr. Chairman, I rise today in support of the Budget Proposal submitted by the Congressional Progressive Caucus.

This budget delivers what the Republican budget promises—substantial and equal tax relief for all Americans.

Over ten years, this budget would provide the American People's Dividend—$300 annually to every man, woman, and child, as long as the budget surplus exists.

Many people may think that $300 is not a lot of money. But for a working family of four

with two children, the Progressive Caucus budget represents an extra $1,200 that could be applied toward basic needs like school shoes, winter coats, and groceries.

On the other hand, the Republicans have proposed giving 42 percent of the tax benefits to the wealthiest 1% of the population—essentially, a new luxury automobile. The bottom 95 percent would receive less than half of the benefit.

The Progressive Caucus has focused upon spreading relief around equally, to help people to deal with the skyrocketing costs of housing, medicine, college education and other elements that we consider part of the American dream. The American people are fair people. The Progressive Caucus budget is a fair budget.

Mr. KUCINICH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I know the gentleman from California (Mr. DOOLITTLE) would be pleased to learn that, in his State, which had a 40 percent increase in utility rates yesterday, there is a $306 million amount for energy assistance under this bill.

Mr. Chairman, I yield 2 minutes to the gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I think most people in this country know what is going on today. At a time when the wealthiest 1 percent of the population own more wealth than the bottom 95 percent, at a time when CEOs of major corporations now earn 500 times more than their workers, at a time when the wealthiest people in large corporations flood the United States Congress with all kinds of money, Mr. Chairman, this is payback time. That is what is going on.

The gentleman from California (Mr. DOOLITTLE), the previous speaker, made a funny remark. He said the Progressive Caucus is only providing tax relief to, I believe he said, the select few. Do my colleagues know who the select few is? It is the middle class and the working class of this country, the vast majority.

Yes, we plead guilty. We are not providing 43 percent of the tax breaks to the richest 1 percent. We are apologetic about that, but we think the middle class, the working class, the people who are working 50 and 60 hours a week, who are making $30,000, $40,000 a year, need the help and not the millionaires and the billionaires.

The issue that I want to focus on and urge people to vote for the Progressive Caucus budget on is prescription drugs. The Progressive Caucus says it is absurd that, at a time when the pharmaceutical industry is enjoying record-breaking profits, that the American people have to pay by far the highest prices in the industrialized world for prescription drugs.

We say that every American senior citizen is entitled to prescription drugs because they are a citizen in this country and because they are on Medicare, and no senior should pay more than 20 percent out-of-pocket for their prescription drugs.

We do this in a number of ways, but one of them is by doing away with the loopholes in last year's reimportation bill. We say that, if people in Europe can pay 30 or 40 or 50 percent for the same exact prescription drug that our people are paying for, then prescription drug distributors and pharmacists should be able to bring that drug into this country and sell it to the American people for the same price.

The CHAIRMAN. The Chair advises the gentleman from Iowa (Mr. NUSSLE) that he has 45 seconds remaining. The gentleman from Ohio (Mr. KUCINICH) has 5 minutes remaining.

Mr. NUSSLE. Mr. Chairman, I reserve the balance of my time to close the debate.

Mr. KUCINICH. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. WOOLSEY), a champion of women and children's issues.

Ms. WOOLSEY. Mr. Chairman, how Congress chooses to spend our Federal funds says a great deal about who we are as leaders, who we are as people, and who we are as a Nation.

Mr. Chairman, the President may say that he supports improving education, but the Republican budget fails to reflect on that priority. It fails to reflect what he said during the campaign, that he wants to leave no child behind.

In order to truly support children, we must invest in education at every level. The progressive budget does just that by increasing funding to hire new teachers, by improving teacher compensation, by supporting school renovation, and by helping schools to invest in technology.

Rather than cutting millions of dollars from Head Start, as the Republican budget does, the Progressive Caucus budget fully funds Head Start. It adds $11.5 billion to the Head Start program. This way, we will leave no child behind.

Like my Progressive Caucus colleagues, I also believe that one of our national priorities in order to invest in our children must be to greatly increase the role of renewable energy sources, energy efficiency, and conservation measures. In that way, we will be able to meet our future energy needs. In that way, we can invest in our environment and at the same time invest in our children and in our Nation's future.

Lastly, the Republican budget increases military spending while making deep cuts in children's programs. This sends a message loud and clear to our children about what we value in this Nation. It tells them that we value weapons more than we value them. I believe that our Nation's strength is in our children. Our children are our national security, and we must support them.

Mr. KUCINICH. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. OWENS), a person who in this House really works very hard for school construction.

Mr. OWENS. Mr. Chairman, I want to congratulate the gentleman from Ohio (Mr. KUCINICH) for bringing a budget to the floor which represents reality. It is very close to the reality experienced by the American people.

In the area of education, it is proposing to expend about $110 billion over the next 5 years. That is closer to what is really needed. Among those needs that will be addressed is the need for school construction, modernization, and renovation.

I want to bring my colleagues' attention to the fact that President Bush has taken a step backwards with respect to school construction and renovations. We appropriated $1.2 billion last year. Now the President refuses to expend that funding on school repairs and renovations, and he has nothing in the ongoing budget to continue any school repairs and renovations.

We made a major breakthrough, and now this President who proposes to leave no child behind is going to leave no child behind with arsenic in the water, with more carbon dioxide in the air, and unsafe schools that do not encourage learning, unsafe buildings.

So we would like to stress the fact that we have made a breakthrough. This budget continues that.

Mr. Chairman, I will submit a letter that was sent to President Bush on February 6, 2001, by 141 Members of the House asking him to appropriate the money that was put in the budget last year.

Mr. KUCINICH. Mr. Chairman, I yield 30 seconds to the gentleman from Alabama (Mr. HILLIARD).

Mr. HILLIARD. Mr. Chairman, I am concerned about the dangers to our great Nation, not from outside enemies, but from those within. These enemies are ignorance, poverty, crime, diseases, the destruction of our countryside, and most importantly, corporate greed.

I believe that the most powerful Nation in the world, this country, can cope militarily with the weaponry it has.

Rather than lining the pockets of the rich with a huge, unfair tax cut, and pumping our Nation's resources into the pockets of military contractors, we need to repair and build new schools and fund a complete medical system for everyone.

Mr. Chairman, the Progressive budget protects all the American people, and the majority budget is a danger to the health and welfare of the American people.

Mr. KUCINICH. Mr. Chairman, I yield myself 45 seconds.

Mr. Chairman, our budget gives money to the troops for housing, for wage increases. Our budget takes money away from weapons systems which do not work. There has been 7.6 trillion in accounting entries in the Pentagon; and of that, 2.3 trillion were not supported by enough evidence to determine their validity.

The Department of Defense stores nearly 30 billion worth of spare parts it does not need, according to the GAO. The GAO also reports that the Navy recently wrote off as lost over $3 billion worth of intransit inventory, and the Air Force is missing over 2.3 billion in stock.

Today's defense budget is 80 percent of the amount allocated during the height of the Cold War and is 15 percent higher than in real terms than when Mr. Rumsfeld left the Pentagon in the 1970s.

We need to pay attention to housing, to education, to opportunities for all Americans and adopt this progressive budget.

Mr. KUCINICH. Mr. Chairman, I yield 45 seconds to the gentleman from Oregon (Mr. DEFAZIO) to close the debate on behalf of the Progressive Caucus.

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, everything in the majority's budget revolves around a $2.6 trillion tax cut of which 43 percent will go to the people in the top 1 percent, people who average over $912,000 a year.

In order to do that, they are going to cut education, Head Start. They are going to jeopardize Medicare, Social Security. They are going to pay down the debt more slowly than the Progressive alternative.

We have offered a responsible alternative based in reality. We are not going to spend the money before it comes in. One-third for debt reduction, one-third for the priorities of the American people, and one-third for targeted tax cuts. Yes, targeted tax cuts toward middle-income families who are struggling to make ends meet, not the people at $920,000 a year. I have not noticed that they are having such a hard time.

It is time that the Federal Government began to pay attention to the needs of average Americans in this country, not just the special interests and the wealthy.

Mr. NUSSLE. Mr. Chairman, since no one has shown me the Medicare or Social Security cuts in my budget, I yield the balance of our time to the gentleman from Illinois (Mr. KIRK).

Mr. KIRK. Mr. Chairman, I rise in opposition to this budget, and I really question the competence of those who wrote it. This budget pays massive prepayment penalties on the U.S. debt to wealthy bondholders. If one wants to extract hard-working taxpayers' money and give it to rich people, then vote for the Progressive budget because we would pay those penalties to wealthy Americans.

I would say for all of those who have looked at the charts of either side showing steep cuts in the Medicare fiscal viability as the baby boom generation retires, adding money to Medicare without Medicare reform is like arguing about whether we can afford dessert in the cafeteria of the Titanic.

Our budget lays the groundwork for bipartisan reform on Medicare, ensuring that Medicare will survive into the future as the baby boomers retire. This budget includes a prescription-drug benefit. This budget operates under the key principle that Medicare should offer health care coverage as good as the one offered Congressmen.

Mr. NADLER. Mr. Chairman, I rise in support of the Progressive Caucus Budget.

This budget reflects the real priorities of the American people, not big business, wealthy campaign donors, or big oil companies. Working families want us to improve education, health care, and the economy.

We respond by spending $110 billion on education—for more teachers, school renovation, and school counselors. We double Head Start and triple funding for new schools.

The Progressive Caucus Budget offers the only substantial Medicare prescription drug program—one that includes an 80/20 federal/beneficiary cost sharing. Our plan would help millions of Americans struggling to pay the high costs of prescription drugs.

Our budget is also designed to stimulate the economy. We provide for a $900 billion tax cut, by providing $300 annually to every man, woman, and child in America. Our plan would actually provide more tax relief to more people than the Administration plan. In fact, 80% of the American people would get more money from the Progressive Caucus tax cut plan.

Our tax cuts are enough to boost consumer confidence and keep the economy growing, but not so large and so unfair as to force harsh budget cuts or create new deficits. It is time to leave the Reagan/Bush deficit legacy behind once and for all.

We also stimulate the economy with funds for new housing construction and badly needed energy assistance. We increase LIHEAP by 400 percent and weatherization programs by 650 percent. We cut nuclear power research and instead direct those funds to clean alternative energy research on wind and solar power development. Lowering energy costs, stimulating the economy, and creating a cleaner environment for our children and grandchildren.

This plan may sound radical to some in Congress and especially those conservatives in the Administration, but to the American people its not radical, its common sense. Why not spend the surplus on education, health care, and the economy? Why not? Because President Bush wants to give wealthy individuals $46,000 dollars each instead. What a shame!

Ms. MCKINNEY. Mr. Chairman, the great Republican hero Ronald Reagan once said, "Trust, but verify." That is wonderful advice coming from the icon of the Republican revolution. So, I decided to verify Bush's new budget.

Of course, a major portion of Bush's proposal will include a $1.6 trillion dollar tax cut. Now we all know that the American people need and deserve a tax break. But it turns out that 50% of the tax relief is going to the richest 5% of the population. The very wealthy can expect to get back $46,000, while low income families will get zero.

Meanwhile, President Bush and the richest Cabinet in the history of this country are pushing for Estate Tax Relief. This will provide a tax kickback of over $100 million to President Bush and his cabinet.

Bush's first budget cuts Head Start, Child Care, and Public Housing repairs.

At least now we have verified who is paying for the kickbacks to Bush's rich friends. The nation's children and the poor.

It was once said that the true measure of a society is in how it treats its least fortunate. That is why we must support the Progressive Caucus Budget. In my home state of Georgia, the budget increase for Head Start would serve over 20,000 children. The brave Americans who served our country would see big increases in Veterans Medical care and construction programs. Low-income families would benefit from increases in Section 8 vouchers and the Public Housing Capital Fund.

We will pay for the Progressive Caucus budget by eliminating wasteful programs and corporate welfare, such as the tax deductibility of Tobacco advertising. We cut back on Star Wars, so that we can pay our military personnel what they deserve rather than increasing profits of defense contractors.

The Progressive Caucus budget takes care of our nation's children, seniors, veterans, military personnel, and middle and low income families.

Upon verification, the Bush plan will fill the coffers of big business at the expense of the hard working men and women of this country who created the prosperity that led to our budget surplus. Mr. Chairman, I challenge my colleagues to do what they know is right for their constituents, and support the Progressive budget.

Ms. LEE. Mr. Chairman, I rise today in strong support of the Progressive Caucus's alternative budget resolution and in strong opposition to the Republican budget. It is clear which budget truly benefits the American people.

Let me give you just a few examples of why we should support the Progressive Caucus budget.

First, the Progressive Caucus budget places a priority on affordable housing, which is not only important in the Bay Area, including my congressional district, but also in many other parts of this country. Families are finding the American dream of homeownership harder and harder to attain and the Progressive Caucus budget takes low- and moderate-income Americans one step closer to realizing that dream. We include $2 billion for affordable housing construction. The Republican budget does not include one penny for this purpose. And in order to ensure that low-income families don't have to live in squalor in public housing, our budget includes a $500 million increase for public housing repairs while the Republican budget actually cuts this program by $1 billion! That is outrageous.

Second, my home state of California is facing an energy crisis. Just yesterday, the California Public Utilities Commission voted in favor of a rate increase for consumers, raising the rates by as much as 46 percent. I order to try to help Californians and others around the country who need help paying their increased energy bills, the Progressive Caucus budget would provide a $6.7 billion increase for LIHEAP, a low-income energy assistance program. This 400 percent increase will make it easier for many more Californians to pay their energy bills during this crisis. The Republican budget freezes LIHEAP funds next year and does not provide any funding at all in the LIHEAP emergency account. Clearly what is happening in California is an emergency and will spread throughout the Western states and the nation. We must have these funds to help the people in our state.

Finally, on a subject that is dear to me and many others in Congress—election reform—the Progressive Caucus provides $2.5 billion to ensure that what happened in Florida last year does not happen again. This funding for election reform would assist states and localities in upgrading election procedures and voting technologies. Far too many people in our country were disenfranchised by what happened in the 2000 election and we must do everything in our power to ensure that we never have another Florida. I think it is disgraceful that the Republican budget does not provide any funding for these essential reforms.

The Progressive Caucus budget also includes large increases in education, health care, veterans' programs and true tax cuts that benefit all Americans and not just primarily the very rich, all while preserving Social Security and Medicare. I urge my colleagues to vote for a budget that cuts taxes, provides for debt relief, and allows for needed spending programs. I urge my colleagues to vote for the Progressive Caucus budget.

Mr. CONYERS. Mr. Chairman, I rise today in support of the Progressive Caucus Alternative Budget. Already this Congress, our colleagues on the other side, have shown that they simply do not share the priorities of America's hard working families. They wish to gamble our savings and the surplus we have worked so hard to create, on a risky tax cut that benefits the wealthiest 1 percent of America. To pay for their tax cut, our colleagues have targeted for budget cuts important domestic programs such as child care, low income housing, and much needed environmental protections.

The Progressive Caucus Budget provides for programs that are important to all of America's families: new school construction, one hundred thousand new teachers, one hundred thousand new school counselors, a Medicare prescription drug program, and affordable housing so that every family may achieve the American dream of owning their own home. It addresses our energy concerns and the debt we owe to our veterans. It provides for our priorities of strengthening and extending Social Security and Medicare. It also provides $2.5 billion for upgrading election procedures and voting technology.

In doing so, the Progressive Caucus Budget addresses one of the most important issues to come out of the past election, assuring the American people that their elections are fair, free, and that everyone has the opportunity and ability to cast their vote. None of the other budgets we will consider today set aside any funding to address this issue, so critical to the integrity of our democracy. Antiquated voting technology in primarily minority communities casts a pall over our elections this past November. We must do everything in our power, to prove to ourselves and the world, that America is the cradle and the bastion of democracy. It is our duty as Members to foster and sustain America's faith in the very essence of democracy, the act of casting a vote. It is one of my highest priorities, to insure the integrity of the democratic process and I applaud the Progressive Caucus for making it their priority as well.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. KUCINICH).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. KUCINICH. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 79, noes 343, not voting 10, as follows:

[Roll No. 66]

AYES—79

Ackerman
Baca
Blumenauer
Bonior
Brady (PA)
Brown (FL)
Brown (OH)
Capuano
Carson (IN)
Clay
Clayton
Conyers
Coyne
Cummings
Davis (IL)
DeFazio
DeGette
Delahunt
Engel
Farr
Fattah
Filner
Frank
Gephardt
Gutierrez
Hastings (FL)
Hilliard
Hinchey
Honda
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kilpatrick
Kucinich
Lee
Lewis (GA)
Lofgren
Lowey
Maloney (NY)
Markey
McCollum
McDermott
McGovern
McKinney
McNulty
Meeks (NY)
Millender-McDonald
Miller, George
Moakley
Nadler
Napolitano
Oberstar
Olver
Owens
Pallone
Payne
Pelosi
Peterson (MN)
Rangel
Roybal-Allard
Rush
Sanders
Schakowsky
Serrano
Slaughter
Solis
Stark
Tierney
Velázquez
Waters
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—343

Abercrombie
Aderholt
Akin
Allen
Andrews
Armey
Bachus
Baird
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boyd
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Carson (OK)
Castle
Chabot
Chambliss
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cunningham
Davis (CA)
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeLauro
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Eshoo
Etheridge
Evans
Everett
Ferguson
Flake
Fletcher
Foley
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
LaFalce
LaHood
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Manzullo
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McHugh
McInnis
McIntyre
McKeon
Meehan
Menendez
Mica
Miller (FL)
Miller, Gary
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Obey
Ortiz
Osborne
Ose
Otter
Oxley
Pascrell
Pastor
Paul
Pence
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sandlin
Sawyer
Saxton
Scarborough
Schaffer
Schiff
Schrock
Scott
Sensenbrenner
Sessions
Shadegg
Shays
Sherman
Sherwood
Shimkus
Shows
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—10

Baldwin	Lampson	Shaw
Becerra	Meek (FL)	Sisisky
Boucher	Mink	
DeLay	Rothman	

□ 1236

Messrs. GOODLATTE, DIAZ-BALART, NORWOOD, RAMSTAD, GARY MILLER of California, LIPINSKI and SAWYER changed their vote from ''aye'' to ''no.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mr. DELAY. Mr. Chairman, on rollcall No. 66 I was unavoidably detained. Had I been present, I would have voted "no."

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in part B of House Report 107–30.

AMENDMENT NO. 2 IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. STENHOLM

Mr. STENHOLM. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment No. 2 in the nature of a substitute offered by Mr. STENHOLM:

Strike all after resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2002.

The Congress declares that the concurrent resolution on the budget for fiscal year 2001 is hereby revised and replaced and that this is the concurrent resolution on the budget for fiscal year 2002 and that the appropriate budgetary levels for fiscal years 2003 through 2006 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for each of fiscal years 2001 through 2011:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2001: $1,606,800,000,000.
Fiscal year 2002: $1,680,600,000,000.
Fiscal year 2003: $1,754,400,000,000.
Fiscal year 2004: $1,832,900,000,000.
Fiscal year 2005: $1,916,700,000,000.
Fiscal year 2006: $1,996,700,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be reduced are as follows:

Fiscal year 2001: $23,230,000,000.
Fiscal year 2002: $22,440,000,000.
Fiscal year 2003: $27,631,000,000.
Fiscal year 2004: $31,109,000,000.
Fiscal year 2005: $33,332,000,000.
Fiscal year 2006: $43,338,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2001: $1,535,000,000,000.
Fiscal year 2002: $1,588,000,000,000.
Fiscal year 2003: $1,641,000,000,000.
Fiscal year 2004: $1,700,000,000,000.
Fiscal year 2005: $1,759,000,000,000.
Fiscal year 2006: $1,798,000,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2001: $1,481,000,000,000.
Fiscal year 2002: $1,550,000,000,000.
Fiscal year 2003: $1,617,000,000,000.
Fiscal year 2004: $1,674,000,000,000.
Fiscal year 2005: $1,738,000,000,000.
Fiscal year 2006: $1,784,000,000,000.

(4) SURPLUSES.—For purposes of the enforcement of this resolution, the amounts of the surpluses are as follows:

Fiscal year 2001: $90,850,000,000.
Fiscal year 2002: $84,650,000,000.
Fiscal year 2003: $100,950,000,000.
Fiscal year 2004: $113,750,000,000.
Fiscal year 2005: $121,500,000,000.
Fiscal year 2006: $150,750,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 2001: $5,637,200,000,000.
Fiscal year 2002: $5,585,400,000,000.
Fiscal year 2003: $5,542,100,000,000.
Fiscal year 2004: $5,401,300,000,000.
Fiscal year 2005: $5,385,500,000,000.
Fiscal year 2006: $5,288,300,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority and budget outlays for fiscal years 2003 through 2011 for each major functional category are:

(1) National Defense (050):
Fiscal year 2001:
(A) New budget authority, $317,500,000,000.
(B) Outlays, $301,900,000,000.
Fiscal year 2002:
(A) New budget authority, $329,100,000,000.
(B) Outlays, $323,500,000,000.
Fiscal year 2003:
(A) New budget authority, $334,200,000,000.
(B) Outlays, $329,600,000,000.
Fiscal year 2004:
(A) New budget authority, $345,700,000,000.
(B) Outlays, $338,500,000,000.
Fiscal year 2005:
(A) New budget authority, $357,200,000,000.
(B) Outlays, $335,400,000,000.
Fiscal year 2006:
(A) New budget authority, $367,900,000,000.
(B) Outlays, $359,300,000,000.

(2) International Affairs (150):
Fiscal year 2001:
(A) New budget authority, $22,400,000,000.
(B) Outlays, $19,700,000,000.
Fiscal year 2002:
(A) New budget authority, $23,900,000,000.
(B) Outlays, $19,600,000,000.
Fiscal year 2003:
(A) New budget authority, $23,800,000,000.
(B) Outlays, $19,800,000,000.
Fiscal year 2004:
(A) New budget authority, $24,500,000,000.
(B) Outlays, $20,400,000,000.
Fiscal year 2005:
(A) New budget authority, $25,400,000,000.
(B) Outlays, $20,800,000,000.
Fiscal year 2006:
(A) New budget authority, $26,100,000,000.
(B) Outlays, $21,400,000,000.

(3) General Science, Space, and Technology (250):
Fiscal year 2001:
(A) New budget authority, $21,000,000,000.
(B) Outlays, $19,700,000,000.
Fiscal year 2002:
(A) New budget authority, $23,230,000,000.
(B) Outlays, $21,590,000,000.
Fiscal year 2003:
(A) New budget authority, $23,680,000,000.
(B) Outlays, $22,810,000,000.
Fiscal year 2004:
(A) New budget authority, $24,110,000,000.
(B) Outlays, $23,540,000,000.
Fiscal year 2005:
(A) New budget authority, $24,670,000,000.
(B) Outlays, $24,250,000,000.
Fiscal year 2006:
(A) New budget authority, $25,350,000,000.
(B) Outlays, $24,770,000,000.

(4) Energy (270):
Fiscal year 2001:
(A) New budget authority, $1,200,000,000.
(B) Outlays, −$100,000,000.
Fiscal year 2002:
(A) New budget authority, $1,400,000,000.
(B) Outlays, −$100,000,000.
Fiscal year 2003:
(A) New budget authority, $1,300,000,000.
(B) Outlays, −$100,000,000.
Fiscal year 2004:
(A) New budget authority, $1,300,000,000.
(B) Outlays, −$160,000,000.
Fiscal year 2005:
(A) New budget authority, $1,200,000,000.
(B) Outlays, −$100,000,000.
Fiscal year 2006:
(A) New budget authority, $1,300,000,000.
(B) Outlays, $0.

(5) Natural Resources and Environment (300):
Fiscal year 2001:
(A) New budget authority, $28,800,000,000.
(B) Outlays, $26,400,000,000.
Fiscal year 2002:
(A) New budget authority, $26,650,000,000.
(B) Outlays, $26,350,000,000.
Fiscal year 2003:
(A) New budget authority, $26,820,000,000.
(B) Outlays, $26,920,000,000.
Fiscal year 2004:
(A) New budget authority, $27,930,000,000.
(B) Outlays, $27,330,000,000.
Fiscal year 2005:
(A) New budget authority, $27,830,000,000.
(B) Outlays, $27,630,000,000.
Fiscal year 2006:
(A) New budget authority, $27,930,000,000.
(B) Outlays, $27,730,000,000.

(6) Agriculture (350):
Fiscal year 2001:
(A) New budget authority, $31,900,000,000.
(B) Outlays, $29,290,000,000.
Fiscal year 2002:
(A) New budget authority, $29,530,000,000.
(B) Outlays, $27,560,000,000.
Fiscal year 2003:
(A) New budget authority, $29,380,000,000.
(B) Outlays, $27,780,000,000.
Fiscal year 2004:
(A) New budget authority, $28,560,000,000.
(B) Outlays, $27,090,000,000.
Fiscal year 2005:
(A) New budget authority, $27,750,000,000.
(B) Outlays, $26,230,000,000.
Fiscal year 2006:
(A) New budget authority, $27,140,000,000.
(B) Outlays, $25,510,000,000.

(7) Commerce and Housing Credit (370):
Fiscal year 2001:
(A) New budget authority, $3,600,000,000.
(B) Outlays, $200,000,000.
Fiscal year 2002:
(A) New budget authority, $8,920,000,000.
(B) Outlays, $5,800,000,000.
Fiscal year 2003:
(A) New budget authority, $8,900,000,000.
(B) Outlays, $3,500,000,000.
Fiscal year 2004:
(A) New budget authority, $14,500,000,000.
(B) Outlays, $10,300,000,000.
Fiscal year 2005:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $9,400,000,000.
Fiscal year 2006:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $8,800,000,000.

(8) Transportation (400):
Fiscal year 2001:

(A) New budget authority, $62,200,000,000.
(B) Outlays, $51,700,000,000.
Fiscal year 2002:
(A) New budget authority, $60,900,000,000.
(B) Outlays, $55,490,000,000.
Fiscal year 2003:
(A) New budget authority, $58,700,000,000.
(B) Outlays, $58,200,000,000.
Fiscal year 2004:
(A) New budget authority, $59,100,000,000.
(B) Outlays, $60,200,000,000.
Fiscal year 2005:
(A) New budget authority, $59,600,000,000.
(B) Outlays, $61,800,000,000.
Fiscal year 2006:
(A) New budget authority, $60,200,000,000.
(B) Outlays, $63,600,000,000.
(9) Community and Regional Development (450):
Fiscal year 2001:
(A) New budget authority, $11,200,000,000.
(B) Outlays, $11,300,000,000.
Fiscal year 2002:
(A) New budget authority, $10,300,000,000.
(B) Outlays, $11,600,000,000.
Fiscal year 2003:
(A) New budget authority, $10,600,000,000.
(B) Outlays, $11,200,000,000.
Fiscal year 2004:
(A) New budget authority, $10,600,000,000.
(B) Outlays, $10,700,000,000.
Fiscal year 2005:
(A) New budget authority, $10,900,000,000.
(B) Outlays, $10,300,000,000.
Fiscal year 2006:
(A) New budget authority, $11,200,000,000.
(B) Outlays, $10,300,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 2001:
(A) New budget authority, $76,900,000,000.
(B) Outlays, $69,800,000,000.
Fiscal year 2002:
(A) New budget authority, $84,950,000,000.
(B) Outlays, $76,630,000,000.
Fiscal year 2003:
(A) New budget authority, $85,300,000,000.
(B) Outlays, $83,330,000,00.
Fiscal year 2004:
(A) New budget authority, $87,770,000,000.
(B) Outlays, $85,030,000,000.
Fiscal year 2005:
(A) New budget authority, $91,810,000,000.
(B) Outlays, $88,080,000,000.
Fiscal year 2006:
(A) New budget authority, $95,090,000,000.
(B) Outlays, $91,800,000,000.
(11) Health (550):
Fiscal year 2001:
(A) New budget authority, $182,600,000,000.
(B) Outlays, $175,500,000,000.
Fiscal year 2002:
(A) New budget authority, $192,600,000,000.
(B) Outlays, $189,800,000,000.
Fiscal year 2003:
(A) New budget authority, $215,500,000,000.
(B) Outlays, $211,700,000,000.
Fiscal year 2004:
(A) New budget authority, $231,300,000,000.
(B) Outlays, $229,500,000,000.
Fiscal year 2005:
(A) New budget authority, $248,500,000,000.
(B) Outlays, $246,100,000,000.
Fiscal year 2006:
(A) New budget authority, $265,500,000,000.
(B) Outlays, $263,300,000,000.
(12) Medicare (570):
Fiscal year 2001:
(A) New budget authority, $217,600,000,000.
(B) Outlays, $217,700,000,000.
Fiscal year 2002:
(A) New budget authority, $231,100,000,000.
(B) Outlays, $231,100,000,000.
Fiscal year 2003:
(A) New budget authority, $257,900,000,000.
(B) Outlays, $257,800,000,000.
Fiscal year 2004:
(A) New budget authority, $282,200,000,000.
(B) Outlays, $282,400,000,000.
Fiscal year 2005:
(A) New budget authority, $309,400,000,000.
(B) Outlays, $309,400,000,000.
Fiscal year 2006:
(A) New budget authority, $382,200,000,000.
(B) Outlays, $327,800,000,000.
(13) Income Security (600):
Fiscal year 2001:
(A) New budget authority, $256,000,000,000.
(B) Outlays, $257,000,000,000.
Fiscal year 2002:
(A) New budget authority, $271,100,000,000.
(B) Outlays, $271,800,000,000.
Fiscal year 2003:
(A) New budget authority, $281,500,000,000.
(B) Outlays, $281,900,000,000.
Fiscal year 2004:
(A) New budget authority, $292,600,000,000.
(B) Outlays, $291,600,000,000.
Fiscal year 2005:
(A) New budget authority, $307,000,000,000.
(B) Outlays, $305,500,000,000.
Fiscal year 2006:
(A) New budget authority, $314,600,000,000.
(B) Outlays, $313,100,000,000.
(14) Social Security (650):
Fiscal year 2001:
(A) New budget authority, $3,400,000,000.
(B) Outlays, $3,400,000,000.
Fiscal year 2002:
(A) New budget authority, $3,500,000,000.
(B) Outlays, $3,500,000,000.
Fiscal year 2003:
(A) New budget authority, $3,500,000,000.
(B) Outlays, $3,500,000,000.
Fiscal year 2004:
(A) New budget authority, $3,600,000,000.
(B) Outlays, $3,600,000,000.
Fiscal year 2005:
(A) New budget authority, $3,700,000,000.
(B) Outlays, $3,600,000,000.
Fiscal year 2006:
(A) New budget authority, $3,800,000,000.
(B) Outlays, $3,800,000,000.
(15) Veterans Benefits and Services (700):
Fiscal year 2001:
(A) New budget authority, $46,700,000,000.
(B) Outlays, $46,000,000,000.
Fiscal year 2002:
(A) New budget authority, $53,850,000,000.
(B) Outlays, $53,250,000,000.
Fiscal year 2003:
(A) New budget authority, $54,460,000,000.
(B) Outlays, $54,060,000,000.
Fiscal year 2004:
(A) New budget authority, $56,540,000,000.
(B) Outlays, $56,220,000,000.
Fiscal year 2005:
(A) New budget authority, $60,680,000,000.
(B) Outlays, $60,240,000,000.
Fiscal year 2006:
(A) New budget authority, $60,260,000,000.
(B) Outlays, $59,820,000,000.
(16) Administration of Justice (750):
Fiscal year 2001:
(A) New budget authority, $30,600,000,000.
(B) Outlays, $30,000,000,000.
Fiscal year 2002:
(A) New budget authority, $32,160,000,000.
(B) Outlays, $31,300,000,000.
Fiscal year 2003:
(A) New budget authority, $33,010,000,000.
(B) Outlays, $33,400,000,000.
Fiscal year 2004:
(A) New budget authority, $33,160,000,000.
(B) Outlays, $33,850,000,000.
Fiscal year 2005:
(A) New budget authority, $34,050,000,000.
(B) Outlays, $34,310,000,000.
Fiscal year 2006:
(A) New budget authority, $35,000,000,000.
(B) Outlays, $34,690,000,000.
(17) General Government (800):
Fiscal year 2001:
(A) New budget authority, $16,800,000,000.
(B) Outlays, $16,500,000,000.
Fiscal year 2002:
(A) New budget authority, $17,700,000,000.
(B) Outlays, $17,400,000,000.
Fiscal year 2003:
(A) New budget authority, $16,400,000,000.
(B) Outlays, $16,400,000,000.
Fiscal year 2004:
(A) New budget authority, $16,700,000,000.
(B) Outlays, $16,600,000,000.
Fiscal year 2005:
(A) New budget authority, $17,100,000,000.
(B) Outlays, $16,700,000,000.
Fiscal year 2006:
(A) New budget authority, $17,500,000,000.
(B) Outlays, $17,100,000,000.
(18) Net Interest (900):
Fiscal year 2001:
(A) New budget authority, $205,200,000,000.
(B) Outlays, $205,400,000,000.
Fiscal year 2002:
(A) New budget authority, $184,600,000,000.
(B) Outlays, $182,600,000,000.
Fiscal year 2003:
(A) New budget authority, $172,300,000,000.
(B) Outlays, $171,900,000,000.
Fiscal year 2004:
(A) New budget authority, $155,800,000,000.
(B) Outlays, $154,300,000,000.
Fiscal year 2005:
(A) New budget authority, $134,300,000,000.
(B) Outlays, $133,800,000,000.
Fiscal year 2006:
(A) New budget authority, $112,600,000,000.
(B) Outlays, $112,400,000,000.
(19) Allowances (920):
Fiscal year 2001:
(A) New budget authority, −$500,000,000.
(B) Outlays, −$300,000,000.
Fiscal year 2002:
(A) New budget authority, $3,000,000,000.
(B) Outlays, $1,000,000,000.
Fiscal year 2003:
(A) New budget authority, $3,900,000,000.
(B) Outlays, $3,500,000,000.
Fiscal year 2004:
(A) New budget authority, $4,500,000,000.
(B) Outlays, $3,000,000,000.
Fiscal year 2005:
(A) New budget authority, $4,700,000,000.
(B) Outlays, $4,150,000,000.
Fiscal year 2006:
(A) New budget authority, $4,800,000,000.
(B) Outlays, $4,600,000,000.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 2001:
(A) New budget authority, −$46,170,000,000.
(B) Outlays, −$46,170,000,000.
Fiscal year 2002:
(A) New budget authority, −$47,890,000,000.
(B) Outlays, −$47,890,000,000.
Fiscal year 2003:
(A) New budget authority, −$59,020,000,000.
(B) Outlays, −$59,020,000,000.
Fiscal year 2004:
(A) New budget authority, −$66,220,000,000.
(B) Outlays, −$66,220,000,000.
Fiscal year 2005:
(A) New budget authority, −$57,600,000,000.
(B) Outlays, −$57,600,000,000.
Fiscal year 2006:
(A) New budget authority, −$62,590,000,000.
(B) Outlays, −$62,590,000,000.

SEC. 4. RECONCILIATION.

(a) SUBMISSIONS BY THE HOUSE COMMITTEE ON WAYS AND MEANS FOR TAX RELIEF.—The House Committee on Ways and Means shall submit to the Committee on the Budget recommendations pursuant to section

(c)(2)(D)(ii) not later than July 24, 2001, that consists of changes in laws within its jurisdiction sufficient to reduce the total level of revenues by not more than: $23,230,000,000 for fiscal year 2001, $22,440,000,000 for fiscal year 2002, $27,631,000,000 for fiscal year 2003, $31,109,000,000 for fiscal year 2004, $33,332,000,000 for fiscal year 2005, and $43,338,000,000 for fiscal year 2006.

(b) SUBMISSIONS BY HOUSE COMMITTEES ON ENERGY AND COMMERCE AND WAYS AND MEANS FOR MEDICARE REFORM AND PRESCRIPTION DRUGS.—(1) Not later than July 24, 2001, the House Committees named in paragraph (2) shall submit their recommendations to the House Committee on the Budget.

(2)(A) The House Committee on Energy and Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays, as follows: $0 for fiscal year 2001, $2,000,000,000 for fiscal year 2002, $14,000,000,000 for fiscal year 2003, $22,000,000,000 for fiscal year 2004, $26,000,000,000 for fiscal year 2005, and $31,000,000,000 for fiscal year 2006.

(c) OTHER SUBMISSIONS BY HOUSE COMMITTEES.—(1) Not later than September 11, 2001, the House Committees named in paragraph (2) shall submit their recommendations to the House Committee on the Budget.

(2)(A) The House Committee on Agriculture shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays, as follows: $7,500,000,000 for fiscal year 2001, $10,265,000,000 for fiscal year 2002, $10,675,000,000 for fiscal year 2003, $10,619,000,000 for fiscal year 2004, $10,022,000,000 for fiscal year 2005, and $9,848,000,000 for fiscal year 2006.

(B) The House Committee on Education and the Workforce shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays, as follows: $5,000,000 for fiscal year 2001, $5,000,000 for fiscal year 2002, $5,000,000 for fiscal year 2003, $5,000,000 for fiscal year 2004, $7,000,000 for fiscal year 2005, and $10,000,000 for fiscal year 2006.

(C) The House Committee on Energy and Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays, as follows: $0 for fiscal year 2001, $180,000,000 for fiscal year 2002, $1,166,000,000 for fiscal year 2003, $1,361,000,000 for fiscal year 2004, $1,481,000,000 for fiscal year 2005, and $1,636,000,000 for fiscal year 2006.

(D) The House Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays, as follows: $0 for fiscal year 2001, $1,872,000,000 for fiscal year 2002, $1,951,000,000 for fiscal year 2003, $2,057,000,000 for fiscal year 2004, $2,165,000,000 for fiscal year 2005, and $2,379,000,000 for fiscal year 2006.

(d) ____.—After recieving the recommendations reported pursuant to subsections (a), (b) and (c), the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such reccomendations without any substantive revision.

(e) SPECIAL RULES.—In the House, if any bill reported pursuant to subsection (a) or subsection (c)(2)(D)(ii), amendment thereto or conference report thereon, has refundable tax provisions that increase outlays, the chairman of the Committee on the Budget may increase the amount of new budget authority provided by such provisions (and outlays flowing therefrom) allocated to the Committee on Ways and Means and adjust the revenue levels set forth in such subsection accordingly such that the increase in outlays and reduction in revenue resulting from such bill does not exceed the amounts specified in subsection (a) or subsection (c)(2)(D)(ii), as applicable.

(f) In carrying out reconciliation instructions under this section respecting any changes in laws within its jurisdiction to increase outlays or reduce revenues, the applicable House committees shall only recommend changes that will be fully phased-in by the close of fiscal year 2006.

SEC. 5. RESERVE FOR DEBT REDUCTION AND STRENGTHENING SOCIAL SECURITY AND MEDICARE.

(a) POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider any reported bill or joint resolution, or any amendment thereto or conference report thereon, that would cause a surplus for any of fiscal years 2001 through 2006 to be less than the sum of the level set forth in subsection (b) and the level of the Federal Hospital Insurance Trust Fund set forth in section 6, except as provided for in subsection (c).

(b) DEBT REDUCTION RESERVE.—

(1) The sums referred to in subsection (a) are as follows:

(A) Fiscal year 2002: $48,650,000,000.

(B) Fiscal year 2003: $61,950,000,000.

(C) Fiscal year 2004: $72,750,000,000.

(D) Fiscal year 2005: $81,500,000,000.

(E) Fiscal year 2006: $106,750,000,000.

(2) The funds in the debt reduction reserve shall be used exclusively for buying back publicly held debt, except as provided for in subsection (c).

(c) EXCEPTION FOR LEGISLATION STRENGTHENING SOCIAL SECURITY OR MEDICARE SOLVENCY.—

(1) Subsections (a) shall not apply to social security reform legislation or medicare reform legislation.

(2) For purposes of this subsection, social security reform legislation refers to legislation that the chief actuary of the Social Security Administration certifies extends the solvency of the Federal Old Age and Surivors Trust Fund and the Federal Disability Insurance Trust fund, taken together, for 75 years.

(3) For purposes of this subsection, Medicare reform legislation refers to legislation that the chief actuary of the Health Care Financing Administration certifies extends the solvency of the Federal beyond 2050.

SEC. 6. ENFORCEMENT OF MEDICARE LEVELS.

(a) It shall not be in order in the House or Senate to consider any bill, joint resolution, amendment, motion, or conference report that would cause a decrease in surpluses or an increase in deficits of the Federal Hospital Insurance Trust Fund in any year relative to the levels set forth in subsection (b). This paragraph shall not apply to amounts to be expended from the Hospital Insurance Trust Fund for purposes relating to programs within part A of Medicare as provided in law on the date of enactment of this paragraph.

(b) The amounts referred to in subsection (a) are as follows:

(1) Fiscal year 2002: $36,000,000,000.

(2) Fiscal year 2003: $39,000,000,000.

(3) Fiscal year 2004: $41,000,000,000.

(4) Fiscal year 2005: $40,000,000,000.

(5) Fiscal year 2006: $44,000,000,000.

SEC. 7. USE OF CBO ESTIMATES IN ENFORCEMENT OF RESOLUTION.

For purposes of enforcing the budgetary aggregates and allocations under this resolution, the chairman of the House Committee on the Budget shall, in advising the presiding officer on the cost of any piece of legislation, rely exclusively on estimates prepared by the Congressional Budget Office or the Joint Tax Committee, in a form certified by that agency to be consistent with its own economic and technical estimates, unless in each case he first receives the approval of the Committee on the Budget by recorded vote to use a different estimate.

SEC. 8. TAX CUTS AND NEW SPENDING CONTINGENT ON DEBT REDUCTION.

Notwithstanding any other provision of this resolution, it shall not be in order to consider a reconciliation bill pursuant to section 4 of this resolution or any legislation reducing revenues for the period of fiscal years 2002 to 2006 or increasing outlays for mandatory spending programs unless there is a certification by Director of the Congressional Budget Office that the House has approved legislation which—

(1) ensures that a sufficient portion of the on-budget surplus is reserved for debt retirement to put the government on a path to reduce the publicly held debt below $1,700,000,000,000 by the end of fiscal year 2006 under current economic and technical projections; and

(2) legislation has been enacted which establishes points of order or other protections to ensure that funds reserved for debt retirement may not be used for any other purpose, except for adjustments to reflect economic and technical changes in budget projections.

SEC. 9. ADJUSTMENT FOR REVISION OF BUDGET SURPLUSES.

(a) ALLOCATION OF INCREASED SURPLUS PROJECTIONS.—If the Congressional Budget Office report referred to in subsection (b) projects an increase in the surplus for fiscal year 2000, fiscal year 2001, and the period of fiscal years 2002 through 2006 over the corresponding levels set forth in its economic and budget forecast for 2001 submitted pursuant to section 202(e)(1) of the Congressional Budget Act of 1974, the chairman of the Committee on the Budget of the House shall make the adjustments as provided in subsection (c).

(b) CONGRESSIONAL BUDGET OFFICE UPDATED BUDGET FORECAST FOR FISCAL YEAR 2002.—The report referred to in subsection (a) is the Congressional Budget Office updated budget forecast for fiscal year 2002.

(c) ADJUSTMENTS.—If the Committee on Ways and Means reports any reconciliation legislation or other legislation reducing revenues exceeding the revenue aggregates in section 2(1)(B), reduce the revenue aggregates in section 2(1)(A) and increase the amounts the revenues can be reduced by in section 2(1)(B) by an amount not to exceed one-quarter of the increased surplus. If the Committees on Agriculture, Appropriations, Commerce, National Security, or Ways and Means report legislation increasing spending above the allocation for that committee, increase the allocation for that committee and the aggregates set forth in sections 2(2) and 2(3) by an amount not to exceed one-quarter of the increased surplus.

(d) APPLICATION.—Any adjustments made pursuant to subsection (c) for any measure shall—

(1) apply while that measure is under consideration;

(2) take effect upon the enactment of that measure; and

(3) be published in the Congressional Record as soon as practicable.

SEC. 10. APPLICATION AND EFFECT OF CHANGES IN ALLOCATIONS AND AGGREGATES.

(a) APPLICATION.—Any adjustments of allocations and aggregates made pursuant to section 10, 11, or 12 for any measure shall—

(1) apply while that measure is under consideration;

(2) take effect upon the enactment of that measure; and

(3) be published in the Congressional Record as soon as practicable.

(b) EFFECT OF CHANGED ALLOCATIONS AND AGGREGATES.—Revised allocations and aggregates resulting from these adjustments shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(c) BUDGET COMMITTEE DETERMINATIONS.—For purposes of this resolution—

(1) the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives or the Senate, as applicable; and

(2) such chairman, as applicable, may make any other necessary adjustments to such levels to carry out this resolution.

SEC. 11. SENSE OF CONGRESS REGARDING RETIREMENT TRUST FUNDS.

(a) FINDINGS.—Congress finds that—

(1) the Congress has made commitments to balance the Federal budget without including the surpluses of trust funds dedicated to particular purposes, such as the Old-Age and Survivors Insurance Trust Fund, the Disability Insurance Trust Fund, and the Hospital Insurance Trust Fund;

(2) the assets of the Department of Defense Military Retirement Fund are used to finance the military retirement and survivor benefit programs of the Department of Defense;

(3) the Department of Defense Military Retirement Fund is facing a long-term unfunded actuarial liability which will require all of the fund's current surplus to pay the retirement and survivor benefits promised to current and future members of the Armed Forces; and

(4) the assets in the Department of Defense Military Retirement Fund are included in the calculation of the Federal budget surplus and account for approximately $100,000,000,000 of the estimated Federal budget surplus during the next 10 years.

(b) SENSE OF THE HOUSE.—It is the sense of the House of Representatives that any portion of the Federal budget surplus attributable to the Department of Defense Military Retirement Fund should be used exclusively for the financing of the military retirement and survivor benefit programs of the Department of Defense, and not for the financing of tax policy changes, new Federal spending, or any other purpose.

SEC. 12. SENSE OF CONGRESS REGARDING SURPLUS PROJECTIONS.

(a) FINDINGS.—Congress finds that—

(1) disagreements on objective budget surplus figures, in the annual budget and appropriations process, have led to repetitive and time-consuming budget votes, decreasing the time available for consideration and oversight of federal programs, undermining legislation to provide responsible tax relief, and delaying enactment of legislation necessary to fund the Government;

(2) Congress and the Administration want to work together to do everything possible to maintain a strong and growing economy;

(3) an agreement on baseline estimates will prevent us from undermining the fiscal discipline that has contributed to our economic strength and allow Congress and the Administration to address their collective priorities in a responsible, bipartisan manner:

(3) a bipartisan majority of the Members of the House of Representatives and the Senate have voted to protect the social security and medicare trust funds;

(4) empirical evidence and the Congressional Budget Office agree that changes in economic conditions make projections based on ten-year forecasts highly uncertain;

(5) the caps on discretionary spending are set to expire at the end of fiscal year 2002 and no formal rules will be in place to contain the growth in discretionary spending;

(6) baseline estimates typically overstate the size of available surpluses by not assuming costs of extending or changing policies that affect revenues, such as expiring tax provisions and the cost of indexing the alternative minimum tax (AMT) to protect middle-class families from the AMT; and

(7) current baseline estimates do not recognize underlying demographic pressures that will incur future obligations that may threaten projected surpluses outside the ten-year budget window.

(b) SENSE OF THE HOUSE.—It is the sense of the House that future budget resolutions, as well as all tax and spending legislation, should maintain our commitment to fiscal responsibility by using agreed-upon surplus, tax, and spending figures derived from the following principles:

(1) The size of the available surplus should exclude social security and medicare trust funds.

(2) The uncertainty of long-term economic forecasts should be recognized.

(3) Realistic assumptions for the growth in discretionary spending should be accounted for.

(4) The projected surplus should be adjusted to recognize that scoring conventions do not incorporate the costs of policies that Congress historically reauthorizes.

(5) There should be a recognition that the Federal Government will incur sizable, future obligations due to demographic pressures set to occur upon the retirement of our baby-boom generation.

SEC. 13. SENSE OF CONGRESS REGARDING BUDGET ENFORCEMENT.

It is the sense of Congress that legislation should be enact legislation enforcing this resolution by—

(1) establishing a plan to retire half of the publicly held debt by the end of fiscal year 2006;

(2) setting discretionary spending limits for budget authority and outlays at the levels set forth in this resolution for each of the next five years;

(3) extending the pay as you go rules set forth in Section 252 of the BBEDCA for the next ten years; and

(4) establishing modified line item veto authority requiring Congressinal votes on rescissions submitted by the President and reducing the discretionary spending limits to reflect savings from any rescissions enacted into law.

SEC. 14. SENSE OF THE CONGRESS ON THE UNCERTAINTY OF BUDGET FORECASTS.

(a) FINDINGS.—Congress finds that—

(1) the Congressional Budget Office (CBO) has not produced ten year forecasts frequently enough to produce meaningful averages of its ten-year projection errors;

(2) 71 percent of the projected surplus outside of Social Security and Medicare occurs in the second half of the ten-year projection, the period more subject to error;

(3) based on its own record, CBO concludes that the estimated surpluses could be off in one direction or the other, on average, by about $52 billion in 2001, $120 billion in 2002, and $412 billion in 2006.

(4) if this uncertainty continues to grow in years six through ten at the same rate it has proven to grow in years one through five, CBO's expected surplus in 2011, excluding Social Security and Medicare, would be expressed as $524 billion, plus or minus $800 billion; and

(5) recognizing these uncertainties, the Chairman of the Federal Reserve Board has warned that ''we need to resist those policies that could readily resurrect the deficits of the past and the fiscal imbalances that followed in their wake'', while the Comptroller General testified that ''no one should design tax or spending policies pegged to the precise numbers in any 10-year forecast'';

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) this resolution recognizes the uncertainty of 10-year budget projections; and

(2) a reserve fund, consisting of non-Social Security, non-Medicare surpluses should be created to ensure that the Social Security and Medicare trust funds are protected in the event surplus projections do not materialize; and (3) surplus funds materializing from this reserve in calendar years six through ten should be dedicated to new revenue reducing initiatives.

The CHAIRMAN. Pursuant to House Resolution 100, the gentleman from Texas (Mr. STENHOLM) and the gentleman from Iowa (Mr. NUSSLE) each will control 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, a few weeks ago I read a quote from a gentleman across the aisle who wondered why some of us got so exercised about having a budget put in place first. He said everyone knows the budget does not really mean anything because Congress will do whatever we want later on anyway.

The Blue Dogs rise today to insist that the budget should mean something. It should provide the blueprint which carries enough integrity, realism and authority to force us to pound out our priorities and keep us in line through the subsequent appropriation and reconciliation steps. That is why the Blue Dogs put together a plan we can live with for the next 5 years. It prioritizes removing the taxpayers' debt off our children's shoulders. It maximizes the tax cuts we can afford while remaining fiscally conservative. It reflects the fact that taxpayers do want some of their dollars invested in things like Social Security, Medicare, veterans, education, prescription drugs, and agriculture.

Today, we offer an honest, balanced plan that we can live with, both practically and politically. Even more importantly, it is a budget our constituents can live with. We ask support for the Blue Dog budget alternative.

Mr. NUSSLE. Mr. Chairman, I yield 3 minutes to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Chairman, all parents want their children to succeed. In today's America, success often requires a college education. It is a way out of

poverty for many. Yet, for many families, particularly middle-class families, a college education is out of their reach. With rising tuition costs, rising room and board, the dream of a college education is simply that for too many people, a dream; a dream deferred for too many children of middle-class parents.

However, if we pass the budget resolution offered by the gentleman from Iowa (Mr. NUSSLE), we can help make the dream of college education a reality for more of America's children.

This budget provides significant educational help for families. Not only does it accommodate a significant increase in Pell grant programs, not only does it allow a 10-fold increase in annual contributions families can make to their educational IRAs, but, and this is why I rise, it provides for a full tax exemption for prepaid tuition savings plans.

Mr. Chairman, as a member of the Alabama State Board of Education, I was there when in 1989 we established our prepaid college tuition plan. Today, virtually all States have a prepaid tuition plan, or college savings plan. Those plans are working. Millions of middle-class American families are paying into those plans. They offer the only affordable option for many families to send their children to college. Yet our current tax law punishes those families for doing what is right.

It punishes them for planning ahead and saving for their children's college education. The IRS taxes them when the student enrolls in college and begins to draw on that investment. Surely, all of us can agree that no tax makes less sense than one that hurts middle-class students trying to earn a college degree. No tax makes less sense than this tax on families that save for their children's college education.

I commend the gentleman from Iowa (Mr. NUSSLE) and the budget resolution that he has offered for it goes a long way. It makes these plans tax exempt. It makes college more affordable. That helps more American children succeed.

So I rise in strong support and offer one more reason to support the resolution offered by the gentleman from Iowa (Mr. NUSSLE).

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas (Mr. MOORE), the co-chair of the Blue Dog Budget Task Force.

Mr. MOORE. Mr. Chairman, I would like to respond to the last statement made by the gentleman and basically point out and commend them to read the Blue Dog budget, because it does more for education than the majority's proposal.

I want to talk for just a couple of minutes about 10-year budgets versus 5-year budgets. Just yesterday we filed a bill that would restore truth and integrity in budgeting called the Transparenting Budgeting Act of 2001. The first 10-year projection was made by CBO back in 1992 when they predicted a deficit for next year, 2002, of $407 billion. In January of this year, the CBO projected a fiscal year surplus of $313 billion. There was only a swing of $700 billion, three-quarters of a trillion dollars, in those projections.

I think that illustrates what we are trying to say here, and that is we need to be realistic. We need to be responsible and fiscally conservative in our projections upon which these budgets are based, on which these tax cuts come.

We have placed, Mr. Chairman, a $5.7 trillion mortgage on the future of our children and grandchildren, and now we are talking about tax cuts. All of us on both sides of the aisle are for tax cuts, but responsible tax cuts that we can afford. I suggest that if we do what we are talking about on this side, and that is look at 5-year projections as opposed to these 10-year projections, we are going to be on much steadier ground when it comes to enacting new tax cuts.

I would ask the people on both sides of the aisle to take a hard look at the Blue Dog budget. I think it is fiscally responsible. It is conservative and it recognizes the income that we are going to have in terms of revenues in the next few years, not 10 years but the next 5 years. I think if we do that we will have a much sounder basis for enacting tax cuts in the rest of our budget.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. SAM JOHNSON), a friend and colleague from the Committee on Ways and Means.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I just say God bless our President, George W. Bush. Finally, we have a President who wants to limit government bureaucracy so the people can have more. Compared with the Blue Dog budget, the Republican budget sets in place common sense priorities that are good for America and simple to understand.

First, the Republican plan gives the people some of their money back because the tax surplus is really theirs; not ours.

□ 1245

Second, the Republican proposal pays down the public debt by $2 trillion, and it protects defense.

Third, our plan protects Social Security and Medicare by locking away every penny of the trust fund surplus.

Fourth, it stops Federal spending at 4 percent. That means to us in America that the era of tax increases and runaway government spending has ended. It means that Washington bureaucrats better run for cover, because this President, for the first time in 8 years, is going to put people first, not a bloated Federal Government.

Furthermore, the people of America should know this: President Bush is going to be granting every American a pardon from high taxes because he will sign, not veto, elimination of the marriage penalty and the death tax.

The Republican budget is responsible, fair, and above all, good for our economy. It is not a Blue Dog budget; it is an American budget that we need to vote for, the Republican budget. Vote for a strong America. Vote for freedom. Vote for the Republican budget.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the gentleman from Utah (Mr. MATHESON).

Mr. MATHESON. Mr. Chairman, I rise today in support of the fiscally responsible Blue Dog budget. From what I am hearing so far, I think we need to encourage everyone in this body to read this budget and pay attention to what it actually does, because it cuts through the rhetoric and it takes a fiscally responsible approach to what we ought to be doing here today.

We agree we want to cut taxes, and we agree we want to have debt reduction. This budget commits four times the amount of tax relief in the first year, compared to the Republican budget. But beyond that, this budget represents the voice of fiscal responsibility. The Blue Dogs believe in paying down debt. In fact, this budget, over the first 5 years, pays down $400 million of additional debt compared to the Republican plan.

This is the real deal. This makes a down payment on our future. We need to take a look at our children and not place the burden of that debt that we ran up over the last 20 years on them.

My concern is that we are all talking about a surplus here when, in fact, the proper term is a projected surplus; and if the projected surplus does not actually occur and if we come in underneath that, our tax cuts and our spending are going to move forward and debt reduction is going to fall off the table. It is going to be the odd man out. This budget says, let us be aggressive; let us pay down our debt first.

Mr. Chairman, I encourage everyone to support the Blue Dog budget.

Mr. NUSSLE. Mr. Chairman, I yield 1½ minutes to the gentleman from Tennessee (Mr. WAMP).

Mr. WAMP. Mr. Chairman, it is my desire to enter into a colloquy with the gentleman from Iowa on an important science investment called the Spallation Neutron Source, which represents a $1.4 billion investment. It is under construction in Oak Ridge, Tennessee, in my district; but the benefits will be generational. It is a physical science investment, but we are going to have life science and physical science benefits come out of this most important science initiative. It crosses over from the previous administration to this administration. We are in our second year of funding. This current year

is $278 million. The President is asking for a large number for the coming year. It is very important generationally. I think that we accede science and basic research investment for future generations for benefits that we really do not even fully realize at this time.

Mr. Chairman, the science community supports this initiative. It is a consortium of five different laboratories all across our country. It has been the subject of many technical reviews over the last couple of years. The science community really scrubbed this project clean before they fully supported it, and they do fully support it.

So my question is, Mr. Chairman, as we are considering the budget resolution, there is a 5.7 percent increase in Function 250, General Science, Space and Technology, where the SNS will be funded. Is it the committee chairman's expectation to see the SNS continue on track and on budget with this increase in Function 250?

Mr. NUSSLE. Mr. Chairman, will the gentleman yield?

Mr. WAMP. I yield to the gentleman from Iowa.

Mr. NUSSLE. Mr. Chairman, I share the gentleman's belief that the President will continue his commitment for full funding, and there is room within this budget function to accommodate that request.

Mr. WAMP. I thank the chairman.

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. BOYD).

Mr. BOYD. Mr. Chairman, I want to thank the gentleman from Texas (Mr. STENHOLM) for yielding me this time, and I want to thank the gentleman from Iowa (Mr. NUSSLE) and the leadership team for allowing us to have this debate on the Blue Dog budget.

We have had many discussions with leaders here in Washington, including the President and the Vice President; and often the comment comes up, Mr. Chairman, that if we leave the money in Washington, they will just spend it. I think many of us in this country understand why some of us are leery of that and some of us have that feeling.

So what we have suggested, Mr. Chairman, to the President and to others is that we will work with our colleagues to put reasonable spending caps in place. This budget, Mr. Chairman, provides for an average of 3.5 percent spending growth, discretionary spending growth, 3.5 percent. That is very, very reasonable.

So, Mr. Chairman, I would encourage my colleagues strongly, all of the Members of this body, to look at this budget and the way it treats spending restraints.

Mr. NUSSLE. Mr. Chairman, I yield 3 minutes to the very distinguished gentleman from California (Mr. HUNTER), a member of the Committee on Armed Services.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, defense does need to be rebuilt. In the wake of the outgoing administration, the CBO estimates that we are spending $30 billion just on equipment, that is on replacing the tanks, trucks, planes, ships. The army tells us we are $3.5 billion short on what they call critical ammunition supplies. The CBO estimates that we have underfunded training by about $5 billion; this is all per year. We are not giving our pilots enough time to train. We have a people-pay gap of about 10 percent. That means a difference between people wearing the uniform and people in the private sector.

If we add all of those costs up, just people, equipment, training, ammunition, we come up with a shortfall with respect to the baseline that we have been spending over the last several years of about $310 billion. Now $320 billion was the last Clinton estimate; we come up with a shortfall of about $50 billion. I agree with that. I think it is at least $50 billion short.

Now, against that background we have a new administration coming in. They got into the saddle late because of the late election. When we would call up Assistant Secretaries and Secretaries, they were just then getting into their positions in the Pentagon, and the President told us he wants to do a review before he comes up with his budget on defense. Now, that leaves us in a difficult position. But their decision has been to get the review first and then come with the numbers, and the Committee on the Budget has made an allowance for that by accessing the strategic reserve under which this administration can come in with a new request in a couple of months and increase the top line for national security.

Everybody realizes we are going to have to increase it. I want to salute the conservative Democrats for having more dollars for defense; I want to salute the Republican Study Committee who put in an additional $25 billion per year, which is a big step toward closing this gap. But the Committee on the Budget chairman and other Members of the House have been working with the administration. Our chairman of the Committee on Armed Services, the gentleman from Arizona (Mr. STUMP), has been working, and they said help is on the way. We can expect that they are going to come in and increase the top line on defense.

In the end, Mr. Chairman, we have to rely on people. I will rely on DICK CHENEY, George Bush, and Don Rumsfeld to bring that help in a couple of months. I, therefore, strongly support the Committee on the Budget's product.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. HARMAN).

Ms. HARMAN. Mr. Chairman, I thank the gentleman for yielding me this time. I say to the last speaker, the gentleman from California (Mr. HUNTER), my friend, that if he wants to fund defense plus-ups, as I do, he has a better chance of doing that if we enact the Blue Dog budget.

Mr. Chairman, I rise in strong support of the Blue Dog budget and urge bipartisan support for the most fiscally responsible plan we will consider in this House.

Many of us are veterans of the hard budget votes of the early and mid-1990s, votes like the 1993 Clinton budget, Penny-Kasich, a constitutional amendment for a balanced budget, a constitutional amendment for limiting tax increases, and the 1997 Balanced Budget Act. These hard votes helped produce the first budget surpluses in a generation and restored economic vitality to our Nation. Let us not squander our good fortunes.

The Blue Dog budget is a responsible and balanced plan. It pays down the national debt, the best tax cut for all Americans.

It protects Social Security and Medicare by enacting a strong lock box, and providing a cushion to ensure that missed estimates of the strength of the economy, projected surpluses, or the cost of tax cuts do not result in renewed deficit spending or borrowing from the Social Security and Medicare surpluses.

The Blue Dog budget maps out a higher level of defense spending. It funds improvements in education and respects the sacrifice of our veterans, and it funds plus-ups in agriculture, a key component of California's economy.

Unlike the GOP budget, the Blue Dog budget proposes a responsible approach to cutting taxes. It shapes what tax cuts we can afford, not the other way around.

I enthusiastically support the Blue Dog budget. It is responsible, fair, balanced, and honest. It is a framework for policy choices which will sustain our nation's economic prosperity.

Mr. NUSSLE. Mr. Chairman, I yield 3½ minutes to the gentleman from Minnesota (Mr. GUTKNECHT), a member of the committee.

Mr. GUTKNECHT. Mr. Chairman, I would like to thank the gentleman for yielding me this time.

I do appreciate what the Blue Dogs are attempting to do. But I would remind Members that they are working off a 5-year plan. Frankly, in many respects I think we should be working off a 5-year plan. I think that is the right thing to do. Unfortunately, we are working off a 10-year plan; and it makes it very difficult for us to really do a comparison.

I do want to talk about a couple of things because I think they need to be addressed, because one of the things we have heard last night and we have heard in some of the debate so far

today and I suspect we will hear again and that is that we are being reckless somehow that we cannot afford this large tax cut, that the budget numbers do not work.

When we had the Director of the Office of Management and Budget in front of the Committee on the Budget, he made a point that actually what we are using for projections in terms of revenue to the Federal Government over the next 10 years are very conservative. As a matter of fact, he told us that if revenue growth to the Federal Government simply averages what it has averaged for the last 40 years, we will not have a $5.5 trillion surplus over the next 10 years, we will have a $7.5 trillion budget. In fact, this is in response to clarify what he told us, I asked him this question: So if revenue growth just equals the 40-year average, we will actually have revenues in excess of $2 trillion more than we are currently using in our budget projections; is that correct? And the answer from Mr. Daniels was, yes, sir, that is correct.

So the numbers we are working off of here today are incredibly conservative, and they also assume that we will probably have sometime in the next 10 years an economic slowdown, at least one.

But I want to come back to another point that we have heard a lot about today and probably will hear more about and that is that somehow this budget is being unfair to farmers.

□ 1300

I really think that is unfair to us, because I want to show the Members, for their benefit, when we passed the farm bill that we are currently operating under, we were saying that by the year 2002, the amount that would be spent on the baseline for the commodity programs would be somewhere between $5 billion and $7.5 billion.

Actually, we are going to spend a whole lot more than that. What we see here in this blue line is a declining baseline for the commodity programs. The green represents the marketing loan benefits which have been created because of a weak farm economy. The red bar shows how much is available or has been available in terms of emergency payments.

I represent farm country, and I do not care whether Members come from farm country or not, this Congress Republicans or Democrats from either side are simply not going to stand idly by and allow us to lose a generation of young farmers. That is not going to happen.

Here is what we have agreed to do with agriculture this year. First of all, we have given them, I think, a very generous baseline of $19.1 billion. In addition to that, there will be available marketing loan payments as well.

But let me just show the Members what we do when we add this final bar. We have also told the agriculture community that we will make available up to $8 billion in emergency payments this year. When we add it all together, to say that we are being less than fair to agriculture is less than generous.

In fact, agriculture is the only area where we are literally giving them three bites at the apple. We are giving them a generous baseline. We are saying if they have a bill by July 11, we will increase that. Finally, we are making available up to $8 billion in emergency payments. I think that is fair, I think it is reasonable, and I think it is responsible.

Mr. STENHOLM. Mr. Chairman, I yield myself 10 seconds.

I would respond to the gentleman by saying the Blue Dog budget guarantees the numbers. The budget that is before us in the House today is very speculative, and depending on contingency funds that may or may not be there. These charts are irrelevant if the money is not there.

Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. TURNER).

Mr. TURNER. Mr. Chairman, the Blue Dog Democrats want the biggest tax cut we can afford, and we want it as soon as we can get it. American families need immediate tax cuts to put money into their pockets. They deserve tax cuts that fit within a responsible budget and that are paired with aggressive repayment of the national debt.

When shaping our tax cuts, we should be generous with the real surpluses that we have today, just as we should be cautious with the uncertain surplus projections that we only hope will occur 5 and 10 years from now.

The Blue Dog budget offers immediate tax relief. For every dollar in tax cuts in the Republican plan, the Blue Dog budget gives us $4. That is four times the tax relief in our plan than in the Republican plan.

The Blue Dog budget fits significant tax relief into a budget that will not send us back into deficit spending or raid Social Security or Medicare. Our budget pays down the $5.7 trillion national debt faster than any budget on the floor today.

We do more to be sure our children will not be left with a massive Federal debt. We do more to ensure that we do not continue to waste $1 billion a day in just interest payments on our debt. We do more to prepare for the looming crisis in Social Security and Medicare that arises with the retirement of the baby-boom generation when the short-term surpluses in Social Security and Medicare of today turn into the long-term deficits of tomorrow.

We urge Members to seriously consider the Blue Dog plan. It will return us to a course of fiscal responsibility, restore credibility in our financial markets, and do the right thing for the American people and for our children.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Arkansas (Mr. HUTCHINSON).

Mr. HUTCHINSON. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I want to express my appreciation to the Blue Dogs for offering this substitute. It really enhances the debate. All of the substitutes have done that.

I do believe there are a number of fatal flaws in the Blue Dog substitute. One of the flaws that catches our attention like a mosquito biting our neck in the Ozark Hills is that the Blue Dog budget reduces the amount of money going to the taxpayers and increases the amount of money going to the government. That is the bottom line that is the difference that stands out more than anything else in the distinctions between the budgets.

The Blue Dog budget grows government at 5.4 percent. The budget coming out of the committee grows it at a 4 percent rate. The 5.4 percent growth of government is a greater increase than those on Social Security receive; it is more than workers receive on average across the country. It grows government too much. So the choice is, we do not have to grow government that much, we can give more of it back to the taxpayer.

One of the gentlemen from my district told me that he does not need the government doing more for him, he needs the government taking less out of his paycheck. That is what the plan is in the budget that is presented.

The budget presented by the committee eliminates $2.3 trillion in public debt by 2011, the right amount; $64 billion in tax relief next year, and much of that will be accelerated with provisions for it to be accelerated; a 4.6 increase in defense spending; over a 7 percent increase in our Nation's veterans; an 11 percent increase in education; and it fully funds the Violence Against Women Act.

I think those are the right priorities for America. I believe they are the right priorities for my district, certainly because we increase spending only 4 percent across the board. There are areas that are not growing as much. The Department of Justice is one of those.

We have to make a balance. We have to present the right decision and the right priorities. I think the Committee on the Budget's proposal hits that right balance and sets the right priorities. I ask Members to support the committee's plan.

Mr. STENHOLM. Mr. Chairman, I yield myself 10 seconds.

I would correct the record, Mr. Chairman. I know the gentleman did not intend to misspeak, but the Blue Dog budget provides for a 5.4 percent increase in the first year, an average of 3.7 percent over the 5 years.

Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Chairman, I thank the distinguished gentleman from Texas for yielding time to me, and thank him also for his leadership in this matter and all of the hard work that he has put into the budgets over the years.

Mr. Chairman, there is no greater need in America that is unfulfilled than prescription drugs for our seniors. The Blue Dog budget provides $92 billion over 5 years for real, defined, voluntary prescription drug benefits for Medicare. The Republican budget, however, over 10 years provides $153 billion for an undefined prescription drug plan that is no more than pie in the sky, and they will take that money out of the Medicare Trust Fund to do it. This is not keeping the Medicare Trust Fund in a lockbox, as everyone loves to talk about. It is robbing Peter to pay Paul.

The Blue Dog budget also provides for more money for our hospitals, who continue to struggle. We get letters and calls every day about the difficult time our hospitals are having, particularly in rural areas.

So we have dealt honestly and fairly with these issues. We deal with health care for our seniors in an appropriate way in this budget. I am very proud to support the Blue Dog budget, and encourage my colleagues on both sides of the aisle to do so.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky (Mr. FLETCHER), a member of the Committee.

Mr. FLETCHER. Mr. Chairman, as we look at the budget that we have passed out of the Committee on the Budget, I think it is a very balanced budget. It is not a perfect budget. I do not think there is a perfect budget that comes out of this body. There is always room for improvement or tweaking here and there.

One of the first things that I think is most important out of this budget is we find that it does give a tax refund. It understands that principle that it is not the government's money, it is the people's money.

I asked some of the Blue Dogs, where were they 2 years ago when we wanted to pass a tax bill, that we would have given tax money back to citizens? Where were they when we tried to override that veto? We would have been able to give that money. It would have been in the economy now, and possibly would have really ameliorated some of the decline we have seen in the economy thus far if they would have acted then.

I say that the tax relief they are talking about, they are about 2 years late. We have a tax relief plan that takes only 25 percent of the surplus and refunds that to the taxpayers. We also provide substantially for education, not just throwing money at education, but reforming the way education is done so we can leave no child behind, and make sure that we give every child in this country an opportunity to learn and take away that barrier from economic prosperity.

It modernizes Medicare and sets aside money. We can throw more money at prescription drugs or whatever, but we certainly budget a good amount for prescription drugs. Not only that, but we have some flexibility to modernize Medicare to meet the modern needs of health care, which include disease prevention and chronic disease management, which is not part of the Medicare system now. It needs updating. Medicare spending will double over the next 10 years. If we do not reform the system, we are not really going to be able to provide the health care we need.

Our budget addresses the uninsured, and provides several programs to make sure we can cover the uninsured.

This increases the funding for community health centers to make sure those folks who fall through the cracks can get the help they need. It allows families people who are disabled or have disabled members to buy into Medicaid. It allows increased funding for NIH and research.

I encourage Members to vote for the committee's budget.

Mr. STENHOLM. Mr. Chairman, I yield myself 10 seconds to respond by saying the Blue Dogs were in exactly the same place 2 years ago that we are today; that is, we should fix Social Security and Medicare first, pay down the debt, and we should not obligate 100 percent of the projected surpluses on a yet-projected surplus into a tax cut.

Mr. Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. HILL).

Mr. HILL. Mr. Chairman, let me thank my good friend, the gentleman from Texas, for yielding this time to me.

Mr. Chairman, farmers in southern Indiana are not getting much for their corn and soybeans. It is not going to get any better any time soon. Southern Indiana farmers are the same as the farmers and ranchers across this Nation. They are experiencing tough times. Their only certainty is more uncertainty about the future.

Over the last 3 years, Congress has had to give farmers nearly $25 billion in ad hoc emergency assistance. Without these emergency payments, they would not be in business today. American farmers produce the world's finest food. Stop and think about where we would be if we did not have family farmers working hard to give us a safe, secure, and abundant food supply.

It is time for Congress to be honest. Our farmers and ranchers should not have to depend on a wink and a nod, and then hope their income support payments appear in a supplemental bill. Instead, they should know what to expect now, this month, as they prepare for planting.

Various farm organizations have testified before the Committee on Agriculture. They have told us Congress needs to increase the agricultural baseline by as much as $12 billion a year in the next farm bill. The majority's budget does not guarantee needed funding for agriculture. Instead, if agriculture is increased at all, it will have to compete with defense and other priorities for a limited amount of time in a so-called contingency fund.

Congress cannot do anything about uncertain weather conditions, but the Blue Dog budget does take some of the uncertainty out of farming. The Blue Dog budget follows the lead of farm groups and increases the mandatory spending baseline for agriculture by a total of $57.1 billion over 5 years. That is $57.1 billion more than the majority's budget. The Blue Dogs are responsible about budgeting, and they are realistic about the needs of America's farmers and ranchers.

Mr. STENHOLM. Mr. Chairman, I yield 1½ minutes to the gentleman from Tennessee (Mr. TANNER).

Mr. TANNER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, everybody within the sound of our voices here knows that we cannot have it all. We cannot have it both ways.

The Blue Dog budget basically says what we ought to do as a Nation is pay our debts, meet our needs in defense and other areas that have been talked about this morning, and then give the money back to the people.

The Republican outlook is to give the money back over a 5- or 6-year phased-in tax cut based on 10-year numbers, the uncertainty of which is known to all of us in a very, very vivid and real way.

Our budget is a movie; the Republican budget is a preview of coming attractions. We have a real budget. If Members want to talk about tax cuts, we do four times this year the amount of tax cuts that the Republican budget does. If we want to talk about meeting our needs in defense, this year we provide $7 billion in emergency supplemental to fully fund a pay raise, to fully fund housing allowances, to immediately address the crisis we all know we have about spare parts and maintenance.

We provide $45 billion more over the CBO baseline in the next 5 years for defense, $26 billion more than the Republican plan does; we fund the Murtha pay increase proposal; in short, all of the things that some of the folks over there talked about with regard to defense we actually do. We do not say, ''Wait around a while and we will get to them when we can, but, first of all, we have to shove this money out of here, because if we do not, we are liable to spend it.''

If Members look at our budget, it is truly a budget that we recommend to people.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Chairman, I want to thank the gentleman from Texas for yielding time to me.

Mr. Chairman, I want to encourage all of my defense-oriented colleagues, Republican and Democrat, to support this budget. The Blue Dog budget would provide an additional $48 billion over the President's request for the Department of Defense.

Just 1 year ago right now General Hugh Shelton appeared before the Committee on Armed Services and said that there was a $100 billion shortfall in defense spending.

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It has been echoed by the gentleman from California, (Mr. HUNTER), my colleague, they need the money. We really do not need a study to tell us that our planes are old; that there are over 900 30-year-old Huey helicopters in the Army's fleet today; that the fleet has shrunk by 74 ships since my Republicans colleagues have taken over control of the House and the Senate.

We also do something we have never done as a Nation, and that is we have heard much about protecting Medicare and Social Security trust funds, we have not heard one word about protecting the military retiree trust funds.

Right now our Nation owes our military retiree trust fund $163 billion. The Blue Dog budget for the first time ever will protect those funds in a lockbox, much like Medicare and Social Security, so that those people who did so much for us will have their retirement check there for them when it comes due, rather than being a burden on future generations.

We have been pulling money out of the Department of Defense budget, but they have been spending it elsewhere. They have not been putting it aside for retirement pay. We protect those funds.

Lastly, as far as veterans' benefits, it is very sad to say, but statistically accurate that 1,300 World War II veterans are dying every day. We all know that about 90 percent of the health care costs for all of us will occur in the last 6 weeks of our lives.

Mr. Chairman, I am very sorry to say that those last sixes are coming for many of our World War II veterans. We would provide the funds to take care of our veterans with dignity in the last weeks of their lives, $2.1 billion more than my Republican colleagues and spend $10 billion more on the Montgomery GI bill benefit over the next 5 years than the Republican proposal.

I urge those of my colleagues who care about veterans, who care about defense, to support the Blue Dog budget.

The CHAIRMAN. The gentleman from Texas (Mr. STENHOLM) has 3 minutes remaining.

Mr. STENHOLM. Mr. Chairman, am I correct that the gentleman from Iowa (Mr. NUSSLE) is ready to close?

Mr. NUSSLE. Yes.

Mr. STENHOLM. Mr. Chairman, I yield myself the remainder of my time.

Mr. Chairman, if I were a constituent sitting back home in West Texas watching this budget debate, I would be mighty confused by all the assertions and counterassertions which have already been made.

Each of the budgets offered obviously has merits and political benefits, but the bottom line is how those strengths compare to the weaknesses? What was left out?

It has been interesting to hear our budget criticized on defense when we provide more funds for defense.

It has been interesting to hear speaker after speaker say our budget was weak on education when we provide more for education.

It has been interesting to see how our budget is weak on agriculture, when we budget for agricultural matters, not depend on a contingency fund.

The weakness of the Republican budget which I find the most troubling is that the promises do not match honest numbers.

First, the oft-repeated myth that we are precariously close to retiring too much debt is laughable. Trust me, Congress will find a way to swerve if we find ourselves on the brink of that precipice.

Secondly, as the ranking member on the Committee on Agriculture, I find it frightening that we are asked to bet the ranch on a contingency fund which has been promised not only to us, but to defense, prescription drugs, business groups wanting additional tax cuts, and I would point out the majority has already spent, spent the $500 billion contingency fund on additional tax cuts with the rhetoric and the votes that they are forcing on this House.

The contingency fund is gone. That already overstretched contingency fund will not even be around if the projected surpluses fail to materialize its promise.

As a real-life farmer, I know that agriculture always entails some degree of risk, but given the economic depression we have been through lately, I find no security and an oversubscribed, undefined contingency fund.

Likewise, seniors are being asked to literally bet their farm when it comes to Social Security and Medicare. The alleged protection for those two programs disappears with just the slightest change in economic growth because the tax cuts already will have consumed any cushion those programs might need.

The promise of Medicare reform will be achieved only through deficit spending. Additional cuts on already stressed hospitals and nursing homes are significantly reduced by program solvency under the scenario created by the majority budget. It will be impossible to match my friend's rhetoric on Social Security modernization. Since their budget fails to set aside any on-budget surpluses to finance the transition reform to Social Security, and that is one of my most disappointing aspects of the Republican budget.

In contrast, the Blue Dog budget does not make promises it cannot keep or rely on numbers that are unrealistic or downright deceptive. We know that even 5-year projections much less 10-year projections are no reason to bet the farm.

We know that Americans have a variety of priorities which all must be balanced. We know that they want tax cuts, but not at the expense of their children and grandchildren.

We know that our veterans deserve fulfillment of the promises made to them. Seniors need health care and retirement security. Children need a good education.

I hope Members and constituents alike will look beyond the gloss of how a budget is advertised and consider what and who gets left behind.

Mr. Chairman, I strongly urge my colleagues to support the Blue Dog budget.

Mr. Chairman, I yield back the balance of my time.

Mr. NUSSLE. Mr. Chairman, I yield myself 30 seconds to respond very briefly to the gentleman from Texas (Mr. STENHOLM).

Mr. Chairman, let me say to my friend from Texas, there is no one in this House that has put together more budgets than the gentleman from Texas. I respect the quality of his work and I respect his concerns about the priorities we have laid out.

His budget is my second favorite. However, I support the committee mark and the Committee on the Budget, and I appreciate the tenor and the quality of the debate today with regard to the Blue Dog budget.

Mr. Chairman, I yield the balance of my time to the gentleman from New Hampshire (Mr. SUNUNU), the vice chairman of the Committee on the Budget.

Mr. SUNUNU. Mr. Chairman, I think it is important to distill the facts, to clarify, to try to cut through some of this fog, as the Members from the minority have suggested, and I just want to review where we really are in this budget debate and talk about this alternative and where it falls short.

The Republican budget proposal pays down as much debt as we can over the next 10 years. I am not arguing that it pays down too much. I do not think we should spend too much time to talk

about whether we should pay down $2.4 trillion or $2.5 trillion.

The fact is, we have paid down $600 billion in debt. We will keep paying down debt, and this sets aside funds to do it throughout the 10 years of this budget proposal.

Of course, we have tax relief. As the gentleman from Kentucky (Mr. FLETCHER) pointed out, we give 25 percent to 28 percent of the surplus back to the taxpayers. I will talk more about that in just a moment.

We strengthen funding for education and for national defense. Of course, we set aside funds for Social Security and Medicare. The suggestion was that creating reserve accounts for Medicare or reserve accounts for Social Security was somehow part of a conspiracy or it was risky.

I think that is ridiculous. We have never created a reserve account like this in the history of our government. I think it makes common sense. Any one that does a budget at home understands that simple fact.

Is the difference between these two budgets about agriculture? I do not think so. We could take a guess at a funding level for agriculture, but I do not think that is good policy.

We allow the budget chair to come back and make amends and address agricultural issues as they come out of committee.

Is this about defense spending? I do not think so. We make sure that once we have a review from Secretary Rumsfeld we can deal with those needs in an immediate way and treat the men and women in our Armed Services with the equipment and the resources they need.

What is the difference and the distinction really about? It is about taxes. Clearly and simple, it is about taxes. We put roughly 28 percent of the surpluses back in the pockets of working men and women across the country. We cut taxes for everyone that pay income taxes.

Twenty-eight percent of the surpluses, does this alternative give 28 percent of the surplus back? No. Does it give back 25 percent? No. Does it give back 15 percent of the surplus? No. How about 10 percent? It does not even do that. It gives back less than 10 percent of the surplus to the men and women who are being overcharged today.

Why? What is the excuse? I could not tell you exactly what the excuse is. But the minority and, in particular, those that crafted this budget today have found every reason under the sun to oppose budget resolutions that contain tax relief in them.

First, they said you cannot cut taxes. We have not balanced the budget; that was just 4 years ago when I was first elected to Congress. We balanced the budget, and we did it while cutting taxes.

Then they said we cannot support the tax cut in your budget resolution, because we have not set aside every penny of Social Security. Three years ago, we did just that. Then they suggested you have to set aside Medicare. We did that. Now, they are saying we have to pay down every penny of the debt. What is the excuse now?

Mr. Chairman, I urge my colleagues to reject this excuse for a budget alternative and support the Republican platform.

Mr. SANDLIN. Mr. Chairman, I rise to oppose the budget resolution reported by the committee and to support the Blue Dog budget alternative.

The Republican budget is completely inadequate. It is inadequate in its treatment of priorities that this House has time and time again said are important. It is inadequate in its treatment of our senior citizens. It is inadequate in its treatment of agriculture. It is inadequate in its treatment of defense. It is inadequate in its treatment of education. And it is inadequate in its treatment of the national debt.

The Republican budget is an exercise in fuzzy math. They have based their numbers on 10-year projections. These types of projections have proven time and time again to be completely inaccurate. In fact, just yesterday, we learned that the Administration now plans to spread their tax cut over 11 years instead of 10 because of the uncertainty of the numbers. The Comptroller General has testified that "no one should design tax or spending policies pegged to the precise numbers in any 10-year forecast." We simply should not gamble our parents' and our children's futures on such uncertainty. The Blue Dog budget does not. The Blue Dog budget is a five year budget and is far more reliable than the 10-year Republican budget.

The Social Security and Medicare surpluses are already committed to paying benefits we have promised our seniors. But the Republicans would raid those surpluses and shorten the solvency of both, thereby eventually requiring either severe benefit cuts or tax increases.

Not only do they not provide any additional resources for Social Security reform beyond the funds already committed to Social Security, they would privatize Social Security and invest a portion of the trust fund in the stock market—something we should all question after the performance of the stock market in the last couple of weeks. In contrast, the Blue Dog budget allocates an additional $350 billion from the on-budget surplus that would be available to finance reforms to make the Social Security system financially sound for future generations without affecting current and near retirees.

The Republican budget makes a mockery of the need to provide prescription drug coverage for our seniors. They actually propose to pay for prescription drugs out of the Hospital Insurance trust fund and take money away from hospitals and/or make the Medicare HI trust fund go broke sooner. In contrast, the Blue Dog budget saves 100% of the Medicare HI trust fund to provide benefits promised under current law. We set aside half of the surplus outside Social Security and Medicare for debt reduction, which will have the effect of protecting the Medicare trust fund from being raided even if the surplus projections deteriorate.

The Republican budget would harm the hard-working farmers in my district. They would force important agriculture programs to compete with defense, prescription drugs, and other priorities for limited funds in the strategic reserve that could be wiped out if the tax cut exceeds $1.62 trillion or surplus projections deteriorate—either or both of which seem likely under current conditions. In contrast, the Blue Dog budget would provide $9 billion in assistance payments to farmers this fiscal year and increases the agriculture baseline by $12 billion for each subsequent year. These funds would be available to improve farm income, conservation, export, rural development, and research programs as recommended by the farm and commodity organizations.

The Republican budget provides less than half of the defense funding the Blue Dog budget would provide. The Republicans have chosen to play a dangerous game with our national defense by providing minimal funding for defense programs in this budget and waiting to make the tough decisions. When they get ready to decide defense spending priorities, those priorities will have to compete with agriculture, prescription drugs, and other priorities for limited funds in the "strategic reserve." Never mind that this reserve could be wiped out if the tax cut exceeds $1.62 trillion or surplus projections deteriorate—both of which are strong possibilities.

The Republican budget does nothing to meet the President's stated goal of leaving no child behind. It barely increases education funding above inflation! It would not continue to progress we have made on smaller class sizes. It would not provide adequate funding to restore dilapidated schools and build new schools. It would not address many of the education priorities that we have identified in recent years. In contrast, the Blue Dog budget would allow for an increase in the maximum Pell Grant award and provide funding to help schools meet the increased accountability of education reform, comply with IDEA, and meet other local needs.

Furthermore, the Blue Dog budget provides funding specifically for the Hunger Relief Act, a program to increase nutritional assistance to low-income working families with children. Studies have shown that children who come to school hungry don't learn at their full capacity. By providing nutritional assistance, we help children to learn.

Finally, the Republican budget shows that they are not serious about debt reduction. They would leave too much debt for our children to pay off. They do not allocate one dime of the on-budget surplus outside of Social Security and Medicare to debt reduction in the first five years. That means that all of their debt reduction would occur in years 6–10—the time when the surplus projections are most unreliable. In contrast, the Blue Dog budget devotes half of the on-budget surplus outside of Social Security and Medicare—$370 billion over the next five years—to reducing the publicly held debt. We would reduce the publicly held debt by more than half over the next five

years—from a projected $3.148 trillion at the end of FY 2001 to $1.57 trillion at the end of FY 2006.

Mr. Chairman, the priorities reflected in the Republican budget simply are not the priorities of the American people. I encourage my colleagues to join me in supporting the Blue Dog budget and rejecting the Republican budget.

Mr. DINGELL. Mr. Chairman, I rise in support of the Blue Dog budget which balances fiscal responsibility with the need to adequately fund programs addressing our national priorities and needs. The Blue Dog budget is a responsible plan that balances the budget, retires public debt, and provides modest tax cuts without tapping into the Social Security trust fund. Unlike the Republican plan, it does not foolishly drive our budget back into the red with massive and unnecessary tax cuts for the wealthy.

Mr. Chairman, I am particularly pleased the Blue Dog budget provides needed funding to expand the Montgomery G.I. Bill in accordance with H.R. 320, the Montgomery G.I. Bill Improvements Act which I, along with my colleague LANE EVANS, introduced earlier this year. It also provides funds to pay for a substantial military pay raise and improve the veterans' and military retirees' health care system.

The Armed Forces face serious recruiting problems. In order to meet our defense needs, the Armed Forces must have the tools it needs to draw men and women into uniform. The Montgomery G.I. Bill has proven to be the military's most valuable recruiting tool. Unfortunately, the combination of a substantially devalued G.I Bill and expanded federal financial assistance to college-bound students without military service has crippled the G.I. Bill's effectiveness.

Recent recruiting gimmicks such as psychedelic humvees, Spike Lee advertisements, drag racers, or desperate cash giveaways are not the answer to these problems. Nor is conscription. Congress would best help our Armed Forces by improving the G.I. Bill. Providing access to higher education in exchange for national service is the right thing to do. A strong G.I. Bill helps veterans and their families, aids our national defense, and strengthens the economy.

The Montgomery GI Bill Expansion Act (H.R. 320) will ensure that our All-Volunteer Armed Forces has the ability to attract recruits, and, at the same time, provide veterans with the skills they need to better our economy and their lives. The Blue Dog budget wisely provides funding to expand the G.I. Bill in line with H.R. 320 and will restore the MGIB's value both as a meaningful readjustment benefit and an effective recruiting incentive.

Mr. Chairman, the Blue Dog budget is good for America's veterans and soldiers and is a solid blueprint for our nation's future. Unlike the Republican budget that would foolishly squander the surplus, the responsible Blue Dog budget pays down the national debt and provides sensible tax relief. It will put the nation on a course to cut the publicly held debt in half by 2006 with a strong, immediate commitment to debt reduction rather than return us to deficit spending.

Mr. Chairman, I urge my colleagues to do the right thing for veterans, soldiers and our nation's future. Vote for the Blue Dog budget.

Mr. PHELPS. Mr. Chairman, I rise today in opposition to the Republican Budget Resolution for fiscal year 2002 and in favor of the Substitute offered by Mr. STENHOLM on behalf of the Blue Dog Coalition.

I support the Blue Dog Budget because it is based on real, not projected, surpluses and presents a balanced, honest view to meeting our many budget concerns. The Blue Dog Budget builds on the fiscal progress we have made in the past few years, but provides needed tax relief and priority funding for education, health, and agriculture.

I will not support the Republican Resolution simply because it is not credible. The majority's plan is built on thin air. It promises everything: large tax cuts, debt pay down, protection of Social Security and Medicare, and continued spending. But, the catch is it is based on surpluses that do not and may not ever exist. It relies on 10 year budget projections that even the new Secretary of the Treasury says are unreliable. If the economy slows, as it is already doing, this budget will force us to borrow from Social Security, cut spending and stop paying down national debt.

In contrast the Blue Dog Budget Resolution operates on a more conservative five year cycle and preserves the balanced budget while paying down the debt, providing for meaningful tax relief, and honestly meeting our spending priorities.

The Blue Dog Budget does not squander the progress we have made paying down the debt. In fact, it provides $375 billion more debt reduction than the Republican plan.

The Blue Dog Budget provides immediate and fair tax relief. In fact, it allows for $23 billion in immediate tax relief for 2001, four times the amount of the majority's budget.

The Blue Dog Budget does not drastically cut critical spending or use gimmicks and emergency funding to balance the budget. In fact, the Blue Dog budget establishes realistic discretionary spending caps which will restrain spending but also provide room to fund new initiatives without relying on unspecified or unrealistic spending. It also does not rely on an overly-committed contingency fund to address necessary agriculture and defense needs.

In short, the Blue Dog Budget is honest where the majority proposal is not. The Blue Dog Budget is credible, where the Republican plan is not. Most importantly, the Blue Dog budget is responsible and the other plan is not.

Mr. HILLIARD. Mr. Chairman, as Ranking Member of the House Conservation Subcommittee, I cannot remain silent in the face of the inadequacy of the funding for agriculture in the budget presented by the majority.

Conservation programs are already facing a shortfall in funding, while the precious lands which are our original heritage, are ravaged by erosion, fire, pestilence, and many other dangers.

The Conservation Reserve Program needs to grow, and the Wetlands Reserve Program is deeply underfunded by the sum of $569 million. The Environmental Quality Incentives Program needs to be nearly doubled in acreage, and the essential Farmland Protection Program needs to more than double.

These programs allow our farmers to participate in restoring our great nation's resources to a healthy state while keeping the farmers solvent. Conservation is a win/win matter, and the majority budget fails to meet the needs of the American people and our lands. I strongly support the agriculture provisions of the Blue Dogs budget and call upon all members who want to preserve and restore the health of our landmass to support them.

Mr. NUSSLE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. STENHOLM).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. STENHOLM. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 204, noes 221, not voting 7, as follows:

[Roll No. 67]

AYES—204

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Barcia
Barrett
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
DeFazio
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Duncan
Edwards
Emerson
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kelly
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
LaFalce
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Scarborough
Schakowsky
Schiff
Scott
Serrano
Sherman
Shimkus
Shows
Skelton
Slaughter
Smith (MI)
Smith (WA)
Snyder
Solis
Spratt
Stark

Stearns
Stenholm
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Turner
Udall (CO)
Upton
Velázquez
Visclosky
Wamp
Watt (NC)
Waxman
Weldon (PA)
Wexler
Woolsey
Wu
Wynn

NOES—221

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Tom
Deal
DeGette
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
English
Evans
Everett
Ferguson
Flake
Fletcher
Foley
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (OH)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jackson (IL)
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kaptur
Keller
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
Kucinich
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Owens
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shays
Sherwood
Simmons
Simpson
Skeen
Smith (NJ)
Smith (TX)
Souder
Spence
Strickland
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Towns
Traficant
Udall (NM)
Vitter
Walden
Walsh
Waters
Watkins
Watts (OK)
Weiner
Weldon (FL)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—7

Baldwin
Becerra
Lampson
Mink
Rothman
Shaw
Sisisky

□ 1347

Messrs. CALLAHAN, LEWIS of California, OTTER, TOOMEY, COOKSEY, BRYANT and MORAN of Kansas changed their vote from ''aye'' to ''no.''

Messrs. BARRETT of Wisconsin, BROWN of Ohio, CONYERS, BLAGOJEVICH, CUMMINGS, DUNCAN, MOLLOHAN, WAMP and Ms. WOOLSEY and Ms. McKINNEY changed their vote from ''no'' to ''aye.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. SHAW. Mr. Chairman, on rollcall Nos. 65, 66 and 67 I was absent due to a family medical emergency. Had I been present, I would have voted ''aye'' on rollcall No. 65 and ''no'' on rollcall Nos. 66 and 67.

The CHAIRMAN. It is now in order to consider amendment No. 3 printed in part B of House Report 107–30.

AMENDMENT NO. 3 IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. FLAKE

Mr. FLAKE. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment No. 3 in the nature of a substitute offered by Mr. FLAKE:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2002.

The Congress declares that the concurrent resolution on the budget for fiscal year 2001 is hereby revised and replaced and that this is the concurrent resolution on the budget for fiscal year 2002 and that the appropriate budgetary levels for fiscal years 2003 through 2011 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for each of fiscal years 2001 through 2011:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2001: $1,537,500,000,000
Fiscal year 2002: $1,601,500,000,000
Fiscal year 2003: $1,658,100,000,000
Fiscal year 2004: $1,726,300,000,000
Fiscal year 2005: $1,802,800,000,000
Fiscal year 2006: $1,851,600,000,000
Fiscal year 2007: $1,908,700,000,000
Fiscal year 2008: $1,988,800,000,000
Fiscal year 2009: $2,066,200,000,000
Fiscal year 2010: $2,147,300,000,000
Fiscal year 2011: $2,225,900,000,000

(B) The amounts by which the aggregate levels of Federal revenues should be reduced are as follows:

Fiscal year 2001: $93,000,000,000
Fiscal year 2002: $102,000,000,000
Fiscal year 2003: $124,000,000,000
Fiscal year 2004: $138,000,000,000
Fiscal year 2005: $147,000,000,000
Fiscal year 2006: $188,000,000,000
Fiscal year 2007: $227,000,000,000
Fiscal year 2008: $254,000,000,000
Fiscal year 2009: $294,000,000,000
Fiscal year 2010: $342,000,000,000
Fiscal year 2011: $393,000,000,000

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2001: $1,554,200,000,000
Fiscal year 2002: $1,597,400,000,000
Fiscal year 2003: $1,642,500,000,000
Fiscal year 2004: $1,701,700,000,000
Fiscal year 2005: $1,777,600,000,000
Fiscal year 2006: $1,823,000,000,000
Fiscal year 2007: $1,884,200,000,000
Fiscal year 2008: $1,963,200,000,000
Fiscal year 2009: $2,038,800,000,000
Fiscal year 2010: $2,120,600,000,000
Fiscal year 2011: $2,208,500,000,000

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2001: $1,502,700,000,000
Fiscal year 2002: $1,564,400,000,000
Fiscal year 2003: $1,612,100,000,000
Fiscal year 2004: $1,672,800,000,000
Fiscal year 2005: $1,750,000,000,000
Fiscal year 2006: $1,791,200,000,000
Fiscal year 2007: $1,851,300,000,000
Fiscal year 2008: $1,934,300,000,000
Fiscal year 2009: $2,010,500,000,000
Fiscal year 2010: $2,094,800,000,000
Fiscal year 2011: $2,176,500,000,000

(4) SURPLUSES.—For purposes of the enforcement of this resolution, the amounts of the surpluses are as follows:

Fiscal year 2001: $34,800,000,000
Fiscal year 2002: $37,100,000,000
Fiscal year 2003: $46,000,000,000
Fiscal year 2004: $53,500,000,000
Fiscal year 2005: $52,800,000,000
Fiscal year 2006: $59,900,000,000
Fiscal year 2007: $57,400,000,000
Fiscal year 2008: $54,500,000,000
Fiscal year 2009: $55,700,000,000
Fiscal year 2010: $52,500,000,000
Fiscal year 2011: $49,400,000,000

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 2001: $5,656,000,000,000
Fiscal year 2002: $5,641,900,000,000
Fiscal year 2003: $5,692,400,000,000
Fiscal year 2004: $5,736,600,000,000
Fiscal year 2005: $5,793,300,000,000
Fiscal year 2006: $5,889,600,000,000
Fiscal year 2007: $6,395,300,000,000
Fiscal year 2008: $6,985,500,000,000
Fiscal year 2009: $7,629,900,000,000
Fiscal year 2010: $8,687,200,000,000
Fiscal year 2011: $9,543,400,000,000

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority and budget outlays for fiscal years 2003 through 2011 for each major functional category are:

(1) National Defense (050):

Fiscal year 2001:
(A) New budget authority, $310,300,000,000.
(B) Outlays, $300,600,000,000.
Fiscal year 2002:
(A) New budget authority, $349,600,000,000.
(B) Outlays, $344,000,000,000.
Fiscal year 2003:
(A) New budget authority, $362,800,000,000.
(B) Outlays, $354,400,000,000.
Fiscal year 2004:
(A) New budget authority, $369,800,000,000.
(B) Outlays, $360,600,000,000.
Fiscal year 2005:
(A) New budget authority, $379,400,000,000.
(B) Outlays, $374,000,000,000.
Fiscal year 2006:
(A) New budget authority, $390,100,000,000.
(B) Outlays, $381,900,000,000.
Fiscal year 2007:
(A) New budget authority, $401,000,000,000.
(B) Outlays, $389,900,000,000.
Fiscal year 2008:
(A) New budget authority, $412,300,000,000.
(B) Outlays, $404,700,000,000.

Fiscal year 2009:
(A) New budget authority, $423,900,000,000.
(B) Outlays, $416,400,000,000.
Fiscal year 2010:
(A) New budget authority, $435,800,000,000.
(B) Outlays, $428,400,000,000.
Fiscal year 2010:
(A) New budget authority, $435,800,000,000.
(B) Outlays, $428,400,000,000.
(2) International Affairs (150):
Fiscal year 2001:
(A) New budget authority, $22,400,000,000.
(B) Outlays, $19,700,000,000.
Fiscal year 2002:
(A) New budget authority, $20,600,000,000.
(B) Outlays, $16,400,000,000.
Fiscal year 2003:
(A) New budget authority, $20,500,000,000.
(B) Outlays, $16,500,000,000.
Fiscal year 2004:
(A) New budget authority, $21,100,000,000.
(B) Outlays, $17,100,000,000.
Fiscal year 2005:
(A) New budget authority, $21,800,000,000.
(B) Outlays, $17,300,000,000.
Fiscal year 2006:
(A) New budget authority, $22,300,000,000.
(B) Outlays, $17,700,000,000.
Fiscal year 2007:
(A) New budget authority, $23,200,000,000.
(B) Outlays, $18,600,000,000.
Fiscal year 2008:
(A) New budget authority, $23,700,000,000.
(B) Outlays, $19,200,000,000.
Fiscal year 2009:
(A) New budget authority, $24,100,000,000.
(B) Outlays, $19,900,000,000.
Fiscal year 2010:
(A) New budget authority, $24,500,000,000.
(B) Outlays, $20,300,000,000.
Fiscal year 2011:
(A) New budget authority, $25,000,000,000.
(B) Outlays, $20,600,000,000.
(3) General Science, Space, and Technology (250):
Fiscal year 2001:
(A) New budget authority, $21,000,000,000.
(B) Outlays, $19,700,000,000.
Fiscal year 2002:
(A) New budget authority, $19,600,000,000.
(B) Outlays, $18,600,000,000.
Fiscal year 2003:
(A) New budget authority, $20,000,000,000.
(B) Outlays, $19,300,000,000.
Fiscal year 2004:
(A) New budget authority, $20,400,000,000.
(B) Outlays, $19,900,000,000.
Fiscal year 2005:
(A) New budget authority, $20,800,000,000.
(B) Outlays, $20,500,000,000.
Fiscal year 2006:
(A) New budget authority, $21,200,000,000.
(B) Outlays, $20,700,000,000.
Fiscal year 2007:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $21,600,000,000.
Fiscal year 2008:
(A) New budget authority, $22,300,000,000.
(B) Outlays, $21,800,000,000.
Fiscal year 2009:
(A) New budget authority, $22,900,000,000.
(B) Outlays, $22,300,000,000.
Fiscal year 2010:
(A) New budget authority, $23,300,000,000.
(B) Outlays, $22,800,000,000.
Fiscal year 2011:
(A) New budget authority, $23,800,000,000.
(B) Outlays, $23,000,000,000.
(4) Energy (270):
Fiscal year 2001:
(A) New budget authority, $1,200,000,000.
(B) Outlays, −$100,000,000.
Fiscal year 2002:
(A) New budget authority, −$100,000,000.
(B) Outlays, −$1,300,000,000.
Fiscal year 2003:
(A) New budget authority, −$2,300,000,000.
(B) Outlays, −$3,600,000,000.
Fiscal year 2004:
(A) New budget authority, −$800,000,000.
(B) Outlays, −$2,200,000,000.
Fiscal year 2005:
(A) New budget authority, −$800,000,000.
(B) Outlays, −$2,100,000,000.
Fiscal year 2006:
(A) New budget authority, −$800,000,000.
(B) Outlays, −$2,100,000,000.
Fiscal year 2007:
(A) New budget authority, −$700,000,000.
(B) Outlays, −$2,000,000,000.
Fiscal year 2008:
(A) New budget authority, $0.
(B) Outlays, −$1,600,000,000.
Fiscal year 2009:
(A) New budget authority, $0.
(B) Outlays, −$1,300,000,000.
Fiscal year 2010:
(A) New budget authority, $0.
(B) Outlays, −$1,300,000,000.
Fiscal year 2011:
(A) New budget authority, −$100,000,000.
(B) Outlays, −$1,400,000,000.
(5) Natural Resources and Environment (300):
Fiscal year 2001:
(A) New budget authority, $28,800,000,000.
(B) Outlays, $26,400,000,000.
Fiscal year 2002:
(A) New budget authority, $23,700,000,000.
(B) Outlays, $23,400,000,000.
Fiscal year 2003:
(A) New budget authority, $23,900,000,000.
(B) Outlays, $24,000,000,000.
Fiscal year 2004:
(A) New budget authority, $24,600,000,000.
(B) Outlays, $24,300,000,000.
Fiscal year 2005:
(A) New budget authority, $24,800,000,000.
(B) Outlays, $24,600,000,000.
Fiscal year 2006:
(A) New budget authority, $24,900,000,000.
(B) Outlays, $24,700,000,000.
Fiscal year 2007:
(A) New budget authority, $25,400,000,000.
(B) Outlays, $25,000,000,000.
Fiscal year 2008:
(A) New budget authority, $26,000,000,000.
(B) Outlays, $25,600,000,000.
Fiscal year 2009:
(A) New budget authority, $26,900,000,000.
(B) Outlays, $26,300,000,000.
Fiscal year 2010:
(A) New budget authority, $27,400,000,000.
(B) Outlays, $26,800,000,000.
Fiscal year 2011:
(A) New budget authority, $28,000,000,000.
(B) Outlays, $27,200,000,000.
(6) Agriculture (350):
Fiscal year 2001:
(A) New budget authority, $26,300,000,000.
(B) Outlays, $23,200,000,000.
Fiscal year 2002:
(A) New budget authority, $19,100,000,000.
(B) Outlays, $17,500,000,000.
Fiscal year 2003:
(A) New budget authority, $18,600,000,000.
(B) Outlays, $17,000,000,000.
Fiscal year 2004:
(A) New budget authority, $18,500,000,000.
(B) Outlays, $17,100,000,000.
Fiscal year 2005:
(A) New budget authority, $18,300,000,000.
(B) Outlays, $16,900,000,000.
Fiscal year 2006:
(A) New budget authority, $17,900,000,000.
(B) Outlays, $16,300,000,000.
Fiscal year 2007:
(A) New budget authority, $16,500,000,000.
(B) Outlays, $14,900,000,000.
Fiscal year 2008:
(A) New budget authority, $15,600,000,000.
(B) Outlays, $14,100,000,000.
Fiscal year 2009:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $14,400,000,000.
Fiscal year 2010:
(A) New budget authority, $15,900,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2011:
(A) New budget authority, $16,100,000,000.
(B) Outlays, $14,700,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 2001:
(A) New budget authority, $2,500,000,000.
(B) Outlays, −$800,000,000.
Fiscal year 2002:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $4,400,000,000.
Fiscal year 2003:
(A) New budget authority, $7,600,000,000.
(B) Outlays, $1,700,000,000.
Fiscal year 2004:
(A) New budget authority, $11,800,000,000.
(B) Outlays, $7,400,000,000.
Fiscal year 2005:
(A) New budget authority, $11,700,000,000.
(B) Outlays, $7,500,000,000.
Fiscal year 2006:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $6,900,000,000.
Fiscal year 2007:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $8,500,000,000.
Fiscal year 2008:
(A) New budget authority, $12,700,000,000.
(B) Outlays, $8,600,000,000.
Fiscal year 2009:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $8,900,000,000.
Fiscal year 2010:
(A) New budget authority, $15,200,000,000.
(B) Outlays, $10,300,000,000.
Fiscal year 2011:
(A) New budget authority, $12,300,000,000.
(B) Outlays, $3,800,000,000.
(8) Transportation (400):
Fiscal year 2001:
(A) New budget authority, $62,200,000,000.
(B) Outlays, $51,700,000,000.
Fiscal year 2002:
(A) New budget authority, $61,000,000,000.
(B) Outlays, $55,600,000,000.
Fiscal year 2003:
(A) New budget authority, $58,300,000,000.
(B) Outlays, $56,600,000,000.
Fiscal year 2004:
(A) New budget authority, $58,700,000,000.
(B) Outlays, $58,600,000,000.
Fiscal year 2005:
(A) New budget authority, $59,100,000,000.
(B) Outlays, $59,800,000,000.
Fiscal year 2006:
(A) New budget authority, $59,600,000,000.
(B) Outlays, $61,300,000,000.
Fiscal year 2007:
(A) New budget authority, $60,200,000,000.
(B) Outlays, $62,900,000,000.
Fiscal year 2008:
(A) New budget authority, $60,700,000,000.
(B) Outlays, $64,400,000,000.
Fiscal year 2009:
(A) New budget authority, $61,100,000,000.
(B) Outlays, $65,600,000,000.
Fiscal year 2010:
(A) New budget authority, $61,600,000,000.
(B) Outlays, $67,300,000,000.
Fiscal year 2011:
(A) New budget authority, $62,300,000,000.
(B) Outlays, $68,800,000,000.
(9) Community and Regional Development (450):
Fiscal year 2001:

(A) New budget authority, $11,200,000,000.
(B) Outlays, $11,300,000,000.
Fiscal year 2002:
(A) New budget authority, $9,100,000,000.
(B) Outlays, $10,200,000,000.
Fiscal year 2003:
(A) New budget authority, $9,400,000,000.
(B) Outlays, $9,900,000,000.
Fiscal year 2004:
(A) New budget authority, $9,600,000,000.
(B) Outlays, $9,700,000,000.
Fiscal year 2005:
(A) New budget authority, $9,800,000,000.
(B) Outlays, $9,200,000,000.
Fiscal year 2006:
(A) New budget authority, $10,100,000,000.
(B) Outlays, $9,200,000,000.
Fiscal year 2007:
(A) New budget authority, $10,200,000,000.
(B) Outlays, $9,300,000,000.
Fiscal year 2008:
(A) New budget authority, $10,600,000,000.
(B) Outlays, $9,700,000,000.
Fiscal year 2009:
(A) New budget authority, $10,800,000,000.
(B) Outlays, $9,900,000,000.
Fiscal year 2010:
(A) New budget authority, $11,100,000,000.
(B) Outlays, $10,100,000,000.
Fiscal year 2011:
(A) New budget authority, $11,500,000,000.
(B) Outlays, $10,400,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 2001:
(A) New budget authority, $76,900,000,000.
(B) Outlays, $69,800,000,000.
Fiscal year 2002:
(A) New budget authority, $77,700,000,000.
(B) Outlays, $72,500,000,000.
Fiscal year 2003:
(A) New budget authority, $77,700,000,000.
(B) Outlays, $77,400,000,000.
Fiscal year 2004:
(A) New budget authority, $79,500,000,000.
(B) Outlays, $78,000,000,000.
Fiscal year 2005:
(A) New budget authority, $82,100,000,000.
(B) Outlays, $79,700,000,000.
Fiscal year 2006:
(A) New budget authority, $84,400,000,000.
(B) Outlays, $82,000,000,000.
Fiscal year 2007:
(A) New budget authority, $86,200,000,000.
(B) Outlays, $83,900,000,000.
Fiscal year 2008:
(A) New budget authority, $88,100,000,000.
(B) Outlays, $85,500,000,000.
Fiscal year 2009:
(A) New budget authority, $90,000,000,000.
(B) Outlays, $87,600,000,000.
Fiscal year 2010:
(A) New budget authority, $92,000,000,000.
(B) Outlays, $90,100,000,000.
Fiscal year 2011:
(A) New budget authority, $94,400,000,000.
(B) Outlays, $91,400,000,000.
(11) Health (550):
Fiscal year 2001:
(A) New budget authority, $180,100,000,000.
(B) Outlays, $173,000,000,000.
Fiscal year 2002:
(A) New budget authority, $189,800,000,000.
(B) Outlays, $187,100,000,000.
Fiscal year 2003:
(A) New budget authority, $208,400,000,000.
(B) Outlays, $205,000,000,000.
Fiscal year 2004:
(A) New budget authority, $223,700,000,000.
(B) Outlays, $222,200,000,000.
Fiscal year 2005:
(A) New budget authority, $240,600,000,000.
(B) Outlays, $238,600,000,000.
Fiscal year 2007:
(A) New budget authority, $276,600,000,000.
(B) Outlays, $274,100,000,000.
Fiscal year 2008:
(A) New budget authority, $297,400,000,000.
(B) Outlays, $295,300,000,000.
Fiscal year 2009:
(A) New budget authority, $318,700,000,000.
(B) Outlays, $316,800,000,000.
Fiscal year 2010:
(A) New budget authority, $343,200,000,000.
(B) Outlays, $341,800,000,000.
Fiscal year 2011:
(A) New budget authority, $370,600,000,000.
(B) Outlays, $368,800,000,000.
(12) Medicare (570):
Fiscal year 2001:
(A) New budget authority, $217,600,000,000.
(B) Outlays, $214,400,000,000.
Fiscal year 2002:
(A) New budget authority, $229,100,000,000.
(B) Outlays, $225,700,000,000.
Fiscal year 2003:
(A) New budget authority, $243,900,000,000.
(B) Outlays, $240,300,000,000.
Fiscal year 2004:
(A) New budget authority, $260,200,000,000.
(B) Outlays, $256,900,000,000.
Fiscal year 2005:
(A) New budget authority, $283,400,000,000.
(B) Outlays, $279,800,000,000.
Fiscal year 2006:
(A) New budget authority, $297,200,000,000.
(B) Outlays, $293,100,000,000.
Fiscal year 2007:
(A) New budget authority, $322,800,000,000.
(B) Outlays, $319,200,000,000.
Fiscal year 2008:
(A) New budget authority, $347,400,000,000.
(B) Outlays, $343,300,000,000.
Fiscal year 2009:
(A) New budget authority, $374,500,000,000.
(B) Outlays, $370,100,000,000.
Fiscal year 2010:
(A) New budget authority, $404,100,000,000.
(B) Outlays, $400,000,000,000.
Fiscal year 2011:
(A) New budget authority, $435,900,000,000.
(B) Outlays, $431,700,000,000.
(13) Income Security (600):
Fiscal year 2001:
(A) New budget authority, $256,000,000,000.
(B) Outlays, $257,000,000,000.
Fiscal year 2002:
(A) New budget authority, $265,500,000,000.
(B) Outlays, $265,700,000,000.
Fiscal year 2003:
(A) New budget authority, $275,400,000,000.
(B) Outlays, $275,600,000,000.
Fiscal year 2004:
(A) New budget authority, $286,300,000,000.
(B) Outlays, $285,100,000,000.
Fiscal year 2005:
(A) New budget authority, $300,500,000,000.
(B) Outlays, $298,900,000,000.
Fiscal year 2006:
(A) New budget authority, $307,600,000,000.
(B) Outlays, $306,100,000,000.
Fiscal year 2007:
(A) New budget authority, $314,100,000,000.
(B) Outlays, $312,600,000,000.
Fiscal year 2008:
(A) New budget authority, $328,200,000,000.
(B) Outlays, $326,900,000,000.
Fiscal year 2009:
(A) New budget authority, $339,300,000,000.
(B) Outlays, $337,500,000,000.
Fiscal year 2010:
(A) New budget authority, $349,700,000,000.
(B) Outlays, $348,000,000,000.
Fiscal year 2011:
(A) New budget authority, $360,500,000,000.
(B) Outlays, $358,400,000,000.
(14) Social Security (650)
Fiscal year 2001:
(A) New budget authority, $9,800,000,000.
(B) Outlays, $9,800,000,000.
Fiscal year 2002:
(A) New budget authority, $11,000,000,000.
(B) Outlays, $11,000,000,000.
Fiscal year 2003:
(A) New budget authority, $11,700,000,000.
(B) Outlays, $11,700,000,000.
Fiscal year 2004:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $12,500,000,000.
Fiscal year 2005:
(A) New budget authority, $13,300,000,000.
(B) Outlays, $13,300,000,000.
Fiscal year 2006:
(A) New budget authority, $14,200,000,000.
(B) Outlays, $14,200,000,000.
Fiscal year 2007:
(A) New budget authority, $15,200,000,000.
(B) Outlays, $15,200,000,000.
Fiscal year 2008:
(A) New budget authority, $16,200,000,000.
(B) Outlays, $16,200,000,000.
Fiscal year 2009:
(A) New budget authority, $17,500,000,000.
(B) Outlays, $17,500,000,000.
Fiscal year 2010:
(A) New budget authority, $18,900,000,000.
(B) Outlays, $18,900,000,000.
Fiscal year 2011:
(A) New budget authority, $20,400,000,000.
(B) Outlays, $20,400,000,000.
(15) Veterans Benefits and Services (700):
Fiscal year 2001:
(A) New budget authority, $46,700,000,000.
(B) Outlays, $45,900,000,000.
Fiscal year 2002:
(A) New budget authority, $52,300,000,000.
(B) Outlays, $51,600,000,000.
Fiscal year 2003:
(A) New budget authority, $53,000,000,000.
(B) Outlays, $52,800,000,000.
Fiscal year 2004:
(A) New budget authority, $55,300,000,000.
(B) Outlays, $54,900,000,000.
Fiscal year 2005:
(A) New budget authority, $59,300,000,000.
(B) Outlays, $58,900,000,000.
Fiscal year 2006:
(A) New budget authority, $58,800,000,000.
(B) Outlays, $58,300,000,000.
Fiscal year 2007:
(A) New budget authority, $58,100,000,000.
(B) Outlays, $57,700,000,000.
Fiscal year 2008:
(A) New budget authority, $62,000,000,000.
(B) Outlays, $61,600,000,000.
Fiscal year 2009:
(A) New budget authority, $63,400,000,000.
(B) Outlays, $63,000,000,000.
Fiscal year 2010:
(A) New budget authority, $64,700,000,000.
(B) Outlays, $64,400,000,000.
Fiscal year 2011:
(A) New budget authority, $67,100,000,000.
(B) Outlays, $66,700,000,000
(16) Administration of Justice (750):
Fiscal year 2001:
(A) New budget authority, $30,600,000,000.
(B) Outlays, $30,000,000,000.
Fiscal year 2002:
(A) New budget authority, $29,100,000,000.
(B) Outlays, $28,600,000,000.
Fiscal year 2003:
(A) New budget authority, $30,100,000,000.
(B) Outlays, $30,300,000,000.
Fiscal year 2004:
(A) New budget authority, $31,800,000,000.
(B) Outlays, $32,300,000,000.
Fiscal year 2005:
(A) New budget authority, $32,800,000,000.
(B) Outlays, $32,900,000,000.
Fiscal year 2006:
(A) New budget authority, $33,700,000,000.

(B) Outlays, $33,400,000,000.
Fiscal year 2007:
(A) New budget authority, $34,600,000,000.
(B) Outlays, $34,200,000,000.
Fiscal year 2008:
(A) New budget authority, $35,500,000,000.
(B) Outlays, $35,100,000,000.
Fiscal year 2009:
(A) New budget authority, $36,400,000,000.
(B) Outlays, $35,900,000,000.
Fiscal year 2010:
(A) New budget authority, $37,000,000,000.
(B) Outlays, $36,700,000,000.
Fiscal year 2011:
(A) New budget authority, $38,600,000,000.
(B) Outlays, $38,000,000,000.
(17) General Government (800):
Fiscal year 2001:
(A) New budget authority, $16,300,000,000.
(B) Outlays, $16,100,000,000.
Fiscal year 2002:
(A) New budget authority, $15,200,000,000.
(B) Outlays, $14,900,000,000.
Fiscal year 2003:
(A) New budget authority, $14,900,000,000.
(B) Outlays, $14,800,000,000.
Fiscal year 2004:
(A) New budget authority, $15,200,000,000.
(B) Outlays, $15,200,000,000.
Fiscal year 2005:
(A) New budget authority, $15,500,000,000.
(B) Outlays, $15,100,000,000.
Fiscal year 2006:
(A) New budget authority, $15,500,000,000.
(B) Outlays, $15,100,000,000.
Fiscal year 2007:
(A) New budget authority, $15,700,000,000.
(B) Outlays, $15,400,000,000.
Fiscal year 2008:
(A) New budget authority, $15,600,000,000.
(B) Outlays, $15,300,000,000.
Fiscal year 2009:
(A) New budget authority, $15,700,000,000.
(B) Outlays, $15,400,000,000.
Fiscal year 2010:
(A) New budget authority, $16,100,000,000.
(B) Outlays, $15,800,000,000.
Fiscal year 2011:
(A) New budget authority, $16,200,000,000.
(B) Outlays, $15,800,000,000.
(18) Net Interest (900):
Fiscal year 2001:
(A) New budget authority, $278,600,000,000.
(B) Outlays, $278,600,000,000.
Fiscal year 2002:
(A) New budget authority, $260,600,000,000.
(B) Outlays, $260,600,000,000.
Fiscal year 2003:
(A) New budget authority, $260,100,000,000.
(B) Outlays, 260,100,000,000.
Fiscal year 2004:
(A) New budget authority, $255,500,000,000.
(B) Outlays, $255,500,000,000.
Fiscal year 2005:
(A) New budget authority, $249,400,000,000.
(B) Outlays, $249,400,000,000.
Fiscal year 2006:
(A) New budget authority, $243,000,000,000.
(B) Outlays, $243,000,000,000.
Fiscal year 2007:
(A) New budget authority, $237,500,000,000.
(B) Outlays, $237,500,000,000.
Fiscal year 2008:
(A) New budget authority, $236,600,000,000.
(B) Outlays, $236,600,000,000.
Fiscal year 2009:
(A) New budget authority, $233,300,000,000.
(B) Outlays, $233,300,000,000.
Fiscal year 2010:
(A) New budget authority, $230,400,000,000.
(B) Outlays, $230,400,000,000.
Fiscal year 2011:
(A) New budget authority, $229,100,000,000.
(B) Outlays, $229,100,000,000.
(19) Allowances (920):
Fiscal year 2001:
(A) New budget authority, −$500,000,000.
(B) Outlays, −$300,000,000.
Fiscal year 2002:
(A) New budget authority, $400,000,000.
(B) Outlays, $100,000,000.
Fiscal year 2003:
(A) New budget authority, $800,000,000.
(B) Outlays, $600,000,000.
Fiscal year 2004:
(A) New budget authority, $1,200,000,000.
(B) Outlays, $1,000,000,000.
Fiscal year 2005:
(A) New budget authority, $1,300,000,000.
(B) Outlays, $1,200,000,000.
Fiscal year 2006:
(A) New budget authority, $1,300,000,000.
(B) Outlays, $1,200,000,000.
Fiscal year 2007:
(A) New budget authority, $1,300,000,000.
(B) Outlays, $1,200,000,000.
Fiscal year 2008:
(A) New budget authority, $1,400,000,000.
(B) Outlays, $1,300,000,000.
Fiscal year 2009:
(A) New budget authority, $1,500,000,000.
(B) Outlays, $1,400,000,000.
Fiscal year 2010:
(A) New budget authority, $1,500,000,000.
(B) Outlays, $1,400,000,000.
Fiscal year 2011:
(A) New budget authority, $1,600,000,000.
(B) Outlays, $1,500,000,000.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 2001:
(A) New budget authority, −$38,300,000,000.
(B) Outlays, −$38,300,000,000.
Fiscal year 2002:
(A) New budget authority, −$42,300,000,000.
(B) Outlays, −$42,300,000,000.
Fiscal year 2003:
(A) New budget authority, −$52,300,000,000.
(B) Outlays, −$52,300,000,000.
Fiscal year 2004:
(A) New budget authority, −$53,200,000,000.
(B) Outlays, −$53,200,000,000.
Fiscal year 2005:
(A) New budget authority, −$45,500,000,000.
(B) Outlays, −$45,000,000,000.
Fiscal year 2006:
(A) New budget authority, −$46,500,000,000.
(B) Outlays, −$46,500,000,000.
Fiscal year 2007:
(A) New budget authority, −$48,200,000,000.
(B) Outlays, −$48,200,000,000.
Fiscal year 2008:
(A) New budget authority, −$49,100,000,000.
(B) Outlays, −$49,100,000,000.
Fiscal year 2009:
(A) New budget authority, −$50,200,000,000.
(B) Outlays, −$50,200,000,000.
Fiscal year 2010:
(A) New budget authority, −$51,800,000,000.
(B) Outlays, −$51,800,000,000.
Fiscal year 2011:
(A) New budget authority, −$53,300,000,000.
(B) Outlays, −$53,300,000,000.

SEC. 4. RECONCILIATION.

(a) SUBMISSIOSN BY THE HOUSE COMMITTEE ON WAYS AND MEANS FOR TAX RELIEF.—The House Committee on Ways and Means shall—

(1) report to the House a reconciliation bill—

(A) not later than May 2, 2001;

(B) not later than May 23, 2001; and

(C) not later than June 20, 2001; and

(2) submit to the Committee on the Budget recommendations pursuant to section (c)(2)(F)(ii) not later than September 11, 2001; that consists of changes in laws within its jurisdiction sufficient to reduce the total level of revenues by not more than $93,000,000,000 for fiscal year 2001, $102,000,000,000 for fiscal year 2002, $124,000,000,000 for fiscal year 2003, $138,000,000,000 for fiscal year 2004, $147,000,000,000 for fiscal year 2005, $188,000,000,000 for fiscal year 2006, and $2,302,000,000,000 for the period of fiscal year 2001 through 2011.

(b) SUBMISSIOSN BY HOUSE COMMITTEES ON ENERGY AND COMMERCE AND WAYS AND MEANS FOR MEDICARE REFORM AND PRESCRIPTION DRUGS.—(1) Not later than July 24, 2001, the House Committees named in paragraph (2) shall submit their recommendations to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(2)(A) The House Committee on Energy and Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays, as follows: $0 for the period of fiscal year 2001 through 2011.

(B) The House Committee on Ways and Means shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays, as follows: $0 for the period of fiscal year 2001 through 2011.

(c) OTHER SUBMISSIONS BY HOUSE COMMITTEES.—(1) Not later than September 11, 2001, the House Committees named in paragraph (2) shall submit their recommendations to the House Committee on the Budget. After receiving those recommendations, the House Committee on the budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(2)(A) The House Committee on Education and the Workforce shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays, as follows: $0 for fiscal year 2001, $0 for fiscal year 2002, $0 for fiscal year 2003, $0 for fiscal year 2004, $0 for fiscal year 2005, $0 for fiscal year 2006, and $0 for the period of fiscal year 2001 through 2011.

(B) The House Committee on Energy and Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays, as follows: $0 for fiscal year 2001, $0 for fiscal year 2002, $0 for fiscal year 2003, $0 for fiscal year 2004, $0 for fiscal year 2005, $0 for fiscal year 2006, and $0 for the period of fiscal year 2001 through 2011.

(C) The House Committee on Financial Services shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce revenues, as follows: $0 for fiscal year 2001, $139,000,000 for fiscal year 2002, $101,000,000 for fiscal year 2003, $92,000,000 for fiscal year 2004, $96,000,000 for fiscal year 2005, $101,000,000 for fiscal year 2006, and $1,112,000,000 for the period of fiscal year 2001 through 2011.

(D) The House Committee on Government Reform shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $0 for fiscal year 2001, $0 for fiscal year 2002, $0 for fiscal year 2003, $0 for fiscal year 2004, $0 for fiscal year 2005, $0 for fiscal year 2006, and $0 for the period of fiscal year 2001 through 2011.

(E) The House Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays, as follows: $0 for fiscal year 2001, $264,000,000 for fiscal year 2002, $479,000,000 for fiscal year 2003, $761,000,000 for fiscal year 2004, $816,000,000 for fiscal year 2005, $885,000,000 for fiscal year

2006, and $7,087,000,000 for the period of fiscal year 2001 through 2011.

(F)(i) The House Committee on Ways and Means shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays, as follows: $0 for fiscal year 2001, $0 for fiscal year 2002, $0 for fiscal year 2003, $0 for fiscal year 2004, $0 for fiscal year 2005, $0 for fiscal year 2006, and $0 for the period of fiscal year 2001 through 2011.

(ii) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to reduce the total level of revenues as specified in subsection (a).

(d) SPECIAL RULES.—In the House, if any bill reported pursuant to subsection (a) or subsection (c)(2)(F)(ii), amendment thereto or conference report thereon, has refundable tax provisions that increase outlays, the chairman of the Committee on the Budget may increase the amount of new budget authority provided by such provisions (and outlays following therefrom) allocated to the Committee on Ways and Means and adjust the revenue levels set forth in such subsection accordingly such that the increase in outlays and reduction in revenue resulting from such bill does not exceed the amounts specified in subsection (a) or subsection (c)(2)(F)(ii), as applicable.

SEC. 5. RESERVE FUND FOR EMERGENCIES.

(a) ADJUSTMENTS FOR EMERGENCIES.—In the House, after the reporting of a bill or joint resolution by the Committee on Appropriations, the offering of an amendment thereto, or the submission of a conference report thereon, the chairman of the Committee on the Budget shall increase the allocation of new budget authority and outlays under section 302(a) of the Congressional Budget Act of 1974 for fiscal year 2002 by the amount provided by that measure for an emergency that the chairman so determines and certifies. Adjustments to such allocation made under this subsection may be made only for amounts for emergencies in excess of $1,923,000,000 in new budget authority for fiscal year 2002 and the total of any such adjustments for such fiscal year shall not exceed $5,600,000,000 in new budget authority.

(b) DEFINITIONS.—As used in this section:

(1) The term 'emergency' means a situation (other than a threat to national security) that—

(A) requires new budget authority (and outlays flowing therefrom) to prevent the imminent loss of life or property or in response to the loss of life or property; and

(B) is unanticipated.

(2) The term 'unanticipated' means that the underlying situation is—

(A) sudden, which means quickly coming into being or not building up over time;

(B) urgent, which means a pressing and compelling need requiring immediate action;

(C) unforeseen, which means not predicted or anticipated as an emerging need; and

(D) temporary, which means not of a permanent duration.

(c) DEVELOPMENT OF GUIDELINES.—As soon as practicable, the chairman of the Committee on the Budget of the House shall, after consulting with the chairman of the Committee on Appropriations of the House, publish in the Congressional Record guidelines for application of the definition of emergency set forth in subsection (b).

(d) COMMITTEE EXPLANATION OF EMERGENCY LEGISLATION.—Whenever the Committee on Appropriations of the House (including a committee of conference) reports any bill or joint resolution that provides new budget authority for any emergency, the report accompanying that bill or joint resolution (or the joint explanatory statement of managers in the case of a conference report on any such bill or joint resolution) shall explain the reasons such amount designated under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1974 falls within the definition of emergency set forth in subsection (b) pursuant to the guidelines published under subsection (c).

(e) CBO REPORT ON THE BUDGET.—The Director of the Congressional Budget Office shall include in each report submitted under section 202(e)(1) of the Congressional Budget Act of 1974 the average annual enacted levels of discretionary budget authority and the resulting outlays for emergencies for the 5 fiscal years preceding the fiscal year of the most recently agreed to concurrent resolution on the budget.

(f) SECTION 314(b)(1) ADJUSTMENT.—Section 314(b)(1) of the Congressional Budget Act of 1974 shall not apply in the House—

(1) for fiscal year 2001; or

(2) for fiscal year 2002 or any subsequent fiscal year, except for emergencies affecting national security.

SEC. 6. RESERVE FUND FOR RETIREMENT SECURITY.

Whenever the Committee on Ways and Means of the House reports a bill or joint resolution, or an amendment thereto is offered (in the House), or a conference report thereon is submitted that enhances retirement security through structural programmatic reform and the creation of personal retirement accounts, provided that such accounts are funded from the taxes currently collected for the purpose of the Federal Old-Age and Survivors Insurance Program, the Chairman of the Committee on the Budget may—

(1) increase the appropriate allocations and aggregates of new budget authority and outlays by the amount of new budget authority provided by such measure (and outlays flowing therefrom) for that purpose;

(2) reduce the revenue aggregates by the amount of the revenue loss resulting from that measure for that purpose; and

(3) make all other appropriate and conforming adjustments.

SEC. 7. RESERVE FUND FOR MEDICARE REFORM AND COMPLIANCE WITH SECTION 4(b).

Whenever the Committees on Ways and Means and Energy and Commerce report a bill in compliance with Section 4(b) of this Concurrent Resolution that achieves long-term Medicare reform and provides for an expanded prescription drug benefit, the Chairman of the Committee on the Budget may—

(1) increase the appropriate allocations and aggregates of new budget authority and outlays by the amount of new budget authority provided by such measure (and outlays flowing therefrom) for that purpose provided that:

a. for the period of fiscal year 2001 through 2011 the increase in new budget authority is $0; and

b. the increase for any one fiscal year does not exceed the amount of surplus credited in that fiscal year to the Federal Hospital Insurance Trust Fund;

(2) make all other appropriate conforming adjustments.

SEC. 8. CHANGES IN ALLOCATIONS AND AGGREGATES RESULTING FROM REALISTIC SCORING OF MEASURES AFFECTING REVENUES.

(a) Whenever the House considers a bill, joint resolution, amendment, motion or conference report, including measures filed in compliance with Section 4 of this Concurrent Resolution, that propose to change Federal revenues the impact of such measure on Federal revenues shall be calculated by the Joint Committee on Taxation in a manner that takes into account:

(1) the impact of the proposed revenue changes on:

i. Gross Domestic Product, including the growth rate for the Gross Domestic Product;

ii. total Domestic Employment;

iii. Gross Private Domestic Investment;

iv. General Price Index;

v. Interest Rates;

vi. Other economic variables; and

(2) the impact on Federal Revenue of the changes in economic variables analyzed under subpart (1) of this paragraph.

(b) The Chairman of the Committee on the Budget may make any necessary changes to allocations and aggregates in order to conform this Concurrent Resolution with the determinations made by the Joint Committee on Taxation pursuant to paragraph (a) of this Section.

SEC. 9. PROMOTION OF ECONOMIC GROWTH AND COMPLIANCE WITH SECTION 4(a) OF THIS CONCURRENT RESOLUTION.

When reporting to the House reconciliation measures in compliance with Section 4(a) of this Concurrent Resolution, the Ways and Means Committee shall not report legislation, which:

(1) proposes to provide a graduated or phased-in reduction over time in—

(a) Individual income tax rates;

(b) Corporate tax rates; or

(c) The rate of taxes collected on the proceeds from investments, including taxes collected on capital gains; or

(2) conditions any changes in tax law upon the achievement of some level of:

(a) Federal Revenue,

(b) Federal Surplus, or

(c) Level of Public Debt.

SEC. 10. RESERVE FUND FOR ADDITIONAL TAX CUTS AND DEBT REDUCTION.

If the report provided pursuant to section 202(e)(2) of the Congressional Budget Act of 1974, the budget and economic outlook: update (for fiscal years 2002 through 2011), estimates an on-budget surplus for any of fiscal years 2001 through 2011 that exceeds the estimated on-budget surplus set forth in the Congressional Budget Office's January 2001 budget and economic outlook for such fiscal year, the chairman of the Committee on the Budget of the House may, in an amount not to exceed the increase in such surplus for that fiscal year—

(1) reduce the recommended level of Federal revenues and make other appropriate adjustments (including the reconciliation instructions) for that fiscal year;

(2) reduce the appropriate level of the public debt, increase the amount of the surplus, and make other appropriate adjustments for that fiscal year; or

(3) any combination of paragraphs (1) and (2).

SEC. 11. APPLICATION AND EFFECT OF CHANGES IN ALLOCATIONS AND AGGREGATES.

(a) APPLICATION.—Any adjustments of allocations and aggregates made pursuant to this resolution shall—

(1) apply while that measure is under consideration;

(2) take effect upon the enactment of that measure; and

(3) be published in the Congressional Record as soon as practicable.

(b) EFFECT OF CHANGED ALLOCATIONS AND AGGREGATES.—Revised allocations and aggregates resulting from these adjustments

shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(c) BUDGET COMMITTEE DETERMINATIONS.—For purposes of this resolution—

(1) the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives; and

(2) such chairman, as applicable, may make any other necessary adjustments to such levels to carry out this resolution.

SEC. 12. COMPLIANCE WITH SECTION 13301 OF THE BUDGET ENFORCEMENT ACT OF 1990.

(a) IN GENERAL.—In the House, notwithstanding section 302(a)(1) of the Congressional Budget Act of 1974 and section 13301 of the Budget Enforcement Act of 1990, the joint explanatory statement accompanying the conference report on any concurrent resolution on the budget shall include in its allocation under section 302(a) of such Act to the Committee on Appropriations amounts for the discretionary administrative expenses of the Social Security Administration.

(b) SPECIAL RULE.—In the House, for purposes of applying section 302(f) of the Congressional Budget Act of 1974, estimates of the level of total new budget authority and total outlays provided by a measure shall include any discretionary amounts provided for the Social Security Administration.

SEC. 13. RESTRICTIONS ON ADVANCE APPROPRIATIONS.

For purposes of title III of the Congressional Budget Act of 1974, advance appropriations shall be scored as new budget authority for the fiscal year in which the appropriations are enacted, except that advance appropriations in excess of the levels specified in the joint explanatory statement of managers accompanying this resolution for programs, projects, activities or accounts identified in such joint statement shall continue to be scored as new budget authority in the year in which they first become available for obligation.

SEC. 14. ACTION PURSUANT TO SECTION 302(b)(1) OF THE CONGRESSIONAL BUDGET ACT.

(a) COMPLIANCE.—When complying with Section 302(b)(1) of the Congressional Budget Act of 1974, the Committee on Appropriations of each House shall consult with the Committee on Appropriations of the other House to ensure that the allocation of budget outlays and new budget authority among each Committee's subcommittees are identical.

(b) REPORT.—The Committee on Appropriations of each House shall report to its House when it determines that the report made by the Committee pursuant to Section 301(b) of the Congressional Budget Act of 1974 and the report made by the Committee on Appropriations of the other House pursuant to the same provision contain identical allocations of budget outlays and new budget authority among each Committee's subcommittees.

(c) POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report providing new discretionary budget authority for Fiscal Year 2002 allocated to the Committee on Appropriations unless and until the Committee on Appropriations of that House has made the report required under paragraph (b) of this Section.

SEC. 15. SENSE OF THE HOUSE REGARDING THE ENFORCEMENT OF CLAUSE 2(a)(1) OF RULE XXI OF THE RULES OF THE HOUSE

(a) Congress finds that:

(1) Each year, the House Appropriations Committee provides funding to hundreds of programs whose authorization has expired or were never authorized by an Act of Congress.

(2) For Fiscal Year 2002, there were over 200 programs funded in 112 laws totaling over $112 billion whose authorization had expired.

(3) According to the Congressional Budget Office (CBO), the largest amount for a single program is for veterans medical care, which was last authorized in 1998 and totals over $20.3 billion. Funding for the economic support and development assistance programs was last authorized in 1987 by the International Security and Development Cooperation Act of 1985 and totals just over $7.8 billion in 2001 and much of the appropriation provided for the Department of Justice in 2001, which totals over $16.8 billion, is unauthorized.

(4) Rule XXI of the Rules of the House of Representatives prohibits the funding of an appropriation, which has not been authorized by law.

(5) The House Rules Committee typically waives Rule XXI when considering general appropriation bills.

(6) The respective authorizing committees have not made reauthorization of unauthorized programs a priority.

(7) The lack of congressional oversight over the years, as far back in 1979, has led to the deterioration of the power of the respective authorizing Committees and thus the loss of congressional oversight and fiscal responsibility, which is a blow to the voters of America and their role in the process.

(8) The lack of congressional oversight over the years has led to the shift of power away from the Legislative Branch toward the Executive Branch and unelected federal bureaucrats.

(b) It is the sense of the Congress that:

(1) The House of Representatives and the Senate give priority to the authorization of expired programs, with an emphasis on federal programs which have been expired for more than five years.

(2) Congress should pass, and the President should sign into law, legislation to amend the Congressional Budget Act of 1974 to require Congress to fund programs that are currently unauthorized at 90 percent of prior fiscal year levels.

(3) Congress should pass, and the President should sign into law, legislation to require the Congressional Budget Office to prepare budget baselines based on the figures where unauthorized programs are frozen and funded at 90 percent of current levels.

SEC. 16. SENSE OF THE HOUSE REGARDING DEPARTMENT AND AGENCY AUDITS AND WASTE, FRAUD, AND ABUSE

(a) FINDINGS.—The House finds the following:

(1) Each branch of government and every department and agency has a fiduciary responsibility to ensure that tax dollars are spent in the most efficient and effective manner possible and to eliminate mismanagement, waste, fraud, and abuse.

(2) A minimal measure of whether a department or agency is upholding its fiduciary responsibility is its ability to pass an audit.

(3) The most recent audits for Fiscal Year 1999 revealed that nine major agencies—the Departments of Agriculture, Defense, Education, Housing and Urban Development, Justice, and Treasury and the Agency for International Development, Environmental Protection Agency, and Office of Personnel Management—could not provide clean financial statements.

(4) Mismanagement, waste, fraud, and abuse cost American taxpayers billions of dollars.

(b) SENSE OF THE HOUSE.—It is the sense of the House that no agency or department which has failed its most recent audit should receive an increase in their budget over the previous year, unless the availability of the increased funds is contingent upon the completion of a clean audit.

SEC. 17. SENSE OF CONGRESS ON THE USE OF FEDERAL SURPLUS FUNDS TO INVEST IN PRIVATE SECURITIES.

It is the Sense of Congress that Congress should pass, and the President should sign into law, legislation codifying a general prohibition on the use of Federal surplus by the Secretary of the Treasury to make investments in securities (within the meaning of the securities laws of the United States) other than government securities.

SEC. 18. SENSE OF CONGRESS ON FULLY FUNDING SPECIAL EDUCATION.

(a) Congress finds that—

(1) all children deserve a quality education, including children with disabilities;

(2) the Individuals with Disabilities Education Act provides that the Federal, State and local governments are to share in the expense of educating children with disabilities and commits the Federal Government to pay up to 40 percent of the national average per pupil expenditure for children with disabilities;

(3) the high cost of educating children with disabilities and the Federal Government's failure to fully meet its obligation under the Individuals with Disabilities Education Act stretches limited State and local education funds, creating difficulty in providing a quality education to all students, including children with disabilities;

(4) the current level of Federal funding to States and localities under the Individuals with Disabilities Education Act is contrary to the goal of ensuring that children with disabilities receive a quality education;

(5) the Federal Government has failed to fully fund the Individuals with Disabilities Education Act and appropriate 40 percent of the national average per pupil expenditure per child with a disability as required under the Act to assist States and localities to educate children with disabilities;

(6) the levels in function 500 (Education) for fiscal year 2002 assume sufficient discretionary budget authority to accommodate fiscal year 2002 appropriations for IDEA at least $10.6 billion above such funding levels 2000, thus, fully funding the Federal Government's commitment to special education;

(7) the levels in function 500 (Education) to accommodate the fiscal year 2001 appropriation for fully funding IDEA may be reached by eliminating inefficient, ineffective and unauthorized education programs.

(b) It is the sense of Congress that—

(1) Congress and the President should increase function 500 (Education) fiscal year 2002 funding for programs under the Individuals with Disabilities Education Act by at least $10.6 billion above fiscal year 2001 appropriated levels, thus fully funding the Federal Government's commitment;

(2) Congress and the President can accomplish the goal by eliminating inefficient, ineffective and unauthorized education programs.

SEC. 19. SENSE OF CONGRESS ON FISCAL YEAR 2001 SUPPLEMENTAL SPENDING.

It is the sense of Congress that—

to the extent that any additional funding is required in Fiscal Year 2001 for the Department of Defense, for assistance for producers of program crops and specialty crops, and for other critical needs, such funding should be offset through rescissions in other Federal programs.

The CHAIRMAN. Pursuant to House Resolution 100, the gentleman from Arizona (Mr. FLAKE) and the gentleman from South Carolina (Mr. SPRATT) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona (Mr. FLAKE.)

Mr. FLAKE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to offer an alternative budget on behalf of the Republican Study Committee. This is a budget based on the principles of limited government, economic freedom and individual responsibility. My colleagues will address various parts of the amendment. Let me just offer a few highlights.

Mr. Chairman, on tax relief, our amendment embodies the Toomey bill which provides approximately $2.2 trillion in tax relief over 10 years. It offers $93 billion in immediate tax relief in 2001, and it stipulates that any summer bump-up in surplus estimates would go to tax relief and debt reduction. We also would beef up funding of defense to $350 billion in 2002, which is $25 billion over the Committee on the Budget. We also would provide for debt reduction. This dedicates the Social Security and Medicare surplus to public debt reduction, ensuring that the maximum level of debt reduction is achieved within 10 years.

Mr. Chairman, our amendment reins in spending. Over the past 3 years, we have had an average of 6 percent spending growth in discretionary spending. That is simply too high. If we are a party of limited government, we have to rein in spending. We would actually hold spending below the inflation rate. Ours would hold spending over 10 years at 2.9 percent.

Mr. Chairman, about 35 years ago Ronald Reagan stood and said it was a time for choosing. I believe it was the greatest speech ever delivered. He said, Now is the time we choose whether we believe in our own capacity for self-government, or whether we ''confess that a little intellectual elite in a far-distant capital can plan our lives for us better than we can plan them ourselves.''

Mr. Chairman, I never thought I would be in that far-distant capital, but I am here; and I do not pretend that I have any great knowledge. I have only been here a few short months, and I have not had any epiphany about how to spend people's money better than they can spend it themselves.

This budget, better than any budget being offered on the floor, honors those principles, limited government, economic freedom and individual responsibility.

Mr. Chairman, I reserve the balance of my time.

Mr. SPRATT. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota (Mr. LUTHER).

Mr. LUTHER. Mr. Chairman, we all know that the revenue forecast on which this budget resolution is based is simply not reliable. We simply should not risk the future of our country based on this kind of an unreliable forecast. Just 1 month ago in this Chamber, the President said that we need a contingency fund, a rainy day backup plan that will take effect if our economic forecasts do not turn out to be quite as sunny as we hope. But that rainy-day fund referred to by the President somehow got lost on the way through this Congress. The budget resolution before us leaves simply no way to adjust if our economy does not continue to perform as we hope.

Mr. Chairman, let us all hope that we have sunshine in the future and not rain for this country. But to jeopardize and to risk our country's future and the future of our children and their children based on these revenue forecasts, without any way out, is simply no way to go. I urge opposition to this underlying budget resolution.

Mr. FLAKE. Mr. Chairman, I yield 2½ minutes to the gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Chairman, I thank the gentleman from Arizona (Mr. FLAKE) for yielding me this time, and I want to congratulate the Republican Study Committee, the staff of the Republican Study Committee, and the gentleman from Arizona for his leadership in putting together an extremely responsible, progrowth, protaxpayer budget that is something that we all ought to be able to support.

Let me step back and remind my colleagues. It was a little over a year ago, at the time he was candidate George Bush, that our now President proposed a tax relief plan of about $1.6 trillion, out of what was then expected to be about a $3 trillion surplus. Since then two big things have changed: The surpluses are obviously going to be much larger than that. The consensus estimate is now at least $5.5 trillion in surpluses. The other thing that has changed is the economy has clearly weakened.

We need to do more, we can do more, and the budget that we are talking about right now, the Republican Study Committee budget, accommodates a broader, faster, more helpful tax relief package. That is what we need to do.

This budget is very responsible. In fact, it is a modest tax relief package. It is only 7 cents of every dollar that is scheduled to come to Washington. It is less than 40 percent of the combined surpluses. It is much smaller than the tax cuts of the 1980s. It is smaller even than the tax cuts that President John F. Kennedy put through in the early 1960s.

What we do is we take President Bush's plan and phase it in faster under the Republican Study Committee's budget. We cut marginal income tax rates retroactively to January 1 of this year. We take other elements, and we introduce them into this tax relief package, like allowing families to put more money into IRAs; like repealing the 1993 tax increase on Social Security; like phasing out the alternative minimum tax and fully eliminating the marriage penalty. Those are things we need to do, and this budget would allow us to do that.

Let me address the issue of the certainty of the surplus. This has come up many times, and we just heard the previous speaker mention this. Nobody knows for sure exactly how large a surplus can be, but the fact is these are extremely conservative estimates that have been used. The fact is that for the last 3 years every revision has been an upward revision. The fact is we are not helpless victims as to whether or not there is going to be a surplus. We know how to make sure we have the funds available. We are not helpless victims waiting to see whether there is a surplus, as though it were a storm rolling up the eastern seaboard.

We know how to make sure this happens: Reduce excessive taxes so the economy can prosper, like it has done every time we have lowered taxes, and control spending. If we do that, there is more than enough money. And we can do that. This budget calls for that. It also provides the freedom and fairness that we as representatives of the working people of America ought to do.

I want to congratulate all my colleagues on the Republican Study Committee that put this budget together, and I urge my colleagues to vote in favor of this alternative budget resolution.

Mr. SPRATT. Mr. Chairman, I yield 1 minute to the gentleman from New York and South Carolina (Mr. MEEKS).

Mr. MEEKS of New York. Mr. Chairman, I rise in support of the Democratic alternative and in opposition to H. Con. Res. 83.

The Democratic budget provides a prudent framework for meeting the needs of the country and responds to the priorities set by the American people. It is risky at best to base a budget and massive tax cuts on a projected surplus and expected revenues. The Republican's budget amounts to double-dipping by appropriating the same funds in different places. The Democratic alternative responds to these issues that Americans have noted as most important.

On education, the Democratic alternative provides $151 billion over the 10-year period; the Republican plan only $21.4 billion. The Democratic alternative seeks to provide a much-needed Medicare press drug benefit with realistic numbers and adequate levels of

funding. We do not try to trick the American people. We provide the full $330 billion necessary to carry this program.

While Americans have signaled Congress that they want and deserve a tax cut, they have also asked for a reasonable and responsible and realistic and timely tax cut. The Democratic alternative provides that.

The Republicans plan a massive and rapid $2 trillion tax cut, while wholly ignoring process and priorities and procedures. It is clear, Mr. Chairman, that the Republican tax cut is contrary to the American people.

The Democratic alternative proposes a $730 billion tax cut, while still funding farm aid at $46 billion; the Republican budget provides nothing for America's farmers; the alternative provides $7 billion for Veteran Health care; the Republicans cut funds to our nation's veteran by $5.7 billion. The Republican plan proposes a massive and rapid $2 trillion plus tax cuts while wholly ignoring process, priorities, and procedures.

Mr. Chairman, it has become clear that the Republican budget is contrary to both the needs and the priorities of the American people. The Republican budget seeks to mortgage the Trust Fund; the needs of children and the gains of this period of prosperity for a rushed and ill-conceived tax cut.

I urge my colleagues to support the democratic alternative and vote for a fair, prudent and realistic budget.

Mr. FLAKE. Mr. Chairman, may I inquire as to the balance of my time.

The CHAIRMAN pro tempore (Mr. MILLER of Florida). The gentleman from Arizona (Mr. FLAKE) has 15 minutes remaining, and the gentleman from South Carolina (Mr. SPRATT) has 18 minutes remaining.

Mr. FLAKE. Mr. Chairman, I yield 1 minute to the gentleman from the State of Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, I thank the gentleman from Arizona (Mr. FLAKE) for his leadership on this issue.

Mr. Chairman, if my colleagues are concerned about the job losses in America, if they, like me, are concerned about the thousands of layoffs that are occurring, if they are concerned about the high energy prices which are taking money right out of our economy, then they ought to vote for this budget, because this budget, in addition to protecting Medicare and Social Security, in addition to bringing back responsible spending, is the real progrowth, pro-job-creation tax bill budget resolution.

This budget cuts taxes not next year, not in the year 2006, but it cuts taxes this year, and it does it in a way that is going to be good for our economy. It is the most progrowth tax bill we have on the floor today. It is the best answer toward getting jobs back on line in this economy. It is the best answer that we can send to our constituents.

Help is on the way: More money is going back into the taxpayers' paychecks this year. We are serious about getting this economy back on its feet. I urge a ''yes'' vote on the Republican Study Committee budget.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. HONDA).

Mr. HONDA. Mr. Chairman, I thank the gentleman for yielding me this time.

I will make a very quick point. For the past few days, we have been talking about education and budget and monies. The Democratic plan is a much better plan. We provide much more monies to support education.

Just a while ago it was said that before we give more money, we should have accountability, and that that is why the Republican plan is providing less money than the Democratic Party. But I have to tell my colleagues one thing about accountability. Public Law 94–142, which is a special ed bill, has mandated our local school districts to provide special education. Now, we said that we would support it by 40 percent of the cost of special education, yet over the years we have not supported special education to the local public schools at 40 percent.

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It is somewhere between 13 and 15 percent. If we were to support public education to 40 percent, say over the next 10 years, what that does, and we do not speak about this, we do not speak about its impact at the local level, it will release the local general fund monies that have been allocated for special ed; support that. We could free that money up, have the local school districts provide the education, further the education at the local level.

We believe in local control. We believe in local direction of curriculum instruction, and yet we are not providing and not doing the very thing that we want everybody else to do, and that is to fulfill our promises.

Accountability is a two-way street. We mandate. We should support it with our funds that we said we would, and that way the local districts will not be burdened with the mandates that we give them and therefore they can use more of the local monies for the local educational projects that they have for their own kids.

We have to go all the way to support special ed at its full 40 percent. Accountability, again, is a two-way street.

Mr. FLAKE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to point out that the Republican Study Committee budget actually prioritizes IDEA funding. I thank the gentleman for the opening here.

Mr. Chairman, I yield 1½ minutes to the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Chairman, I am proud to support the Republican Study Committee budget. This budget is good for the American people, and this budget helps to rebuild the military.

Mr. Chairman, this is a very unsafe world. I want to make reference to three news articles and read the titles. In February of this past year, 2000, ''China Warns U.S. of Missile Strike.'' The second article I want to make reference to, ''Russia Sends Cruise Missiles to China for New War Ships.'' Mr. Chairman, just today, ''Admiral Warns of Perilous Buildup of Chinese Missiles.''

Mr. Chairman, this budget helps to rebuild the military.

Let me further state that China has proposed a 17.7 percent increase in defense spending for this coming year. That is the largest increase in 20 years. In addition, when all the expenditures are added up, it is generally believed that China's defense spending is three or four times the official figure. China figures defense spending as a percentage of their total government expenditure is 8.29 percent in the year 2000.

Let me talk a little bit about the American military and why this budget bill is so needed. Today, the U.S. spends less than 3 percent of its GDP on national security. We are near the lowest level of defense spending as a percentage of GDP since before the Korean War. We do not have the luxury of time, Mr. Chairman, to rebuild our Nation's military.

Let me say, in closing, this is a great bill for many reasons, but one very important reason is to help rebuild the military of this country. It is time to rebuild our military for the good of the American people.

Mr. SPRATT. Mr. Chairman, I yield 1½ minutes to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Chairman, the Republican Party has thrown a big good-bye party for the surplus. First they brought out a pinata for all their wealthy friends and they let each one of them take a whack at it and out comes a huge tax cut with the wealthiest 1 percent getting an overwhelming 45 percent of the tax cut.

The Republicans claim it only cost $1.6 trillion but we really know it is going to cost an extra trillion more. Good-bye surplus.

Next, Mr. Chairman, the Republicans divert hundreds of billions of dollars from the Medicare and Social Security trust fund dollars from the lockbox and put it over into a sandbox for their friends to play with. That diversion will be a disaster for seniors. Seniors will get sandbagged by this budget because the Republican diversion will shave 9 years off the Social Security trust fund and 5 years off the life of the Medicare Trust Fund. Good-bye, surplus.

Plus, they are doing regulatory changes at the same time. EPA used to

stand for the Environmental Protection Agency. Now EPA stands for ''Eat Plenty of Arsenic.'' They cannot get enough of helping their friends.

This is an absolute orgy that is going on, helping the wealthiest in America and the most powerful industries.

Mr. Chairman, it is immoral to pass these huge tax cuts that explode in 2008 and 2009 and 2010, based upon dot com company projections of revenues.

The American public knows that the NASDAQ collapsed. These same revenue estimates made by CBO are just as bogus, but in order to make sure that there is no money there for senior citizens, long-term care, building schools in this country a decade from now, they are committed to having these huge tax cuts that will bankrupt this country.

Mr. FLAKE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would remind the gentleman from Massachusetts (Mr. MARKEY) that our tax cut is not $1.6 trillion. It is $2.2 trillion, if that makes him feel any better.

Mr. Chairman, I yield 1½ minutes to the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE. Mr. Chairman, above the Speaker's rostrum is the national motto, ''In God We Trust,'' but I have always been taught that we need to do our part in order to have God do his.

One of the things that we need to do is to cut the spending and cut the taxes. I am delighted to know that the Republican Study Committee budget provides for the largest tax cut, because it is critical. Look at what is happening in this country.

U.S. News and World Report 2 weeks ago has on its cover the title, ''Drowning in Debt.'' It was not talking about the U.S. Government. It was talking about families in this country, an unprecedented amount of debt.

It baffles me to hear some of my Democrat colleagues get up and espouse how we better not give too big a tax cut.

This is the people's own money. They are entitled to it. This gives us the greatest amount of tax relief, and we should all pull behind this and work hard to enact this substitute budget.

This is a crisis. Every time I read about school shootings, it is not the phony solution of gun control that is the problem. The fact of the matter is, we have grown this government too big. We have too much regulation, and moms and dads have been forced out of the homes and away from being with the kids.

Vote for this substitute.

Mr. SPRATT. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Chairman, I rise today to address the budget that President Bush and his Republican colleagues have put together. It is a disgrace. Not only will it return the country to the era of big deficits and high interest rates, President Bush does not keep the promises he made to our country's students.

Throughout his campaign then-Governor Bush promised American students he would increase funding to the Pell Grant program, and he said he would provide a maximum grant of $5,100. This would enable more students to obtain a college education. However, in the Bush budget the Republicans have laid out for us, the maximum Pell Grant will only be $3,900, an increase of only $150. Nearly $1,100 separate this budget from President Bush's campaign promise.

In addition, Bush breaks his promise to provide funding so that students can have the facilities and equipment they need. Instead of slashing by two-thirds programs to purchase computers and Internet access for poor and underserved areas, we need to increase the funding for our schools.

The Bush budget provides funding for charter schools to purchase buildings and materials at a time when our public schools are crumbling. Many schools do not have heating, air conditioning or plumbing that works properly.

The Republicans claim the Department of Education's budget is increasing 11 percent. However, after accounting for the redirecting of funds already appropriated, President Bush's budget only increases funding by 5.7 percent. In just one example, Republicans eliminate the school renovation program but redirect $1.2 billion from last year's budget. I ask for a no vote on this budget. It does not keep the promise. He is indeed leaving children behind.

Mr. FLAKE. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. HOSTETTLER).

Mr. HOSTETTLER. Mr. Chairman, I thank the gentleman from Arizona (Mr. FLAKE) for yielding and commend him for offering the Republican Study Committee budget alternative.

Mr. Chairman, I rise in strong support of this substitute budget because it is the best for our Armed Forces. While President Bush and Secretary Rumsfeld have every right to conduct a review, and I support the review, it is still the constitutional responsibility, the constitutional obligation of the Congress, to provide for our Armed Forces to meet our threats.

The Republican Study Committee budget invests $350 billion, $25 billion more than the committee's budget, to eliminate some serious readiness woes, such as, one, a combat readiness rate of 41 percent for Air Force aircraft stationed in the continental United States; an acute shortage of ammunition for our Army and Marine Corps, Navy and Coast Guard aircraft, as well as ships and cutters that are grounded for lack of funding.

Remember, it was President Ronald Reagan who said, quote, ''I believe it is immoral to ask the sons and daughters of America to protect this land with second-rate equipment and bargain-basement weapons,'' end quote.

It was immoral then. It is immoral today. It is immoral to continue to ask our men and women in uniform to do more and more with less, both in operations and maintenance and with their own compensation and benefits. This budget goes farther than any other budget alternative to do just that.

For example, it seeks to close the pay gap for our men and women in uniform, almost 11 percent at this time. According to the Congressional Budget Office, the annual amount required to cover the shortfall of modernization alone is $30 billion a year. According to CBO, the additional amount required to maintain OPTEMPO, operating tempos and current levels of readiness, is $5 billion short. Also, the amount to accelerate missile defense and enhance science- and technology-based programs is woefully inadequate.

The Republican Study Committee budget goes a long way in meeting these obvious requirements and necessary requirements for our national defense.

Mr. SPRATT. Mr. Chairman, I yield 1 minute to the gentlewoman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. Mr. Chairman, Republican budgets are a blueprint for disaster. To pay for President Bush's irresponsible and fuzzy math tax cut for the rich, the Republican budget ignores the needs and priorities of the American people who have sent us to Washington to fight for their interests. This Republican budget ignores people like 73-year-old Olga Kipnis from my district. With the help of the Federal Government, Olga now lives in an apartment in a safe and quiet neighborhood but soon she may lose that apartment and be forced to move out of the neighborhood.

Does the budget address our national affordable housing crisis? Hardly. This Republican budget resolution would guarantee millionaires a down payment for a summer home and seniors like Olga their eviction notice. And because of that tax cut, our national priorities will not be met.

$800 billion is needed for a quality prescription drug benefit for seniors under Medicare. The Republican budget dedicates only a paltry amount for a meaningless benefit. The Democratic alternative budget will provide $151 billion for education needs like teacher recruitment and school construction. The Republican budget does not commit any money to school construction. The American public believes the Federal Government has a role to play to meet our Nation's education, public housing and health care needs and to

ensure the health of Medicare and Social Security. The Republican budget fails that role miserably.

Mr. FLAKE. Mr. Chairman, I yield 1 minute to the gentlewoman from North Carolina (Mrs. MYRICK).

Mrs. MYRICK. Mr. Chairman, I just wanted to make a couple of points about this budget that I think are very important. One of them is that this budget provides immediate retroactive income tax relief for all taxpayers to the tune of $93 billion. That is immediate tax relief. It also phases out the alternative minimum tax, which affects a lot of people in our country.

The third point that I wanted to make was it does repeal the capital gains tax, starts that repeal of capital gains. I think that is very important. These are all things that are going to do a tremendous amount to spur our economy, which we need right now.

Mr. SPRATT. Mr. Chairman, I yield 1 minute to the gentlewoman from Michigan (Ms. KILPATRICK).

Ms. KILPATRICK. Mr. Chairman, we have an opportunity in America today to invest in America. Sadly, the budget before us and the underlying budget does not do that.

The Democratic budget will do that. It will provide a tax cut with one-third of the budget surplus. It will also require one-third be spent for Social Security and Medicare. Why then are we now debating a budget that will put us back into deficit that took us 18 years to get out of under the former Republican administration? This budget gives no taxes, no relief, for over one-third of the families in this country with children. Over one-third of the families with children get nothing under this budget proposal.

On the other hand, the Democratic proposal gets at least $130 million more into education. We have heard a lot today, America, but the facts are clear, the Republican budget will take us back into deficit. The Republican budget will take us back into deficit. The Democratic budget, on the other hand, will invest in America, your children and our families. Vote for the Democratic budget.

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Mr. FLAKE. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. COX).

Mr. COX. Mr. Chairman, I thank the gentleman for yielding me this time. Particularly, I thank him for bringing this budget to the floor, because in this budget we will have room to do two things: first, meet the President's objectives and more on controlling the growth in spending. This budget allows for growth in spending, but it does not grow spending as fast as some of the other proposals we have seen on the floor. Second, it provides for across-the-board rate relief. Third, it provides, as nobody else is proposing to do here immediately, today, for a diminution, a reduction, in the rate of tax applied to savings and investment, the penalty tax on creating jobs, the penalty tax on new investment that we call capital gains.

Throughout my service in Congress for 13 years, we have pretended that every time we raise the capital gains rate, we gain revenue for the Treasury, and every time we reduce the rate, we lose it. That is how we score revenue. But each time we have done this since 1978, we find that when we raise the rate of tax on capital gains, we lose money for the Treasury, and when we reduce the rate of tax on capital gains, we gain money.

Cap gains revenues increased 385 percent in the 5 years after we reduced the rate from 28 to 20 percent in the Economic Recovery Tax Act. In 1986 when the Congress was chasing after scored revenue and jacked the rate of tax up again because that would be more responsible, that would avoid deficits, cap gains revenues fell by a third in the first year; and they stayed in the tank for 10 years, essentially, from 1986 to 1996. Then, in the mid-1990s, in this Congress, President Clinton vetoed a cut in the capital gains tax rates because he wanted to be responsible, because keeping that rate high would somehow help. Nonetheless, in 1997, we enacted a rate cut from 28 percent to 20 percent; and today, as we stand here, cap gains revenues to the Treasury are up over a third.

Mr. Chairman, this budget will permit us to cut the cap gains rate and make money for the Treasury, as well as help the American people. I thank the gentleman for bringing it to the floor.

Mr. SPRATT. Mr. Chairman, I yield 1 minute to the gentleman from Maryland (Mr. WYNN).

Mr. WYNN. Mr. Chairman, I have to say, I am really amazed when I listen to my Republican colleagues. They acknowledge that the economy is getting weaker, they acknowledge we are having layoffs, but then they tell us we are going to have greater surpluses. It really does not make sense.

They move on and say what we really need is a bloated tax cut for all Americans. It is not for all Americans, it is for the rich Americans, because the richest 1 percent get 43 percent of the tax benefit. Where is the fairness in that?

Let us talk about education. The Democratic alternative gives us $150 billion more for education. That means for teachers, smaller classrooms, more computers, more books, and school renovation. The Republican budget does not compare.

Let us move on and talk about debt reduction. I have not heard them talk about debt reduction. The Democratic budget gives us $915 billion more in debt reduction, which means lower interest rates for all Americans.

Finally, let us talk about law enforcement. The Democratic budget gives us $19 billion more for local law enforcement, more cops on the street; and that is a good thing. At the end of the day, the choice is very clear. The best budget for all Americans is the Democratic budget. I urge adoption of the Democratic alternative.

Mr. FLAKE. Mr. Chairman, I would like to remind the gentleman from Maryland that this budget actually gives tax relief to anybody who pays income taxes.

Mr. Chairman, I yield 1½ minutes to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Chairman, I rise today in support of the alternative budget offered by the gentleman from Arizona (Mr. FLAKE) and supported by the members of the Republican Study Committee.

Over the past 5 years, Congress has been, let us admit it, on a spending spree with the people's money. Last year's budget included an 8.7 increase in nondefense discretionary spending, and it took Congress just 5 months to consume $20 billion of the $26 billion surplus for last year.

Mr. Chairman, I believe the budget presented by the gentleman from Iowa (Mr. NUSSLE), the chairman of the Committee on the Budget, is an excellent start. However, Congress has demonstrated that if there is money to be spent in Washington, indeed it will be spent.

The Republican Study Commission reintroduces fiscal discipline to Washington, D.C. It recognizes that the surplus was created through the efforts of hard-working families of America by returning $2.2 trillion of the surplus to them. It does this by speeding marginal tax relief to working families, small businesses, and family farms, and by making tax cuts fully retroactive up and down the scale. At the same time, the RSC budget provides for our most important initiatives: IDEA funding, Medicare, Social Security, defense, and debt reduction.

Our friends and colleagues on the other side of the aisle would have us believe that a tax cut and a fair and responsible budget is impossible. This premise is simply false. This budget has proven that we can help families with a tax cut and have a responsible and fair budget. The proof is in the numbers. Defense spending would increase to $350 billion, $25 billion more than the proposed budget. The RSC budget would require 100 percent of Social Security and Medicare surpluses, as well as other priorities be funded. It is a responsible budget, and it helps working families.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Chairman, I rise in strong opposition to this alternative plan, which is actually worse

than the Bush budget and tax cut plan, and I do so for several reasons. First of all, the Bush plan fails to make important investments in education, health care, law enforcement, and the digital divide. As a matter of fact, the Bush budget plan puts tax cuts first and leaves large gaps and services for millions of people who need them. In reality, the Bush plan leaves 53 percent of black and Hispanic families behind, despite claims that the tax cut would go to all taxpayers.

According to the Center on Budget and Policy Priorities, 53 percent of black and Hispanic families with children will receive no tax reduction from the Bush plan, even though 75 percent of these families include someone who is working. The 6 million black and Hispanic families that will receive the benefit from the proposal include 6.1 million black children and 6.5 million Hispanic children, or 55 percent of all black children and 56 percent of Hispanic children. Among non-Hispanic blacks, 3 million families with children, 52.8 percent of all such families, would not benefit from the Bush tax plan. The figures are the same essentially for Hispanic children.

So, Mr. Chairman, I say, cut us in or cut it out. This is not the plan; this is not the program; this is not for America.

Mr. FLAKE. Mr. Chairman, I yield 1½ minutes to the gentleman from Missouri (Mr. AKIN).

Mr. AKIN. Mr. Chairman, I rise to support the amendment.

One of the things that I find a little difficult, and perhaps some of my colleagues do as well, is to try to figure out how many zeroes go behind a trillion. We are starting to talk about quantities of money that are sometimes hard to put into perspective. My comments this afternoon try to do that, try to talk about what does it really mean in terms of a $2.2 trillion plan.

When we take a look at the chart to my immediate left, what we see is that in spite of the comments of the Democrats, that the Kennedy plan of years ago was larger in terms of tax cuts than what is being proposed either by the President or by the plan that is before us today. We are looking at $2.2 trillion, and the Kennedy plan and the Reagan plans both were bigger. In fact, the Reagan tax cut was about 3 times bigger than what we are considering here today.

This, when we consider that the economy is already struggling and we have a tax surplus, when we put those facts together, what we are doing is proposing a very reasonable and a very temperate budget. It is still a balanced budget, we are still paying down the deficit, we are still keeping the Social Security and Medicare money where they belong; but what we are doing is we are providing that stimulus to the economy to protect jobs and to move the economy forward. This plan then, when we take a look at it in context, when we take a look at all of those zeroes behind a trillion, we can understand what it means. It is less than the Kennedy or the Reagan plan.

Mr. SPRATT. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Florida (Ms. BROWN).

Ms. BROWN of Florida. Mr. Chairman, this budget is about making choices, and this Republican budget makes all the wrong choices for this country.

Like monkey see, monkey do. We need to look at my home State of Florida to see the devastating effect that this budget will have on our country. When Jeb Bush took over as Governor of Florida, he inherited a surplus and a booming economy from a Democratic administration. Today, as he continues to push for more tax cuts for the wealthy Floridians, the surplus is gone. There is a $1 billion hole in Medicaid, and we cannot even afford books for our students.

Also unfortunate for the citizens of Florida is that this budget does nothing to improve the voting system that kept thousands of our votes from counting.

It is a choice. We can continue the prosperity we have worked so hard for; or we can go back to the huge debts, high interest rates, and skyrocketing unemployment that followed the Ronald Reagan tax cut. Remember, the deficit, the deficit, the deficit.

Mr. FLAKE. Mr. Chairman, I yield 1½ minutes to the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Mr. Chairman, national defense is in trouble. We need to spend an additional $30 billion a year on equipment; we need to spend an additional $6 billion to $10 billion on people to raise their pay up to a level commensurate with the private sector; we need to spend an additional $3 billion or $4 billion per year on ammunition, and an additional $5 million or so for training so that our pilots can get the requisite number of hours per month. We have a lot of holes in defense.

This budget is one of the few budgets that recognizes the problem and, in fact, raises the defense spending to $350 billion, which is a $25 billion increase from the baseline that we have established over the last several years. It is excellent in that sense.

I want to remind my colleagues that the administration, George Bush, DICK CHENEY, Don Rumsfeld, have promised that when they have finished their review, they are going to come in with a different defense number. I hope it is upward and I think it will be; and the reason I think it will be is because of the great analysis that has been done by the Republican Study Committee and the leaders who have put these numbers together, including the defense budget. Help is on the way, and my colleagues have helped to be leaders in that area.

Mr. SPRATT. Mr. Chairman, I yield 1½ minutes to the gentleman from Texas (Mr. RODRIGUEZ).

Mr. RODRIGUEZ. Mr. Chairman, let me, first of all, start by stating the fact that right now in Texas we are having a really serious problem with our budget, and our former Governor, now President, left us in shambles. We have a situation where we were supposed to have a major surplus and the fact is that we do not. We have teachers that do not have access to insurance because of the fact that we do not have sufficient resources. We have youngsters that are not being covered for medication because of the fact that we do not have enough money to make the match. We have families that are uninsured and kids that are uninsured because of the fact that we do not have sufficient resources to be able to get those Federal monies for the CHIPS program.

Now, the President is trying to do the same thing on the Federal level. Without proposing the exact budget that we need in terms of making priorities that we need to consider such as education, which is critical, as we move into the global economy; our national defense where we know full well that we need 40,000 additional troops out there; the testimony from Gingrich that we talked about where we need the $60 billion to $80 billion right now as a supplemental.

We are not talking about those items. What we are talking about is a tax cut that is irresponsible, not considering the fact that we have a situation before us that we are having a problem with our economy.

□ 1430

Even back home in Texas, they are not even willing to tell us now what the economy is going to look like, just like here, where any economist with any right sense would not be able to tell us what it is going to look like 5 or 6 years from now.

So it makes sense for us to look at the Democratic alternative that considers taking care of Social Security, considers taking care of our senior citizens and Medicare, and considers assuring that we continue to expend our resources where they should be.

Mr. FLAKE. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Chairman, let me just reflect on what the overall effect on this budget does. It increases spending, but it does it responsibly, not massively, as the Democratic alternative would.

It takes all the Social Security and surpluses and puts that aside. It retires all the available debt.

Now, after we have increased spending, put all of the Social Security and

Medicare money aside, paid off all of the debt, how could we not provide tax relief with the money left over?

I have heard my colleagues suggest that the tax package is unfair. Our tax package is the relief for everyone who pays income taxes. Now, does that go back to people in proportion to the taxes they pay? No, a more than proportionate share goes to the lowest-income workers. People making $35,000 a year, a family of four, would pay no taxes at all. There is no question this disproportionately benefits the people at the lower end of the income spectrum.

Finally, the biggest and best reason we should be supporting the Republican Study Committee budget is the effect it will have on the economy, the ability it has to unleash economic growth and prosperity. That is what this is all about.

The empirical evidence is overwhelming: Every time in American history everywhere around the world when societies lower the burden that government imposes on an economy, when societies lower the tax burden, the taxation and litigation and regulation, those kinds of burdens, the result is economic growth and prosperity. That means more jobs, higher wages, greater productivity, rising standards of living.

That is what we are here for. That is what our obligation is as representatives in Congress, to provide that opportunity for the hard-working men and women across America to enjoy their dreams, enjoy the fruits of their labor. That is what our budget does better than any other budget.

I urge my colleagues to support the Republican Study Committee budget.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, I would like to address again some of the misperceptions that I think surround the basic resolution today.

I am particularly disturbed by assertions contained in letters of support from various agricultural groups. Ostensibly their support hinges on agriculture being guaranteed priority status out of the $517 billion reserve fund.

I have examined and continue to examine the legislative language that establishes this reserve, and nowhere do I find a priority given to agriculture. The resolution provides for a strategic reserve fund for agriculture, defense, and other appropriate legislation. While the legislation does include the reference to agriculture, it is treated the same way as all other legislation that spends money from the reserve.

Indeed, the reference to ''other appropriate legislation'' includes any other spending increases that the chairman of the Committee on the Budget wishes to accommodate, because he alone is given the ability to increase allocations in order to meet increased spending. The chairman may increase the allocation. He is not required to do so.

In addition, the money guaranteed to agriculture in fiscal year 2001 is provided under essentially the same terms. These are not priorities. This is merely the ability to compete for funding. This is no different from what occurs every year when we consider increased spending.

It is rumored that many groups have been pointed towards this strategic reserve fund as the answer to their funding request. While $517 billion over 10 years appears to be an ample amount, in reality there is little room in some years to accommodate additional spending for agriculture.

In fiscal year 2005 and 2006, for example, the general contingency fund has only $12 billion and $15 billion available. These amounts are barely sufficient to cover the agricultural request, not to mention the additional defense and other appropriate spending that the chairman of the Committee on the Budget wishes to squeeze out of this account.

In addition, increased defense expenditures, additional funding for prescription drug coverage, or additional tax provisions severely limit funding. Unfortunately, the only budget that would have addressed this, the Blue Dog budget, it lost. This budget does even less for agriculture.

Mr. FLAKE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to thank my colleagues on the Republican Study Committee and the staff for putting together this budget. We believe it is a great budget.

First and foremost, as has been outlined, when President Bush outlined his economic plan during the campaign, times were different. The surplus was a lot smaller, and the economy was a lot more robust. We were doing a lot better.

Times are certainly different now. The times call for a larger tax cut, and also, as President Bush has said, we need to move more money out of Washington.

I would say to my colleagues across the Capitol in the Senate who are considering campaign finance reform and looking for ways to get more money out of politics, the best way to do that is to get more money out of Washington, because the reason there is so much money in politics is because there is so much money in Washington. The Tax Code is too complex and too tough to deal with.

I would simply ask that this budget be favorably considered, our alternative budget.

Mr. Chairman, I yield back the balance of my time.

Mr. SPRATT. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN pro tempore (Mr. MILLER of Florida). The gentleman from South Carolina (Mr. SPRATT) is recognized for 4 minutes.

Mr. SPRATT. Mr. Chairman I would emphasize once again what I have said throughout: What we do today in deciding on this budget resolution may be little noted in all of the country, but it will be long remembered, because the consequences of this budget resolution will flow on for years to come.

I have three basic problems with the resolution that the majority has brought to the floor, and the conservative alternative which is being presented now only worsens those problems.

In the first place, in making so much room for tax cuts, their budget leaves very little room for anything else. Over the last 18 years, we have deferred and denied many needs and priorities of this country. Education is one.

Now that we finally have a surplus, surely some part of it ought to be dedicated to those things that not only we want to do, but the American people clearly want us to do. Look at any poll, any opinion chart. Everybody ranks education as number one.

Between us and them, the difference on education is like night and day. We provide $130 billion more than the base Republican budget resolution. I have not done the calculus on this resolution, but I am sure we provide substantially more than that for education.

There is one other thing that makes me back off from the proposal they are making here today. That is that for years now we have been able to look into the future and see that Social Security and Medicare faced a shortfall. It is just over the horizon of this budget. The baby boomers begin to retire in the year 2008.

We will not actually see the effects sometime after the time frame of the budget we have right here, but we know it is coming, and 77 million baby-boomers are marching to their retirement right now. They are not going anywhere else. They expect their benefits. We are not in a position to fully provide for them, at least in the third and fourth decades of this century.

We have not been able in the past to do anything about it. We did not have the sort of surpluses that are now projected. But now that we have those surpluses, now that we have the opportunity, we have the obligation.

I would fault this resolution and the base Republican resolution because both of them slough off that obligation, leave it to our children to pay for the baby boomers' retirement. I think that is not only a budgetary problem, I think it is a moral problem. That is why I opposed this resolution and the base Republican resolution as well.

Mr. OTTER. Mr. Chairman, I rise today to support the Republican Study Committee budget alternative. The leadership budget puts

in place the framework for enacting the President's budget and tax cut plan. It is a good budget, not just for the taxpaying American, but for the parents and children of America's taxpayers. This budget will eliminate $2.3 trillion of the national debt by 2001, freeing our descendants from the crushing weight of debt. It gives tax relief to every taxpayer, and immediate tax cuts for the lowest bracket. It increases the educational IRA contribution limit from $500 to $5000, enabling families to save, not just for college, but for primary and secondary schools as well. Perhaps most importantly, this budget will eliminate the death tax. No longer will the grieving children of farmers and small businessmen have to sell their inheritance to pay off the taxman.

The leadership budget is a good bill. But in the last few weeks we have begun to see signs that our prosperity may be in jeopardy. The strain of paying for a huge surplus is beginning to drag on our economy. That is why I am voting for the Republican Study Committee alternative budget. It does everything the leadership budget does, but adds larger and more immediate tax relief. Additional tax cuts are needed now to help our economy. Just as an ounce of prevention is worth a pound of cure, larger tax relief now will generate economic growth that will save us untold amounts later. The RSC alternative will give us $600 million more in tax relief over the next 10 years, from $1.6 trillion in the leadership budget to $2.2 million.

By making more of these tax cuts retroactive, it will help taxpayers now. Thousands of people in Idaho and around the nation are delaying home ownership, college educations and starting their own businesses because they don't know when they will see the money they sent to Washington. We need people working, not worrying. Sending the surplus home will release a flood of inward investment that will improve the life of every American.

Passing the RSC budget alternative will have a tremendous impact on the financial markets and consumer confidence. It will declare to America and the world that the 107th Congress is serious about maintaining the economy. It will encourage investors and businessmen to bet on American prosperity. I urge my colleagues to join me in voting for the RSC budget and empowering the American economy. Send the surplus home, and vote for the Republican Study Committee alternative.

Mr. SPRATT. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Arizona (Mr. FLAKE).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. NUSSLE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 81, noes 341, not voting 10, as follows:

[Roll No. 68]

AYES—81

Akin
Bachus
Barr
Bartlett
Barton
Blunt
Boehner
Brady (TX)
Bryant
Burton
Camp
Cannon
Cantor
Chabot
Chambliss
Cox
Crane
Cubin
Culberson
Davis, Jo Ann
Deal
DeLay
DeMint
Doolittle
Dreier
Dunn
Everett
Flake
Gibbons
Goode
Goodlatte
Graham
Hall (TX)
Hansen
Hayworth
Hefley
Herger
Hoekstra
Hostettler
Hunter
Istook
Johnson, Sam
Jones (NC)
Keller
Kingston
Largent
Lewis (KY)
Lucas (OK)
Manzullo
Miller, Gary
Myrick
Nethercutt
Norwood
Otter
Pence
Petri
Pitts
Pombo
Portman
Reynolds
Riley
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shimkus
Spence
Stearns
Sununu
Tancredo
Terry
Tiahrt
Tiberi
Toomey
Vitter

NOES—341

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Armey
Baca
Baird
Baker
Baldacci
Ballenger
Barcia
Barrett
Bass
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Boehlert
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Brown (SC)
Burr
Buyer
Callahan
Calvert
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Coyne
Cramer
Crenshaw
Crowley
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doyle
Duncan
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Fletcher
Foley
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Hulshof
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, George
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Peterson (PA)
Phelps
Pickering
Platts
Pomeroy
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Schiff
Scott
Serrano
Shaw
Shays
Sherman
Sherwood
Shows
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stump
Stupak
Sweeney
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—10

Baldwin
Becerra
Gordon
Lampson
McKinney
Meek (FL)
Mink
Rothman
Sisisky
Souder

□ 1500

Messrs. LEWIS of California, SHAYS, CUNNINGHAM, DUNCAN, BUYER and HASTINGS of Florida changed their vote from ''aye'' to ''no.''

Messrs. BACHUS, CULBERSON and EVERETT changed their vote from ''no'' to ''aye.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider amendment No. 4 printed in part B of House Report 107–30.

AMENDMENT NO. 4 IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. SPRATT

Mr. SPRATT. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Part B amendment No. 4 in the nature of a substitute offered by Mr. SPRATT:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2002.

The Congress declares that this is the concurrent resolution on the budget for fiscal year 2002 and that the appropriate budgetary levels for fiscal years 2003 through 2011 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for each of fiscal years 2002 through 2011:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2002: $1,676,000,000,000.
Fiscal year 2003: $1,727,800,000,000.
Fiscal year 2004: $1,800,700,000,000.
Fiscal year 2005: $1,885,000,000,000.
Fiscal year 2006: $1,972,500,000,000.
Fiscal year 2007: $2,065,300,000,000.
Fiscal year 2008: $2,166,700,000,000.
Fiscal year 2009: $2,279,200,000,000.
Fiscal year 2010: $2,402,800,000,000.
Fiscal year 2011: $2,536,000,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 2002: −$27,500,000,000.
Fiscal year 2003: −$54,300,000,000.
Fiscal year 2004: −$63,600,000,000.
Fiscal year 2005: −$64,800,000,000.
Fiscal year 2006: −$67,100,000,000.
Fiscal year 2007: −$70,500,000,000.
Fiscal year 2008: −$76,100,000,000.
Fiscal year 2009: −$80,900,000,000.
Fiscal year 2010: −$86,500,000,000.
Fiscal year 2011: −$91,900,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2002: $1,638,100,000,000.
Fiscal year 2003: $1,692,400,000,000.
Fiscal year 2004: $1,757,400,000,000.
Fiscal year 2005: $1,837,700,000,000.
Fiscal year 2006: $1,904,100,000,000.
Fiscal year 2007: $1,974,500,000,000.
Fiscal year 2008: $2,056,400,000,000.
Fiscal year 2009: $2,138,400,000,000.
Fiscal year 2010: $2,228,500,000,000.
Fiscal year 2011: $2,314,100,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2002: $1,590,800,000,000.
Fiscal year 2003: $1,658,400,000,000.
Fiscal year 2004: $1,727,000,000,000.
Fiscal year 2005: $1,809,300,000,000.
Fiscal year 2006: $1,872,400,000,000.
Fiscal year 2007: $1,941,200,000,000.
Fiscal year 2008: $2,022,700,000,000.
Fiscal year 2009: $2,105,500,000,000.
Fiscal year 2010: $2,197,000,000,000.
Fiscal year 2011: $2,283,200,000,000.

(4) SURPLUSES.—For purposes of the enforcement of this resolution, the amounts of the surpluses are as follows:

Fiscal year 2002: $85,200,000,000.
Fiscal year 2003: $69,300,000,000.
Fiscal year 2004: $73,600,000,000.
Fiscal year 2005: $75,600,000,000.
Fiscal year 2006: $100,200,000,000.
Fiscal year 2007: $124,100,000,000.
Fiscal year 2008: $143,900,000,000.
Fiscal year 2009: $173,700,000,000.
Fiscal year 2010: $206,000,000,000.
Fiscal year 2011: $252,600,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 2002: $2,969,900,000,000.
Fiscal year 2003: $2,732,600,000,000.
Fiscal year 2004: $2,477,200,000,000.
Fiscal year 2005: $2,197,300,000,000.
Fiscal year 2006: $1,873,400,000,000.
Fiscal year 2007: $1,504,900,000,000.
Fiscal year 2008: $1,095,400,000,000.
Fiscal year 2009: $639,000,000,000.
Fiscal year 2010: $528,000,000,000.
Fiscal year 2011: $418,000,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority and budget outlays for fiscal years 2002 through 2011 for each major functional category are:

(1) National Defense (050): This function includes funding for the Department of Defense, the nuclear-weapons-related activities of the Department of Energy, and miscellaneous national security activities in various other agencies such as the Coast Guard and the Federal Bureau of Investigation. The policy of this resolution is that there shall be budget authority of $327,200,000,000 and outlays of $320,500,000,000 in fiscal year 2002, and budget authority of $3,732,100,000,000 and outlays of $3,640,200,000,000 over fiscal years 2002 through 2011. This is greater than the level of the Committee-passed resolution by $2.6 billion of budget authority and $1.2 billion of outlays in fiscal year 2002, and $48.1 billion of budget authority and $28.9 billion of outlays over fiscal years 2002 through 2011, better to address priorities such as but not limited to: maintaining a high level of military readiness; improving the quality of life for military personnel and their families, specifically including pay and housing, ensuring health care for active-duty members, their families, and all military retirees and their families; transforming our military to meet post-Cold-War threats; and modernizing conventional forces required to execute the national military strategy.

Fiscal year 2002:
(A) New budget authority, $327,200,000,000.
(B) Outlays, $320,500,000,000.
Fiscal year 2003:
(A) New budget authority, $334,300,000,000.
(B) Outlays, $325,100,000,000.
Fiscal year 2004:
(A) New budget authority, $345,100,000,000.
(B) Outlays, $334,600,000,000.
Fiscal year 2005:
(A) New budget authority, $356,900,000,000.
(B) Outlays, $349,200,000,000.
Fiscal year 2006:
(A) New budget authority, $368,700,000,000.
(B) Outlays, $358,100,000,000.
Fiscal year 2007:
(A) New budget authority, $379,600,000,000.
(B) Outlays, $366,400,000,000.
Fiscal year 2008:
(A) New budget authority, $390,400,000,000.
(B) Outlays, $380,400,000,000.
Fiscal year 2009:
(A) New budget authority, $400,000,000,000.
(B) Outlays, $391,400,000,000.
Fiscal year 2010:
(A) New budget authority, $409,800,000,000.
(B) Outlays, $402,000,000,000.
Fiscal year 2011:
(A) New budget authority, $420,100,000,000.
(B) Outlays, $412,500,000,000.

(2) International Affairs (150): This function includes virtually all United States international activities, such as: operating United States embassies and consulates throughout the world, military assistance to allies, aid to underdeveloped nations, economic assistance to fledgling democracies, promotion of United States exports abroad, United States payments to international organizations, and United States contributions to international peacekeeping efforts. The policy of this resolution is that there shall be budget authority of $23,900,000,000 and outlays of $19,600,000,000 in fiscal year 2002, and budget authority of $264,200,000,000 and outlays of $219,800,000,000 over fiscal years 2002 through 2011, which is $0.7 billion of discretionary budget authority and $0.7 billion of discretionary outlays greater than the CBO current services baseline in 2002, and $7.6 billion of discretionary budget authority and $6.7 billion of discretionary outlays greater than the CBO current services baseline over fiscal years 2002 through 2011, to address priorities such as but not limited to: providing greater security for foreign-service personnel and embassies, improving health care in poor countries, with particular emphasis on combating HIV/AIDS, providing a supplemental appropriation to advance the national security interests of Israel, supporting drug-interdiction efforts, and promoting the economic, environmental, political, and national security interests of the United States.

Fiscal year 2002:
(A) New budget authority, $23,900,000,000.
(B) Outlays, $19,000,000,000.
Fiscal year 2003:
(A) New budget authority, $23,900,000,000.
(B) Outlays, $19,900,000,000.
Fiscal year 2004:
(A) New budget authority, $24,500,000,000.
(B) Outlays, $20,400,000,000.
Fiscal year 2005:
(A) New budget authority, $25,400,000,000.
(B) Outlays, $20,800,000,000.
Fiscal year 2006:
(A) New budget authority, $26,200,000,000.
(B) Outlays, $21,400,000,000.
Fiscal year 2007:
(A) New budget authority, $26,900,000,000.
(B) Outlays, $22,100,000,000.
Fiscal year 2008:
(A) New budget authority, $27,400,000,000.
(B) Outlays, $22,800,000,000.
Fiscal year 2009:
(A) New budget authority, $28,000,000,000.
(B) Outlays, $23,600,000,000.
Fiscal year 2010:
(A) New budget authority, $28,400,000,000.
(B) Outlays, $24,200,000,000.
Fiscal year 2011:
(A) New budget authority, $29,600,000,000.
(B) Outlays, $25,000,000,000.

(3) General Science, Space, and Technology (250): This function includes funding for the National Science Foundation, the National Aeronautics and Space Administration (except air transportation programs), and general science research programs of the Department of Energy. The policy of this resolution is that there shall be budget authority of $22,500,000,000 and outlays of $21,200,000,000 in fiscal year 2002, and budget authority of $250,000,000,000 and outlays of $243,100,000,000 over fiscal years 2002 through 2011, which is $0.3 billion of budget authority and $0.2 billion of outlays greater than the Committee-passed resolution in 2002, and $3.1 billion of budget authority and $2.8 billion of outlays greater than the Committee-passed resolution over fiscal years 2002 through 2011, and will allow for substantial expansion of programs in this function to reflect the important role that scientific research plays in fostering the future prosperity and security of the Nation. These amounts will be used to address priorities including but not limited to: expanding research, and math and science educational activities, undertaken by the National Science Foundation, the National Aeronautics and Space Administration, and the Office of Science of the Department of Energy.

Fiscal year 2002:

(A) New budget authority, $22,500,000,000.
(B) Outlays, $21,200,000,000.
Fiscal year 2003:
(A) New budget authority, $22,900,000,000.
(B) Outlays, $22,200,000,000.
Fiscal year 2004:
(A) New budget authority, $23,400,000,000.
(B) Outlays, $22,000,000,000.
Fiscal year 2005:
(A) New budget authority, $23,900,000,000.
(B) Outlays, $23,500,000,000.
Fiscal year 2006:
(A) New budget authority, $24,000,000,000.
(B) Outlays, $24,000,000,000.
Fiscal year 2007:
(A) New budget authority, $25,200,000,000.
(B) Outlays, $24,600,000,000.
Fiscal year 2008:
(A) New budget authority, $25,900,000,000.
(B) Outlays, $25,200,000,000.
Fiscal year 2009:
(A) New budget authority, $26,500,000,000.
(B) Outlays, $25,900,000,000.
Fiscal year 2010:
(A) New budget authority, $27,000,000,000.
(B) Outlays, $26,400,000,000.
Fiscal year 2011:
(A) New budget authority, $28,100,000,000.
(B) Outlays, $27,200,000,000.

(4) Energy (270): This function includes funding for the nondefense programs of the Department of Energy as well as for the Tennessee Valley Authority, rural electrification loans, and the Nuclear Regulatory Commission. The programs supported by this function are intended to increase the supply of energy, encourage energy conservation, facilitate an emergency supply of energy, and safeguard energy production. The policy of this resolution is that there shall be budget authority of $1,400,000,000 and outlays of $0 in fiscal year 2002, and budget authority of $17,000,000,000 and outlays of $2,900,000,000 over fiscal years 2002 through 2011, which is $0.6 billion of budget authority and $0.2 billion of outlays greater than the Committee-passed resolution in 2002, and $2.4 billion of budget authority and $2.1 billion of outlays greater than the Committee-passed resolution over fiscal years 2002 through 2011, to maintain funding for appropriated energy programs after full adjustment for inflation, to address priorities such as but not limited to: funding energy research, stabilizing energy supplies, addressing rising energy costs, increasing energy production, conserving energy, using energy more efficiently, protecting the environment, reducing pollution through development of clean-coal technologies, and assisting low-income families who are hard-pressed by high home heating and cooling costs by protecting programs such as the Weatherization Assistance Program.

Fiscal year 2002:
(A) New budget authority, $1,400,000,000.
(B) Outlays, $0.
Fiscal year 2003:
(A) New budget authority, $1,300,000,000.
(B) Outlays, −$100,000,000.
Fiscal year 2004:
(A) New budget authority, $1,300,000,000.
(B) Outlays, −$100,000,000.
Fiscal year 2005:
(A) New budget authority, $1,300,000,000.
(B) Outlays, −$100,000,000.
Fiscal year 2006:
(A) New budget authority, $1,300,000,000.
(B) Outlays, $0.
Fiscal year 2007:
(A) New budget authority, $1,400,000,000.
(B) Outlays, $100,000,000.
Fiscal year 2008:
(A) New budget authority, $2,200,000,000.
(B) Outlays, $400,000,000.
Fiscal year 2009:
(A) New budget authority, $2,300,000,000.
(B) Outlays, $800,000,000.
Fiscal year 2010:
(A) New budget authority, $2,300,000,000.
(B) Outlays, $1,000,000,000.
Fiscal year 2011:
(A) New budget authority, $2,200,000,000.
(B) Outlays, $900,000,000.

(5) Natural Resources and Environment (300): This function includes programs in a variety of Federal agencies concerned with the development and management of the Nation's land, water, and mineral resources, and recreation and wildlife areas; and environmental protection and enhancement. The policy of this resolution is that there shall be budget authority of $30,300,000,000 and outlays of $28,400,000,000 in fiscal year 2002, and budget authority of $348,400,000,000 and outlays of $338,300,000,000 over fiscal years 2002 through 2011, which is $3.6 billion of budget authority and $2.0 billion of outlays greater than the Committee-passed resolution in 2002, and $59.0 billion of budget authority and $53.0 billion of outlays greater than the Committee-passed resolution over fiscal years 2002 through 2011, better to address priorities such as but not limited to: full funding levels for the Land Conservation, Preservation, and Infrastructure Improvement Program, established last year as part of the Interior Appropriations Act. In establishing this program, Congress recognized land conservation and related activities as critical national priorities and provided a mechanism to guarantee significantly increased funding. Congress resolved to provide $1.76 billion for fiscal year 2002 and $12 billion from 2001–2006 for conservation, preservation, and recreation programs, and to set this funding aside in a new dedicated conservation budget category. The President's budget request would breach last year's agreement, and rewrite the funding levels of the conservation budget category, reducing the fiscal year 2002 level to $1.5 billion and reducing the six-year funding total by $2.7 billion. It is the policy of this resolution to maintain and fully fund the new budget category for conservation; to increase grants to states and local governments for improvements in our nation's safe drinking water and wastewater treatment infrastructure; to continue funding needed to reduce the threat of wildfires on Federal lands and to fight fires when they occur; to provide high-priority funding for Pacific Northwest salmon recovery; to fund grants for States and Tribes for administration of environmental programs, within the Department of Commerce; to continue current funding levels for the National Oceanic and Atmospheric Administration; to fund continued procurement of an advanced weather satellite system being developed jointly with the Department of Defense; to continue current funding levels for the Army Corps of Engineers and to increase funding to deal with the deferred maintenance backlog in the National Park system; to provide funds to protect wetlands and endangered species and their habitats on public and private lands.

Fiscal year 2002:
(A) New budget authority, $30,300,000,000.
(B) Outlays, $28,400,000,000.
Fiscal year 2003:
(A) New budget authority, $31,200,000,000.
(B) Outlays, $30,200,000,000.
Fiscal year 2004:
(A) New budget authority, $32,300,000,000.
(B) Outlays, $31,500,000,000.
Fiscal year 2005:
(A) New budget authority, $33,300,000,000.
(B) Outlays, $32,400,000,000.
Fiscal year 2006:
(A) New budget authority, $34,300,000,000.
(B) Outlays, $33,500,000,000.
Fiscal year 2007:
(A) New budget authority, $35,200,000,000.
(B) Outlays, $34,300,000,000.
Fiscal year 2008:
(A) New budget authority, $36,100,000,000.
(B) Outlays, $35,200,000,000.
Fiscal year 2009:
(A) New budget authority, $37,500,000,000.
(B) Outlays, $36,000,000,000.
Fiscal year 2010:
(A) New budget authority, $38,600,000,000.
(B) Outlays, $37,600,000,000.
Fiscal year 2011:
(A) New budget authority, $39,600,000,000.
(B) Outlays, $38,600,000,000.

(6) Agriculture (350): This function includes programs administered by the Department of Agriculture, including such activities as agricultural research and the stabilization of farm incomes through loans, subsidies, and other payments to farmers. The policy of this resolution is that there shall be budget authority of $27,300,000,000 and outlays of $25,600,000,000 in fiscal year 2002, and budget authority of $219,300,000,000 and outlays of $204,000,000,000 over fiscal years 2002 through 2011, which is $8.2 billion of budget authority and $8.1 billion of outlays greater than the Committee-passed resolution in 2002, and $46.9 billion of budget authority and $46.6 billion of outlays greater than the Committee-passed resolution over fiscal years 2002 through 2011, better to address priorities such as but not limited to: maintaining the inflation-adjusted funding for appropriated agriculture programs over ten years, including food safety protection, conservation, and vital agriculture research, which is cut in the Committee-passed resolution; increasing mandatory programs for agriculture by $8 billion in fiscal year 2002, $6 billion in fiscal year 2003, and $4 billion per year thereafter, reflecting spending levels consistent with recent needs; providing farmers with a more stable, dependable source of supplementary income assistance, rather than continued unpredictable ad-hoc assistance, minimizing the need for continued emergency assistance, and making spending assumptions more realistic, in preparation for the upcoming reauthorization of the farm program.

Fiscal year 2002:
(A) New budget authority, $27,300,000,000.
(B) Outlays, $25,600,000,000.
Fiscal year 2003:
(A) New budget authority, $24,500,000,000.
(B) Outlays, $23,000,000,000.
Fiscal year 2004:
(A) New budget authority, $22,600,000,000.
(B) Outlays, $21,100,000,000.
Fiscal year 2005:
(A) New budget authority, $22,400,000,000.
(B) Outlays, $20,900,000,000.
Fiscal year 2006:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $20,400,000,000.
Fiscal year 2007:
(A) New budget authority, $20,000,000,000.
(B) Outlays, $19,000,000,000.
Fiscal year 2008:
(A) New budget authority, $19,700,000,000.
(B) Outlays, $18,100,000,000.
Fiscal year 2009:
(A) New budget authority, $19,900,000,000.
(B) Outlays, $18,400,000,000.
Fiscal year 2010:
(A) New budget authority, $20,100,000,000.
(B) Outlays, $18,700,000,000.
Fiscal year 2011:
(A) New budget authority, $20,200,000,000.

(B) Outlays, $18,800,000,000.

(7) Commerce and Housing Credit (370): This function includes deposit insurance and financial regulatory agencies; the mortgage credit programs of the Department of Housing and Urban Development (HUD); the Department of Commerce's Census Bureau, its business promotion programs, and its technology development programs; rural housing loans; the Small Business Administration's business loans; the Postal Service; and other regulatory agencies such as the Federal Communications Commission (FCC). The policy of this resolution is that there shall be budget authority of $7,400,000,000 and outlays of $4,400,000,000 in fiscal year 2002, and budget authority of $127,900,000,000 and outlays of $84,300,000,000 over fiscal years 2002 through 2011, to address priorities such as but not limited to: an increase in the limit on the maximum loan that may be guaranteed, thereby making home ownership in high-cost housing areas more affordable, and consequent increased premium collections for the Federal Housing Administration's Mutual Mortgage Insurance (MMI) Fund, which will finance other important housing activities; increased premium collections from allowing FHA to insure hybrid adjustable-rate mortgages; continuation of the Advanced Technology Program in the Department of Commerce, and increased funding by 18 percent, or $9 million, for the collection and calculation of basic economic statistics, to improve key measures used by government and business policy makers.

Fiscal year 2002:
(A) New budget authority, $7,400,000,000.
(B) Outlays, $4,400,000,000.
Fiscal year 2003:
(A) New budget authority, $8,500,000,000.
(B) Outlays, $3,200,000,000.
Fiscal year 2004:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $8,600,000,000.
Fiscal year 2005:
(A) New budget authority, $12,700,000,000.
(B) Outlays, $9,000,000,000.
Fiscal year 2006:
(A) New budget authority, $12,700,000,000.
(B) Outlays, $8,400,000,000.
Fiscal year 2007:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $9,200,000,000.
Fiscal year 2008:
(A) New budget authority, $13,800,000,000.
(B) Outlays, $9,300,000,000.
Fiscal year 2009:
(A) New budget authority, $14,300,000,000.
(B) Outlays, $9,600,000,000.
Fiscal year 2010:
(A) New budget authority, $18,700,000,000.
(B) Outlays, $12,800,000,000.
Fiscal year 2011:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $9,800,000,000.

(8) Transportation (400): This function is comprised mostly of the programs administered by the Department of Transportation, including programs for highways, mass transit, aviation, and maritime activities. The function also includes several small transportation-related agencies, and the civilian aviation research program of the National Aeronautics and Space Administration (NASA). The policy of this resolution is that there shall be budget authority of $63,700,000,000 and outlays of $55,600,000,000 in fiscal year 2002, and budget authority of $641,200,000,000 and outlays of $647,300,000,000 over fiscal years 2002 through 2011, which is $2.7 billion of budget authority greater than the Committee-passed resolution in 2002, and $33.2 billion of budget authority and $7.7 billion of outlays greater than the Committee-passed resolution (which imposes a cut in nominal dollars) over fiscal years 2002 through 2011, better to address priorities such as but not limited to full funding of the authorized levels provided for highways and transit under the Transportation Equity Act for the 21st Century (TEA–21), full funding of the levels authorized for the Federal Aviation Administration under the Aviation Investment and Reform Act for the 21st Century (AIR–21), the funding needed to keep the Federal commitment to Amtrak, and the funding needed to meet the ongoing requirements of the Coast Guard, at a level higher than requested by the President, to improve personnel training, eliminate spare parts shortages, operate drug interdiction more effectively, and ensure maritime safety.

Fiscal year 2002:
(A) New budget authority, $63,700,000,000.
(B) Outlays, $55,600,000,000.
Fiscal year 2003:
(A) New budget authority, $61,600,000,000.
(B) Outlays, $59,800,000,000.
Fiscal year 2004:
(A) New budget authority, $62,200,000,000.
(B) Outlays, $61,900,000,000.
Fiscal year 2005:
(A) New budget authority, $62,800,000,000.
(B) Outlays, $63,400,000,000.
Fiscal year 2006:
(A) New budget authority, $63,400,000,000.
(B) Outlays, $64,800,000,000.
Fiscal year 2007:
(A) New budget authority, $64,100,000,000.
(B) Outlays, $65,700,000,000.
Fiscal year 2008:
(A) New budget authority, $64,800,000,000.
(B) Outlays, $66,900,000,000.
Fiscal year 2009:
(A) New budget authority, $65,500,000,000.
(B) Outlays, $68,300,000,000.
Fiscal year 2010:
(A) New budget authority, $66,200,000,000.
(B) Outlays, $69,700,000,000.
Fiscal year 2011:
(A) New budget authority, $66,900,000,000.
(B) Outlays, $71,200,000,000.

(9) Community and Regional Development (450): This function includes programs that support the development of physical and financial infrastructure intended to promote viable community economies. It covers certain activities of the Department of Commerce and the Department of Housing and Urban Development. This function also includes spending to help communities and families recover from natural disasters, and spending for the rural development activities of the Department of Agriculture, the Bureau of Indian Affairs, and other agencies. The policy of this resolution is that there shall be budget authority of $10,500,000,000 and outlays of $11,400,000,000 in fiscal year 2002, and budget authority of $116,300,000,000 and outlays of $110,800,000,000 over fiscal years 2002 through 2011, which is $0.4 billion of budget authority greater than the Committee-passed resolution in 2002, and $2.7 billion of budget authority and $1.8 billion of outlays greater than the Committee-passed resolution over fiscal years 2002 through 2011, better to address priorities such as but not limited to full inflation-adjusted funding of appropriations, including: the Community Development Block Grant (CDBG) program, which is frozen in the Committee-passed resolution, the Federal Emergency Management Agency (FEMA), Empowerment Zones, the Bureau of Indian Affairs (BIA), the Community Development Financial Institutions Fund (CDFI), and the Assistance to Firefighters Grant Program.

Fiscal year 2002:
(A) New budget authority, $10,500,000,000.
(B) Outlays, $11,400,000,000.
Fiscal year 2003:
(A) New budget authority, $10,600,000,000.
(B) Outlays, $11,000,000,000.
Fiscal year 2004:
(A) New budget authority, $10,800,000,000.
(B) Outlays, $10,800,000,000.
Fiscal year 2005:
(A) New budget authority, $11,100,000,000.
(B) Outlays, $10,600,000,000.
Fiscal year 2006:
(A) New budget authority, $11,500,000,000.
(B) Outlays, $10,500,000,000.
Fiscal year 2007:
(A) New budget authority, $11,700,000,000.
(B) Outlays, $10,700,000,000.
Fiscal year 2008:
(A) New budget authority, $12,000,000,000.
(B) Outlays, $11,000,000,000.
Fiscal year 2009:
(A) New budget authority, $12,400,000,000.
(B) Outlays, $11,300,000,000.
Fiscal year 2010:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $11,600,000,000.
Fiscal year 2011:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $11,900,000,000.

(10) Education, Training, Employment, and Social Services (500): This function primarily includes Federal spending within the Departments of Education, Labor, and Health and Human Services for programs that directly provide or assist states and localities in providing services to young people and adults. The activities that it covers include providing developmental services to low-income children, helping disadvantaged and other elementary and secondary school students, offering grants and loans to post-secondary students, and funding job-training and employment services for people of all ages. The policy of this resolution is that there shall be budget authority of $87,700,000,000 and outlays of $79,200,000,000 in fiscal year 2002, and budget authority of $1,050,300,000,000 and outlays of $995,800,000,000 over fiscal years 2002 through 2011. This is greater than the level of the Committee-passed resolution by $5.6 billion of budget authority and $3.0 billion of outlays in fiscal year 2002, and $132.8 billion of budget authority and $104 billion of outlays over fiscal years 2002 through 2011, better to address priorities such as but not limited to: reducing class sizes by recruiting and adequately compensating qualified teachers; improving teacher quality through professional development programs, especially for math and science teachers; facilitating school renovation by providing grants and subsidizing interest-free loans to local school districts; ensuring the effectiveness of all of our schools through increased funding of the title I program; enhancing the performance of our schools through investments in technology, school counselors, and after-school programs; expanding the Federal commitment to special education under the Individuals with Disabilities Education Act by no less than $1.5 billion per year, expanding access to higher education by sufficiently funding higher education programs, including an increase in the maximum Pell Grant award; sustaining the strength of the Nation's vocational rehabilitation programs, ensuring that each year more of those children eligible for Head Start are enrolled in the program and are well prepared for elementary education, sustaining the competitiveness of our economy through sufficient funding for workforce investment programs, and strengthening the safety net provided to our

nation s most vulnerable people through, for example, increased funding levels for child welfare programs and the Social Services Block Grant (title XX).

Fiscal year 2002:
(A) New budget authority, $87,700,000,000.
(B) Outlays, $79,200,000,000.
Fiscal year 2003:
(A) New budget authority, $89,200,000,000.
(B) Outlays, $86,400,000,000.
Fiscal year 2004:
(A) New budget authority, $92,700,000,000.
(B) Outlays, $89,200,000,000.
Fiscal year 2005:
(A) New budget authority, $96,800,000,000.
(B) Outlays, $93,300,000,000.
Fiscal year 2006:
(A) New budget authority, $99,500,000,000.
(B) Outlays, $96,400,000,000.
Fiscal year 2007:
(A) New budget authority, $102,500,000,000.
(B) Outlays, $99,700,000,000.
Fiscal year 2008:
(A) New budget authority, $109,000,000,000.
(B) Outlays, $102,800,000,000.
Fiscal year 2009:
(A) New budget authority, $116,600,000,000.
(B) Outlays, $108,800,000,000.
Fiscal year 2010:
(A) New budget authority, $124,300,000,000.
(B) Outlays, $116,200,000,000.
Fiscal year 2011:
(A) New budget authority, $132,000,000,000.
(B) Outlays, $123,800,000,000.

(11) Health (550): This function includes Federal spending for health care services, disease prevention, consumer and occupational safety, health-related research, and similar activities. The largest component of spending is the Federal/State Medicaid program, which pays for health services for some low-income women, children, and elderly people, as well as people with disabilities. The policy of this resolution is that there shall be budget authority of $194,300,000,000 and outlays of $190,200,000,000 in fiscal year 2002, and budget authority of $2,898,600,000,000 and outlays of $2,873,100,000,000 over fiscal years 2002 through 2011. This is greater than the level of the Committee-passed resolution by $1.7 billion of discretionary budget authority and $400 million of discretionary outlays in fiscal year 2002, and $4.0 billion of discretionary budget authority and $2.6 billion of discretionary outlays over fiscal years 2002 through 2011, better to address priorities such as but not limited to: doubling funding for the National Institutes of Health relative to the 1998 level by 2003, maintaining inflation-adjusted funding for other discretionary health programs, expanding access to health insurance for working families by allowing states to cover families under the Medicaid or State Children's Health Insurance Program, and allowing a buy-in to Medicaid for families with special-needs children if family income is under 300 percent of poverty, increasing funding for community health centers, providing low-income Medicare beneficiaries protection against premiums and cost-sharing requirements of a Medicare prescription drug benefit, and restoring Medicaid benefits to certain legal immigrants.

Fiscal year 2002:
(A) New budget authority, $194,300,000,000.
(B) Outlays, $190,200,000,000.
Fiscal year 2003:
(A) New budget authority, $217,700,000,000.
(B) Outlays, $213,500,000,000.
Fiscal year 2004:
(A) New budget authority, $235,600,000,000.
(B) Outlays, $233,900,000,000.
Fiscal year 2005:
(A) New budget authority, $255,400,000,000.
(B) Outlays, $253,200,000,000.
Fiscal year 2006:
(A) New budget authority, $276,600,000,000.
(B) Outlays, $274,500,000,000.
Fiscal year 2007:
(A) New budget authority, $296,600,000,000.
(B) Outlays, $293,900,000,000.
Fiscal year 2008:
(A) New budget authority, $319,200,000,000.
(B) Outlays, $316,700,000,000.
Fiscal year 2009:
(A) New budget authority, $341,000,000,000.
(B) Outlays, $338,900,000,000.
Fiscal year 2010:
(A) New budget authority, $366,800,000,000.
(B) Outlays, $365,100,000,000.
Fiscal year 2011:
(A) New budget authority, $395,400,000,000.
(B) Outlays, $393,200,000,000.

(12) Medicare (570): This function is comprised of spending for Medicare, the Federal health insurance program for elderly and eligible disabled people. Medicare consists of two parts, each tied to a trust fund. Hospital Insurance (HI, also known as Part A) reimburses providers for inpatient care that beneficiaries receive in hospitals, as well as care at skilled nursing facilities, home health care related to a hospital stay, and hospice services. Supplementary Medical Insurance (Part B) pays for physicians' services, outpatient services at hospitals, home health care, and other services. The policy of this resolution is that there shall be budget authority of $229,200,000,000 and outlays of $229,100,000,000 in fiscal year 2002, and budget authority of $3,487,100,000,000 and outlays of $3,486,800,000,000 over fiscal years 2002 through 2011. This is greater than the level of the Committee-passed resolution by $100 million of budget authority in fiscal year 2002, and $179.5 billion of budget authority and $179.2 billion of outlays over fiscal years 2002 through 2011, better to address priorities such as but not limited to: extending the solvency of the Medicare HI (Part A) Trust Fund, by transferring surplus funds from outside the program to the HI Trust Fund, creating a voluntary prescription drug benefit within the Medicare program for all Medicare beneficiaries, and providing $330 billion to fund it, and taking the Medicare HI (Part A) Trust Fund off-budget to ensure that it is used solely for current-law Medicare benefits.

Fiscal year 2002:
(A) New budget authority, $229,200,000,000.
(B) Outlays, $229,100,000,000.
Fiscal year 2003:
(A) New budget authority, $257,500,000,000.
(B) Outlays, $257,300,000,000.
Fiscal year 2004:
(A) New budget authority, $281,100,000,000.
(B) Outlays, $281,300,000,000.
Fiscal year 2005:
(A) New budget authority, $307,300,000,000.
(B) Outlays, $307,200,000,000.
Fiscal year 2006:
(A) New budget authority, $324,200,000,000.
(B) Outlays, $324,000,000,000.
Fiscal year 2007:
(A) New budget authority, $353,900,000,000.
(B) Outlays, $354,100,000,000.
Fiscal year 2008:
(A) New budget authority, $382,700,000,000.
(B) Outlays, $382,600,000,000.
Fiscal year 2009:
(A) New budget authority, $414,600,000,000.
(B) Outlays, $414,300,000,000.
Fiscal year 2010:
(A) New budget authority, $449,200,000,000.
(B) Outlays, $449,500,000,000.
Fiscal year 2011:
(A) New budget authority, $487,400,000,000.
(B) Outlays, $487,400,000,000.

(13) Income Security (600): This function covers Federal income-security programs that provide cash or in-kind benefits to individuals. Some of those benefits (such as food stamps, Supplemental Security Income, Temporary Assistance for Needy Families, housing, and the earned income tax credit) are means-tested, whereas others (such as unemployment compensation and Civil Service Retirement and Disability payments) do not depend on a person's income or assets. The policy of this resolution is that there shall be budget authority of $273,800,000,000 and outlays of $272,000,000,000 in fiscal year 2002, and budget authority of $3,230,300,000,000 and outlays of $3,217,300,000,000 over fiscal years 2002 through 2011. This is greater than the level of the Committee-passed resolution by $2.3 billion of budget authority (but $100 million less of outlays) in fiscal year 2002, and $17.6 billion of budget authority and $15.7 billion of outlays over fiscal years 2002 through 2011, better to address priorities such as but not limited to: enhancing America's nutritional safety net through improvements that facilitate access to the Food Stamp program, providing increased funding for the Low-Income Home Energy Assistance program (LIHEAP) and emergency funds in response to escalating energy prices; ensuring that Special Supplemental Nutrition Program for Women, Infants and children (WIC) funds supplying nutritional benefits and counseling for pregnant women, infants and children increase with inflation; giving states more resources to support families moving from welfare to work through child care and critical TANF assistance programs; addressing the Nation's affordable housing crisis by maintaining public housing Capital Fund and Drug Elimination programs at inflation-adjusted levels; renewing all expiring section 8 contracts, maintaining adequate section 8 reserves, and adding 84,000 new section 8 housing assistance vouchers and maintaining them for ten years, increasing housing resources for the low-income elderly in preparation for the aging of the baby boom generation, maintaining Congress' commitment to the flexible HOME Investment Partnership Program, ensuring that grants to state and local governments for affordable rental housing and home ownership activities at least keep pace with inflation, as opposed to the Committee-passed resolution which diminishes HOME program grants through new set-asides, and restoring SSI and food stamp benefits to certain legal immigrants.

Fiscal year 2002:
(A) New budget authority, $273,800,000,000.
(B) Outlays, $272,000,000,000.
Fiscal year 2003:
(A) New budget authority, $284,400,000,000.
(B) Outlays, $282,700,000,000.
Fiscal year 2004:
(A) New budget authority, $295,600,000,000.
(B) Outlays, $293,800,000,000.
Fiscal year 2005:
(A) New budget authority, $309,900,000,000.
(B) Outlays, $308,300,000,000.
Fiscal year 2006:
(A) New budget authority, $317,600,000,000.
(B) Outlays, $316,300,000,000.
Fiscal year 2007:
(A) New budget authority, $323,800,000,000.
(B) Outlays, $323,200,000,000.
Fiscal year 2008:
(A) New budget authority, $338,900,000,000.
(B) Outlays, $338,200,000,000.
Fiscal year 2009:
(A) New budget authority, $350,600,000,000.

(B) Outlays, $349,700,000,000.
Fiscal year 2010:
(A) New budget authority, $361,800,000,000.
(B) Outlays, $360,800,000,000.
Fiscal year 2011:
(A) New budget authority, $373,900,000,000.
(B) Outlays, $372,300,000,000.

(14) Social Security (650): This function is comprised of spending for the Old-Age, Survivors, and Disability Insurance programs, commonly known as Social Security. Social Security consists of two parts, each tied to a trust fund. The Old-Age and Survivors Insurance (OASI) program provides monthly benefits to eligible retired workers and their families and survivors. The Disability Insurance (DI) program provides monthly benefits to eligible disabled workers and their families. The policy of this resolution is that there shall be budget authority of $11,000,000,000 and outlays of $11,000,000,000 in fiscal year 2002, and budget authority of $150,900,000,000 and outlays of $150,900,000,000 over fiscal years 2002 through 2011. This is greater than the level of the Committee-passed resolution by $100 billion of discretionary budget authority in fiscal year 2002, and $3.1 billion of discretionary budget authority and $2.7 billion of discretionary outlays over fiscal years 2002 through 2011, better to address priorities such as but not limited to: protecting the Social Security Trust Fund from any diversion of its surplus, to extend the solvency of this essential program for today's retirees and for future generations, and maintaining the inflation-adjusted level of appropriations for social security administrative costs, with $3 billion more in funding than provided in the Committee-approved Republican Budget Resolution, thereby protecting the level of service for all elderly, disabled, and survivor beneficiaries.

Fiscal year 2002:
(A) New budget authority, $11,000,000,000.
(B) Outlays, $11,000,000,000.
Fiscal year 2003:
(A) New budget authority, $11,700,000,000.
(B) Outlays, $11,700,000,000.
Fiscal year 2004:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $12,500,000,000.
Fiscal year 2005:
(A) New budget authority, $13,300,000,000.
(B) Outlays, $13,300,000,000.
Fiscal year 2006:
(A) New budget authority, $14,200,000,000.
(B) Outlays, $14,200,000,000.
Fiscal year 2007:
(A) New budget authority, $15,200,000,000.
(B) Outlays, $15,200,000,000.
Fiscal year 2008:
(A) New budget authority, $16,200,000,000.
(B) Outlays, $16,200,000,000.
Fiscal year 2009:
(A) New budget authority, $17,500,000,000.
(B) Outlays, $17,500,000,000.
Fiscal year 2010:
(A) New budget authority, $18,900,000,000.
(B) Outlays, $18,900,000,000.
Fiscal year 2011:
(A) New budget authority, $20,400,000,000.
(B) Outlays, $20,400,000,000.

(15) Veterans Benefits and Services (700): This function covers programs that offer benefits to military veterans. Those programs, most of which are run by the Department of Veterans Affairs, provide health care, disability compensation, pensions, life insurance, education and training, and guaranteed loans. The policy of this resolution is that there shall be budget authority of $52,400,000,000 and outlays of $51,700,000,000 in fiscal year 2002, and budget authority of $606,400,000,000 and outlays of $602,000,000,000 over fiscal years 2002 through 2011. This is greater than the level of the Committee-passed resolution by $100 million of budget authority and $100 million of outlays in fiscal year 2002, and $12.4 billion of budget authority and $11.9 billion of outlays over fiscal years 2002 through 2011, better to address priorities such as but not limited to: increasing funding for appropriated veterans programs by $100 million for 2002 over the levels in the Committee-approved Republican resolution, to meet the needs of the VHA, and to increase Department of Veterans Affairs personnel and technology for claims processing and administration, reaffirming our commitment to veterans by adequately funding the Department of Veterans Affairs; avoiding shifts from one program to another to meet current crises; ensuring that veterans are able to receive, in a timely manner, the benefits Congress intended for them; and increasing mandatory programs for veterans by raising the education benefit in the Montgomery GI bill from $650 to $1100, and enhancing certain burial benefits as provided in H.R. 801.

Fiscal year 2002:
(A) New budget authority, $52,400,000,000.
(B) Outlays, $51,700,000,000.
Fiscal year 2003:
(A) New budget authority, $53,900,000,000.
(B) Outlays, $53,500,000,000.
Fiscal year 2004:
(A) New budget authority, $56,200,000,000.
(B) Outlays, $55,100,000,000.
Fiscal year 2005:
(A) New budget authority, $60,300,000,000.
(B) Outlays, $59,900,000,000.
Fiscal year 2006:
(A) New budget authority, $59,900,000,000.
(B) Outlays, $59,400,000,000.
Fiscal year 2007:
(A) New budget authority, $59,300,000,000.
(B) Outlays, $58,900,000,000.
Fiscal year 2008:
(A) New budget authority, $63,400,000,000.
(B) Outlays, $63,000,000,000.
Fiscal year 2009:
(A) New budget authority, $65,000,000,000.
(B) Outlays, $64,600,000,000.
Fiscal year 2010:
(A) New budget authority, $67,000,000,000.
(B) Outlays, $66,600,000,000.
Fiscal year 2011:
(A) New budget authority, $69,000,000,000.
(B) Outlays, $68,600,000,000.

(16) Administration of Justice (750): This function covers programs that provide judicial services, law enforcement, and prison operation. The Federal Bureau of Investigation, the Customs Service, the Drug Enforcement Administration, and the Federal court system are all supported under this function. The policy of this resolution is that there shall be budget authority of $32,400,000,000 and outlays of $31,400,000,000 in fiscal year 2002, and budget authority of $378,400,000,000 and outlays of $374,700,000,000 over fiscal years 2002 through 2011. This is greater than the level of the Committee-passed resolution (which cuts funding for the Justice Department in nominal dollars) by $1.5 billion of budget authority and $1.1 billion of outlays in fiscal year 2002, and $19.1 billion of budget authority and $18 billion of outlays over fiscal years 2002 through 2011, better to address priorities such as but not limited to maintaining inflation-adjusted levels of appropriations for every program, specifically including: the Community Oriented Policing Services (COPS) program, which provides funds to local communities to hire additional community police officers; all of the Department of Justice's law enforcement and legal divisions, the Treasury Department's United States Customs Service; the Treasury Department's Bureau of Alcohol, Tobacco, and Firearms (ATF); and State and local law enforcement assistance.

Fiscal year 2002:
(A) New budget authority, $32,400,000,000.
(B) Outlays, $31,400,000,000.
Fiscal year 2003:
(A) New budget authority, $32,500,000,000.
(B) Outlays, $32,800,000,000.
Fiscal year 2004:
(A) New budget authority, $35,300,000,000.
(B) Outlays, $35,500,000,000.
Fiscal year 2005:
(A) New budget authority, $36,400,000,000.
(B) Outlays, $36,300,000,000.
Fiscal year 2006:
(A) New budget authority, $37,500,000,000.
(B) Outlays, $37,000,000,000.
Fiscal year 2007:
(A) New budget authority, $38,500,000,000.
(B) Outlays, $38,000,000,000.
Fiscal year 2008:
(A) New budget authority, $39,700,000,000.
(B) Outlays, $39,200,000,000.
Fiscal year 2009:
(A) New budget authority, $40,800,000,000.
(B) Outlays, $40,300,000,000.
Fiscal year 2010:
(A) New budget authority, $42,000,000,000.
(B) Outlays, $41,500,000,000.
Fiscal year 2011:
(A) New budget authority, $43,300,000,000.
(B) Outlays, $42,700,000,000.

(17) General Government (800): This function covers the central management and policy responsibilities of both the legislative and executive branches of the Federal Government. Among the agencies it funds are the General Services Administration and the Internal Revenue Service. The policy of this resolution is that there shall be budget authority of $17,200,000,000 and outlays of $16,800,000,000 in fiscal year 2002, and budget authority of $177,100,000,000 and outlays of $174,600,000,000 over fiscal years 2002 through 2011. This is greater than the level of the Committee-passed resolution by $500 million of budget authority and $500 million of outlays in fiscal year 2002, and $600 million of budget authority and $1.2 billion of outlays over fiscal years 2002 through 2011, better to address priorities such as but not limited to maintaining inflation-adjusted levels of appropriations, above the level of the Committee-approved Republican Budget Resolution, and enactment of election reform legislation guaranteeing State and local election jurisdictions sufficient funds to replace outdated and outmoded voting technologies.

Fiscal year 2002:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $16,800,000,000.
Fiscal year 2003:
(A) New budget authority, $16,300,000,000.
(B) Outlays, $16,800,000,000.
Fiscal year 2004:
(A) New budget authority, $16,700,000,000.
(B) Outlays, $16,800,000,000.
Fiscal year 2005:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $16,700,000,000.
Fiscal year 2006:
(A) New budget authority, $17,500,000,000.
(B) Outlays, $17,100,000,000.
Fiscal year 2007:
(A) New budget authority, $17,900,000,000.
(B) Outlays, $17,500,000,000.
Fiscal year 2008:
(A) New budget authority, $18,000,000,000.
(B) Outlays, $17,700,000,000.
Fiscal year 2009:
(A) New budget authority, $18,400,000,000.

(B) Outlays, $18,000,000,000.
Fiscal year 2010:
(A) New budget authority, $18,700,000,000.
(B) Outlays, $18,300,000,000.
Fiscal year 2011:
(A) New budget authority, $19,400,000,000.
(B) Outlays, $18,900,000,000.

(18) Net Interest (900): This function includes the debt-servicing obligation of the Federal Government for the sum of all of its past budget deficits. The policy of this resolution is that there shall be budget authority of $259,600,000,000 and outlays of $259,600,000,000 in fiscal year 2002, and budget authority of $2,311,000,000,000 and outlays of $2,311,000,000,000 over fiscal years 2002 through 2011, which is $71.6 billion of budget authority and $71.6 billion of outlays less than the Committee-passed resolution over fiscal years 2002 through 2011, to address priorities such as but not limited to: the most rapid retirement of debt possible, faster than under the President's budget, and faster still than under the Committee-approved Republican Budget Resolution, and the consequent maximum reduction in the Federal Government's net interest costs, to strengthen the budget and the economy for the demographic challenges ahead.
Fiscal year 2002:
(A) New budget authority, $259,600,000,000.
(B) Outlays, $259,600,000,000.
Fiscal year 2003:
(A) New budget authority, $254,500,000,000.
(B) Outlays, $254,500,000,000.
Fiscal year 2004:
(A) New budget authority, $249,300,000,000.
(B) Outlays, $249,300,000,000.
Fiscal year 2005:
(A) New budget authority, $241,800,000,000.
(B) Outlays, $241,800,000,000.
Fiscal year 2006:
(A) New budget authority, $236,000,000,000.
(B) Outlays, $236,000,000,000.
Fiscal year 2007:
(A) New budget authority, $230,500,000,000.
(B) Outlays, $230,500,000,000.
Fiscal year 2008:
(A) New budget authority, $223,400,000,000.
(B) Outlays, $223,400,000,000.
Fiscal year 2009:
(A) New budget authority, $215,100,000,000.
(B) Outlays, $215,100,000,000.
Fiscal year 2010:
(A) New budget authority, $205,500,000,000.
(B) Outlays, $205,500,000,000.
Fiscal year 2011:
(A) New budget authority, $195,300,000,000.
(B) Outlays, $195,300,000,000.

(19) Allowances (920): This function may include amounts to reflect proposals that would affect multiple budget functions. The policy of this resolution is that there shall be budget authority of $5,000,000,000 and outlays of $1,800,000,000 in fiscal year 2002, and budget authority of $50,000,000,000 and outlays of $45,500,000,000 over fiscal years 2002 through 2011, to address priorities such as but not limited to a reserve fund for unforeseen contingencies such as floods, earthquakes, and other natural disasters.
Fiscal year 2002:
(A) New budget authority, $5,000,000,000.
(B) Outlays, $1,800,000,000.
Fiscal year 2003:
(A) New budget authority, $5,000,000,000.
(B) Outlays, $4,000,000,000.
Fiscal year 2004:
(A) New budget authority, $5,000,000,000.
(B) Outlays, $4,800,000,000.
Fiscal year 2005:
(A) New budget authority, $5,000,000,000.
(B) Outlays, $4,900,000,000.
Fiscal year 2006:
(A) New budget authority, $5,000,000,000.
(B) Outlays, $5,000,000,000.
Fiscal year 2007:
(A) New budget authority, $5,000,000,000.
(B) Outlays, $5,000,000,000.
Fiscal year 2008:
(A) New budget authority, $5,000,000,000.
(B) Outlays, $5,000,000,000.
Fiscal year 2009:
(A) New budget authority, $5,000,000,000.
(B) Outlays, $5,000,000,000.
Fiscal year 2010:
(A) New budget authority, $5,000,000,000.
(B) Outlays, $5,000,000,000.
Fiscal year 2011:
(A) New budget authority, $5,000,000,000.
(B) Outlays, $5,000,000,000.

(20) Undistributed Offsetting Receipts (950): This function comprises major offsetting receipt items that would distort the funding levels of other functional categories if they were distributed to them. The policy of this resolution is that there shall be budget authority of −$38,700,000,000 and outlays of −$38,700,000,000 in fiscal year 2002, and budget authority of −$514,900,000,000 and outlays of −$514,900,000,000 over fiscal years 2002 through 2011, to address priorities such as but not limited to adjusting rates of compensation for civilian employees of the United States at the same time, and in the same proportion, as are rates of compensation for members of the uniformed services. The budget resolution does not include the provision contained in the President's budget that assumes the opening of the Arctic National Wildlife Refuge (ANWR) for oil drilling. The budget resolution does not extend a provision included in the February Blueprint and the Committee-approved Republican Budget Resolution that increases agency contributions for employees covered by the civil service retirement system.
Fiscal year 2002:
(A) New budget authority, −$38,700,000,000.
(B) Outlays, −$38,700,000,000.
Fiscal year 2003:
(A) New budget authority, −$49,100,000,000.
(B) Outlays, −$49,100,000,000.
Fiscal year 2004:
(A) New budget authority, −$57,600,000,000.
(B) Outlays, −$57,600,000,000.
Fiscal year 2005:
(A) New budget authority, −$55,300,000,000.
(B) Outlays, −$55,300,000,000.
Fiscal year 2006:
(A) New budget authority, −$48,600,000,000.
(B) Outlays, −$48,600,000,000.
Fiscal year 2007:
(A) New budget authority, −$46,900,000,000.
(B) Outlays, −$46,900,000,000.
Fiscal year 2008:
(A) New budget authority, −$51,400,000,000.
(B) Outlays, −$51,400,000,000.
Fiscal year 2009:
(A) New budget authority, −$52,600,000,000.
(B) Outlays, −$52,600,000,000.
Fiscal year 2010:
(A) New budget authority, −$54,400,000,000.
(B) Outlays, −$54,400,000,000.
Fiscal year 2011:
(A) New budget authority, −$60,300,000,000.
(B) Outlays, −$60,300,000,000.

SEC. 4. RECONCILIATION.

(a) SUBMISSION BY HOUSE COMMITTEE ON WAYS AND MEANS FOR TAX RELIEF IN FISCAL YEAR 2001.—Not later than May 1, 2001, the House Committee on Ways and Means shall report to the House a reconciliation bill that consists of changes in laws within its jurisdiction to reduce revenues by not more than $60 billion during fiscal year 2001.

(b) SUBMISSIONS BY THE HOUSE COMMITTEE ON WAYS AND MEANS FOR ENHANCED STATUTORY PROTECTIONS AND SOLVENCY EXTENSION FOR MEDICARE AND SOCIAL SECURITY.—

(1) TAKING MEDICARE OFF-BUDGET AND REAFFIRMING THE OFF-BUDGET STATUS OF SOCIAL SECURITY.—Not later than June 8, 2001, the House Committee on Ways and Means shall report to the House Committee on the Budget a reconciliation bill that changes laws within its jurisdiction to designate the Medicare HI surplus as having the same off-budget status as the Social Security surplus, and that reaffirms the off-budget status of the Social Security surplus. Pursuant to this and without exception:

(A) 100 percent of the Social Security surplus in each fiscal year from 2002 through 2011 shall be saved by purchasing from the Treasury special non-marketable bonds, which can be redeemed only to pay for Social Security benefits stipulated in current law;

(B) 100 percent of the Medicare HI surplus in each fiscal year from 2002 through 2011 shall be saved by purchasing from the Treasury special non-marketable bonds for the Medicare HI trust fund, which can be redeemed only to pay for Medicare HI benefits stipulated in current law; and

(C) the Treasury shall use the proceeds of sales of special non-marketable bonds to the Social Security and Medicare HI trust funds exclusively for redeeming publicly held debt.

(2) EXTENDING SOCIAL SECURITY AND MEDICARE SOLVENCY.—Not later than June 8, 2001, the House Committee on Ways and Means shall submit legislation to the House Committee on the Budget providing for the annual remittance from the General Fund of the Treasury to the Hospital Insurance (Medicare Part A) Trust Fund and to the Old Age and Survivors Insurance Trust Fund of an amount equal to one-third of the projected on-budget, that is non-Social Security, non-Medicare HI, surplus, currently projected to be $910 billion from fiscal year 2002 through fiscal year 2011. Such remittances shall be equally divided between the two trust funds, with the objective of extending their solvency to at least 2040 and 2050, respectively. Such remittances shall be derived exclusively from the on-budget, that is non-Social Security, non-Medicare HI, surplus over that ten-year period.

(c) SUBMISSIONS BY THE HOUSE COMMITTEE ON WAYS AND MEANS FOR RESPONSIBLE TAX RELIEF.—

(1) SUBMISSION.—Not later than June 8, 2001, the House Committee on Ways and Means shall submit legislation to the House Committee on the Budget reducing revenues in amounts which, when combined with the debt service costs of tax adjustments made in fiscal year 2001, does not exceed $34 billion in fiscal year 2002, $300 billion for fiscal years 2002 through 2006, and $737 billion for fiscal years 2002 through 2011.

(2) POLICY ASSUMPTIONS.—Within the framework of this budget resolution, which provides for the extension of the solvency of the Social Security and Medicare trust funds, the policy of this resolution is that there shall be net tax relief, which when combined with the debt service costs of tax adjustments made in fiscal year 2001, does not exceed $34 billion in fiscal year 2002, $300 billion in fiscal years 2002 through 2006, or $737 billion in fiscal years 2002 through 2011. Such tax relief shall include but not be limited to provisions that—

(A) create a new income tax bracket, taxing income at a rate below the current 15 percent rate;

(B) mitigate the marriage penalty including that created through the earned income credit;

(C) increase the earned income credit for working families with children;

(D) eliminate estate taxes on all but the very largest estates; and

(E) grant other tax relief, such as modification of the individual alternative minimum tax and enhancement of tax incentives for retirement savings.

(3) FLEXIBILITY FOR THE COMMITTEE ON WAYS AND MEANS.—If the reconciliation submission by the Committee on Ways and Means alters the Internal Revenue Code of 1986 in ways that are scored by the Joint Committee on Taxation as outlay changes, as through legislation affecting refundable tax credits, the submission shall be considered to meet the revenue requirements of the reconciliation directive if the net cost of the revenue and outlay changes does not exceed the revenue amount set forth for that committee in paragraph 1 of this subsection. Upon the submission of such legislation, the chairman of the House Committee on the Budget shall adjust the budget aggregates in this resolution and allocations made under this resolution accordingly.

(d) SUBMISSIONS BY HOUSE COMMITTEES ON ENERGY AND COMMERCE AND WAYS AND MEANS FOR MEDICARE PRESCRIPTION DRUGS.—

(1) Not later than June 8, 2001, the House Committees named in paragraph (2) shall report the following changes in laws within their jurisdiction to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(2)(A) The House Committee on Energy and Commerce shall increase outlays by not more than the following: $94,000,000 for fiscal year 2002, $97,865,000,000 for the period fiscal year 2002 through 2006, and $330,000,000,000 for the period of fiscal year 2002 through 2011.

(B) The House Committee on Ways and Means shall increase outlays by not more than the following: $94,000,000 for fiscal year 2002, $97,865,000,000 for the period fiscal year 2002 through 2006, and $330,000,000,000 for the period of fiscal year 2002 through 2011.

(e) OTHER SUBMISSIONS BY HOUSE COMMITTEES.—

(1) SUBMISSIONS.—Not later than June 8, 2001, the House Committees named in paragraph (2) shall report the following changes in laws within their jurisdiction to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(2)(A) SUBMISSION BY HOUSE COMMITTEE ON AGRICULTURE FOR ASSISTANCE TO FARMERS, RESTORING FOOD STAMPS FOR LEGAL IMMIGRANTS, AND ENHANCING THE NUTRITIONAL SAFETY NET.—The House Committee on Agriculture shall increase outlays by not more than the following: $8,381,000,000 for fiscal year 2002, $29,158,000,000 for the period fiscal year 2002 through 2006, and $54,019,000,000 for the period of fiscal year 2002 through 2011.

(B) SUBMISSION BY HOUSE COMMITTEE ON EDUCATION AND WORKFORCE FOR STUDENT LOAN FORGIVENESS FOR MATH AND SCIENCE TEACHERS.—The House Committee on Education and the Workforce shall increase outlays by not more than the following: $5,000,000 for fiscal year 2001, $5,000,000 for fiscal year 2002, $32,000,000 for the period fiscal year 2002 through 2006, and $82,000,000 for the period of fiscal year 2002 through 2011.

(C) SUBMISSION BY HOUSE COMMITTEE ON ENERGY AND COMMERCE FOR THE FAMILY OPPORTUNITY ACT AND FOR PROVIDING ACCESS TO HEALTH INSURANCE FOR LOW-INCOME FAMILIES.—The House Committee on Energy and Commerce shall increase outlays by not more than the following: $97,000,000 for fiscal year 2002, $13,475,000,000 for the period fiscal year 2002 through 2006, and $50,021,000,000 for the period of fiscal year 2002 through 2011.

(D) SUBMISSION BY HOUSE COMMITTEE ON VETERANS AFFAIRS FOR EXPANSION OF MONTGOMERY GI BILL EDUCATION BENEFITS, BURIAL BENEFITS, AND OTHER BENEFITS.—The House Committee on Veterans Affairs shall increase outlays by not more than the following: $264,000,000 for fiscal year 2002, $3,205,000,000 for the period fiscal year 2002 through 2006, and $7,087,000,000 for the period of fiscal year 2002 through 2011.

(E) SUBMISSION BY HOUSE COMMITTEE ON WAYS AND MEANS FOR EXTENDING TANF SUPPLEMENTAL GRANTS, INCREASING TITLE XX (SOCIAL SERVICES BLOCK GRANT), PROMOTING SAFE AND STABLE FAMILIES, PROVIDING INDEPENDENT LIVING VOUCHERS FOR FOSTER CHILDREN, INCREASING THE CHILD CARE AND DEVELOPMENT FUND, AND RESTORING EQUITY IN SSI AND MEDICAID BENEFITS FOR CERTAIN LEGAL IMMIGRANTS.—The House Committee on Ways and Means shall increase outlays by not more than the following: $714,000,000 for fiscal year 2002, $9,411,000,000 for the period fiscal year 2002 through 2006, and $31,091,000,000 for the period of fiscal year 2002 through 2011.

SEC. 5. TREATMENT OF OASDI ADMINISTRATIVE EXPENSES.

In the House, in addition to amounts in this resolution, allocations to the Committee on Appropriations shall include the following amounts, which are assumed to be used for the Administrative expenses of the Social Security Administration, and, for purposes of section 302(f)(1) of the Congressional Budget Act of 1974, those allocations shall be considered to be allocations made under section 302(a) of that Act: $3,597,000,000 in new budget authority and $3,542,000,000 in outlays.

SEC. 6. RESERVE FUND FOR SPECIAL EDUCATION.

In the House, whenever the Committee on Appropriations reports a bill or joint resolution, or an amendment thereto is offered or a conference report thereon is submitted, that provides new budget authority for any fiscal year from 2002 through 2011 of at least the level appropriated in the previous fiscal year adjusted for inflation for programs authorized under the Individuals with Disabilities Education Act (IDEA), part B grants to States, the Committee on the Budget shall increase the appropriate allocations of new budget authority and outlays for that fiscal year by $1,500,000,000 (and adjust any other appropriate levels), an amount to be used solely for programs authorized under the Individuals with Disabilities Education Act (IDEA), part B grants to States. However, no such adjustment shall exceed the amount by which the bill exceeds the applicable allocation.

SEC. 7. FUNDS ALREADY APPROPRIATED FOR ARREARAGES TO THE UNITED NATIONS.

For purposes of enforcing the allocations in this resolution, any outlays scored from authorizing legislation releasing previously appropriated funding for the United Nations is assumed not to be new outlays.

SEC. 8. SENSE OF CONGRESS REGARDING THE STABILIZATION OF CERTAIN FEDERAL PAYMENTS TO STATES, COUNTIES, AND BOROUGHS.

It is the sense of Congress that Federal revenue-sharing payments to States, counties, and boroughs pursuant to the Act of May 23, 1908 (35 Stat. 260; 16 U.S.C. 500), the Act of March 1, 1911 (36 Stat. 963; 16 U.S.C. 500), the Act of August 28, 1937 (chapter 876; 50 Stat. 875; 43 U.S.C. 1181f), the Act of May 24, 1939 (chapter 144; 53 Stat. 753; 43 U.S.C. 1181f–1 et seq.), and sections 13982 and 13983 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66; 16 U.S.C. 500 note; 43 U.S.C. 1181f note) should be stabilized and maintained for the long-term benefit of schools, roads, public services, and communities, and that providing such permanent, stable funding is a priority of the 106th Congress.

SEC. 9. SENSE OF CONGRESS ON THE IMPORTANCE OF THE NATIONAL SCIENCE FOUNDATION.

(a) FINDINGS.—The Congress finds that—

(1) the levels in this concurrent budget resolution for function 250 (General Science, Space, and Technology) for fiscal year 2002 are $300,000,000 above the level in the House Republican budget resolution and over ten years (fiscal years 2002 to 2011), the levels in this concurrent resolution are $3,100,000,000 above the levels in the House Republican budget resolution;

(2) the National Science Foundation is the largest supporter of basic research in the Federal Government;

(3) the National Science Foundation is the second largest supporter of university-based research;

(4) research conducted by the grantees of the National Science Foundation has led to innovations that have dramatically improved the quality of life of all Americans;

(5) because basic research funded by the National Science Foundation is high-risk, cutting edge, fundamental, and may not produce tangible benefits for over a decade, the Federal Government is uniquely suited to support such research; and

(6) the National Science Foundation's focus on peer-reviewed, merit-based grants represents a model for research agencies across the Federal Government.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the function 250 levels assume an increase for National Science Foundation that is sufficient for it to continue its critical role in funding basic research, cultivating America's intellectual infrastructure, and leading to innovations that assure the Nation's economic future.

SEC. 10. FEDERAL EMPLOYEE PAY.

(a) FINDINGS.—The House of Representatives finds the following:

(1) Members of the uniformed services and civilian employees of the United States make significant contributions to the general welfare of the Nation.

(2) Increases in the pay of members of the uniformed services and of civilian employees of the United States have not kept pace with increases in the overall pay levels of workers in the private sector, so that there now exists—

(A) a 32 percent gap between compensation levels of Federal civilian employees and compensation levels of private sector workers; and

(B) an estimated 10 percent gap between compensation levels of members of the uniformed services and compensation levels of private sector workers.

(3) The President's budget proposal for fiscal year 2002 includes a 4.6 percent pay raise for military personnel.

(4) The Office of Management and Budget has requested that Federal agencies plan their fiscal year 2002 budgets with a 3.6 percent pay raise for civilian Federal employees.

(5) In almost every year during the past 2 decades, there have been equal adjustments in the compensation of members of the uniformed services and the compensation of civilian employees of the United States.

(b) SENSE OF THE HOUSE OF REPRESENTATIVES.—It is the sense of the House of Representatives that rates of compensation for civilian employees of the United States should be adjusted at the same time, and in the same proportion, as are rates of compensation for members of the uniformed services.

SEC. 11. ASSET BUILDING FOR THE WORKING POOR.

(a) FINDINGS.—Congress find the following:

(1) For the vast majority of United States households, the pathway to the economic mainstream and financial security is not through spending and consumption, but through savings, investing, and the accumulation of assets.

(2) One-third of all Americans have no assets available for investment and another 20 percent have only negligible assets. The situation is even more serious for minority households; for example, 60 percent of African-American households have no or negative financial assets.

(3) Nearly 50 percent of all children in America live in households that have no assets available for investment, including 40 percent of Caucasian children and 73 percent of African-American children.

(4) Up to 20 percent of all United States households do not deposit their savings in financial institutions and, thus, do not have access to the basic financial tools that make asset accumulation possible.

(5) Public policy can have either a positive or a negative impact on asset accumulation. Traditional public assistance programs based on income and consumption have rarely been successful in supporting the transition to economic self-sufficiency. Tax policy, through $288,000,000,000 in annual tax incentives, has helped lay the foundation for the great middle class.

(6) Lacking an income tax liability, low-income working families cannot take advantage of asset development incentives available through the Federal tax code.

(7) Individual Development Accounts have proven to be successful in helping low-income working families save and accumulate assets. Individual Development Accounts have been used to purchase long-term, high-return assets, including homes, postsecondary education and training, and small business.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Federal tax code should support a significant expansion of Individual Development Accounts so that millions of low-income, working families can save, build assets, and move their lives forward; thus, making positive contributions to the economic and social well-being of the United States, as well as to its future.

SEC. 12. FEDERAL FIRE PREVENTION ASSISTANCE.

(a) FINDINGS.—Congress finds the following:

(1) Increased demands on firefighting and emergency medical personnel have made it difficult for local governments to adequately fund necessary fire safety precautions.

(2) The Government has an obligation to protect the health and safety of the firefighting personnel of the United States and to ensure that they have the financial resources to protect the public.

(3) The high rates in the United States of death, injury, and property damage caused by fires demonstrates a critical need for Federal investment in support of firefighting personnel.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Government should support the core operations of the Federal Emergency Management Agency by providing needed fire grant programs to assist our firefighters and rescue personnel as they respond to more than 17,000,000 emergency calls annually. To accomplish this task, Congress supports preservation of the Assistance to Firefighters grant program. Continued support of the Assistance to Firefighters grant program will enable local firefighters to adequately protect the lives of countless Americans put at risk by insufficient fire protection.

SEC. 13. FUNDING FOR GRADUATE MEDICAL EDUCATION AT CHILDREN'S TEACHING HOSPITALS

It is the sense of Congress that:

(1) Function 550 of the President's budget should include an appropriate level of funding for graduate medical education conducted at independent children's teaching hospitals in order to ensure access to care by millions of children nationwide.

(2) An emphasis should be placed on the role played by community health centers in underserved rural and urban communities. An increase in funding for community health centers should not come at the expense of the Community Access Program. Both programs should be funded adequately, with the intention of doubling funding for increased capacity for community health centers, in addition to keeping the Community Access Program operational.

(3) The medicare program should emphasize such preventive medical services as those provided by vision rehabilitation professionals in saving Government funds and preserving the independence of a growing number of seniors in the coming years.

(4) Funding under function 550 should also reflect the importance of the Ryan White CARE Act to persons afflicted with HIV/AIDS. Funds allocated from the CARE Act serve as the safety net for thousands of low-income people living with HIV/AIDS who reside in metropolitan areas but are ineligible for entitlement programs. Moreover, the CARE Act provides critically needed grants directly to existing community-based clinics and public health providers to develop and deliver both early and ongoing comprehensive services to persons with HIV/AIDS.

SEC. 14. SENSE OF THE CONGRESS ON PRESERVING HEALTH CARE SERVICES AND PROFESSIONAL HEALTH CARE TRAINING.

(a) FINDINGS.—The Congress finds that—

(1) it recognizes the need to maintain the national network devoted to providing health care services and supports its continuation;

(2) without adequate resources devoted to research and development of new technologies, modern medicine cannot meet the challenges of the new century; and

(3) without adequate resources devoted to the recruitment and training of skilled caregivers in all setting, the latest technologies may never benefit the American people.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that to preserve funding for vital health care services, address shortages in health care professions, such as nursing, as well as health care research, the Congress should support fully funding these programs, specifically including health care professions training, and other health-related programs, at a level sufficient to support continuation of current services.

The CHAIRMAN. Pursuant to House Resolution 100, the gentleman from South Carolina (Mr. SPRATT) and a Member opposed each will control 25 minutes.

The Chair recognizes the gentleman from South Carolina (Mr. SPRATT).

Mr. SPRATT. Mr. Chairman, I yield 2½ minutes to the gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Chairman, the Republican budget is full of empty promises. President Bush says he is the education President, but he eliminates the commitment to modernizing our aging schools.

President Bush says he wants to protect Medicare, but his budget does not provide the resources to shore it up.

President Bush says he wants to protect the environment; but at the same time he is allowing arsenic into our water supply and preparing to drill for oil in the pristine Arctic National Wildlife Refuge. He shortchanges environmental protection by $60 billion.

President Bush says he wants to fix our broken election system to avoid another fiasco like we had in Florida, but he does not provide a dime in his budget to solve the problem.

Why all the unfulfilled promises? Because one cannot provide a $2 trillion tax cut targeted to those making a million dollars a year, and one cannot provide tax-free inheritances for the sons and daughters of billionaires without giving something up. What President Bush gives up are priorities like educating our kids, health care for our veterans, saving Social Security and Medicare for our seniors, and keeping our air and water safe and clean.

We Democrats think that is a bad deal, a poor trade-off; so we are offering America a more balanced, more responsible choice for a brighter future.

We are for a tax cut, yes, but one that gives as much of a break to the middle-manager or teacher or fire fighter as it does for the oil magnate.

With the money we save by giving a fair tax cut for all, instead of an enormous tax cut for the millionaires, we can pay down our national debt; we can provide a prescription-drug benefit for our seniors, something we all know will be there when we retire; we can make sure every child, whether from an inner city or wealthy suburb or rural community, can get an education in a modern school with up-to-date textbooks and access to the Internet; and, yes, we can provide a $60 billion stimulus package right now, immediate tax relief; and we can improve the standard of living for the soldiers who protect our freedom.

The choice is clear. Let us not give up all of these possibilities just so a multimillionaire can get a $30,000 tax cut.

We have been down that budget-busting, deficit-spending road before. It took us a decade and a half to get out

of it. We had high inflation, high unemployment, high interest rates. We do not need to go back to that with the economy as it is today.

Let us win a brighter future for all of America's families. That is what the Democratic budget does. It does it responsibly. It gives tax relief. It pays down the debt at a quicker rate. Ultimately, it secures America's economic future and those of its families. Vote for the Democratic substitute.

Mr. SUNUNU. Mr. Chairman, I rise to claim the time in opposition to the amendment in the nature of a substitute.

The CHAIRMAN. The gentleman from New Hampshire (Mr. SUNUNU) will control the 25 minutes in opposition to the Spratt amendment.

Mr. SUNUNU. Mr. Chairman, I yield 3½ minutes to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Chairman, I thank the gentleman from New Hampshire for yielding me this time.

Mr. Chairman, I want to go back to some of the basic principles that undergird this basic budget. I think when people begin to understand that, they will begin to realize it is fair, it is responsible, it is reasonable, and in many respects it is overdue.

First of all, maximum debt elimination. I think every American realizes that one of the greatest gifts we can give to our kids is to pass this Nation on to our kids debt free. We pay off the maximum amount of debt possible over the next 10 years.

Tax relief for every taxpayer. For the average family of four in my district, ultimately this results in about $1,600 worth of tax relief. That is money that they will get to spend on their priorities, not Washington's.

Improve education for our children. That is one of President Bush's top priorities to make certain that our kids are getting the education they will need to compete in the world marketplace.

A stronger national defense. I think most of us realize we have shortchanged the kids who serve us in uniform around the world.

Health care reform that modernizes Medicare. We all know, if we are honest with ourselves, that something has to happen in the next several years to reform and modernize our Medicare system.

Finally, a better Social Security for seniors today and for tomorrow.

These are all big goals, these are all important principles, and they are included in this budget blueprint.

One of the things we have heard a lot about in the last couple days is, well, this is all built on pie-in-the-sky projections. Well, the truth of the matter is that is not the case at all. In fact, here is a quote from the Congressional Budget Office when they testified before the House Committee on the Budget. Let me read it:

''A recession of average size would probably not alter the 10-year outlook significantly. The reason is that the CBO's baseline 10-year assumptions allow for the likelihood of a recession of average severity will occur over the next decade.''

We are assuming the economy will slow down at least once. In fact, it is even better than that. We are assuming relatively slow economic growth in this budget projection. In fact, I asked the director of the Office of Management and Budget a very serious question.

Here is my question: So if revenue growth just equals the 40-year average, we will actually have revenues in excess of $2 trillion more than we are currently using in your budget projections; is that right? The answer is: ''Yes, sir, that is correct.''

What that means, Mr. Chairman, is, if the economy simply grows, if revenue to the Federal Government grows at what it has grown on average for the last 40 years, we will not have a $5.5 trillion surplus, we will have a $7.5 trillion surplus. I think we are being extremely conservative in our projections.

Finally, let me just talk briefly because we have heard a lot about protecting our farmers. I said this earlier and I will say it again, no one in this Congress, no one in this Chamber is going to take for granted our farmers. No one wants to bet the farm and end up losing a generation of younger farmers. We are going to be there. We have been there in the last several years.

But when we passed this last farm bill, we all agreed that we were going to see a reduction in the baseline for agriculture. But this is what we have actually been spending.

If we include what we are agreeing to in this budget resolution in terms of emergency spending, it would be hard for anyone honestly to argue that we are not going to keep our commitment to agriculture.

We understand that things are tough on the farm, but the answer is not necessarily in more and bigger checks from the Federal Government. The answer is better access to markets both internationally and domestically.

I think this budget is fair. It is responsible. It is reasonable. It has been built on a solid foundation and important principles. I think the American people will agree with it.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. HINOJOSA).

Mr. HINOJOSA. Mr. Chairman, I thank the gentleman from South Carolina for yielding me the time.

Mr. Chairman, I rise today to ask my fellow colleagues in Congress to support the Democratic amendment being offered by the gentleman from South Carolina (Mr. SPRATT).

This bill provides our Nation with the needed funding for education. Unlike the Republican proposal, the Democratic amendment provides an additional $130 billion over 10 years for class size reduction, for school renovation, for title I aid for the disadvantaged students, Pell grants, and for Head Start.

President Bush calls himself the education President, but falls short on adequately addressing the Hispanic education crisis facing our Nation. Just 70 percent of Hispanic students complete high school, and only 10.6 percent have a bachelor's degree.

With the Republican-proposed budget, the Hispanic community will have no hope of improving upon their current situation and raise the level of education attainment.

Mr. Chairman, President Bush has stated that his budget proposal will leave no child behind. Well, today, the Republican proposal makes sure that children are not left behind. Millions of students are forgotten altogether.

My fellow Republican colleagues have said that today's Republican proposal will take the money from Washington and return it to the people. The truth is that today's Republican bill will take America's education budget and return 43 percent of it to the wealthiest 1 percent.

The truth is that everyone in Congress wants to give America a tax cut, including me; but the real question is if we are willing to do it irresponsibly.

Finally, the Spratt Democratic plan returns $910 billion to America and provides for education, for health care, for agriculture, for Medicare and election reform. This budget plan is responsible and good for America.

Mr. NUSSLE. Mr. Chairman, I yield 2½ minutes to the gentleman from Ohio (Mr. PORTMAN), a member of the committee.

Mr. PORTMAN. Mr. Chairman, I thank the chairman for yielding me this time.

Mr. Chairman, I want to address some of the concerns that have been raised by the other side of the aisle about the budget we are voting on today. This budget does protect Social Security and Medicare actually in ways that we have never done before as a Congress. It truly takes the trust funds and protects them for the future for generations to come.

It also for the first time in our Nation's history really does do something about the debt. We pay off more national debt under this budget than Congress has ever done before. In fact, we pay down all of the available national debt.

We also, despite what we have heard from the other side and the gentleman from Texas (Mr. HINOJOSA) just talked about education, we increase funding significantly for education. We are going to improve our public schools under this budget with, again, an increase in education spending that is

significantly higher than Congress had traditionally done. In fact, overall, if one looks at the spending for education and other items on the domestic discretionary side, we increase spending by 4.5 percent, well above inflation.

After we do all that, protect Social Security and Medicare, increase funding for education, pay down the national debt, strengthen our national defense significantly, there is still money left on the table.

I heard a story today about a woman in Iowa who spoke up at a town meeting and said, You know, I make cookies for my kids; and when the cookies are left on the table, something happens to them. They get eaten. We do not want to leave more cookies on the table to get eaten by a bigger and bigger Federal Government. We do not want a bigger, a more intrusive Federal Government. We want to be able to give the taxpayers some money back of the $5.6 trillion surplus we are now building up here in Washington projected over the next 10 years.

The gentleman from Minnesota (Mr. GUTKNECHT), the speaker before me on the Republican side, talked about how this projection is actually conservative. The vote today is whether we are going to let those taxpayers keep a little of that hard-earned money. We are saying, we are proposing that they ought to be able to keep a little less than 28 percent of that surplus, remember, every dime of which was created by the hard-working taxpayers of this country. That is what we are saying.

We are saying, at the end of the day, after we have taken care of all of these other priorities, we ought to let the people who are paying the bill, who are pulling the wagon, who created all this surplus keep a little of that hard-earned money for their own lives and their own decisions. We have got to do it now to help this economy.

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Mr. Chairman, I just want to make the point again that this is a big debate between Republicans and Democrats. It is a debate that is raging around the country, and it comes down to how big Washington is going to be, how big is our spending going to be on more and more government, or are we going to let people keep more of their money.

With job losses around the country, including in my own district, with the potential of a recession looming, we have got to not only let people keep a little more of their hard-earned money, but we have to as a Congress stimulate economic growth and get this economy back on its feet to ensure we have jobs.

Mr. Chairman, I urge my colleagues to support the budget proposal before us today and reject the Democrat alternative.

Mr. SPRATT. Mr. Chairman, I yield 2½ minutes to the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. Mr. Chairman, we Democrats also care about the people that are pulling the wagon; but unlike the Republicans, we are concerned that we are going to put too much of a debt load on the people that are pulling the wagon. What this comes down to is a great deal of risk; a gambit, a ''river boat gamble,'' as the term was used back in 1981. This is what the Congressional Budget Office says are the likelihood of whether or not we will see a $5.6 trillion surplus. It is all over the map in the outyears, and that is when the bulk of the projected surplus comes into play.

This budget before us, the Republican budget, is drafted around the maximum size of a tax cut you can get, and the problem with that is that it leaves no room for error.

Mr. Chairman, Democrats believe that we can have a tax cut, but we should be risk-averse in doing so; that we should first pay our obligations, and the first obligation is to paying down the national debt. We pay down more national debt in the Spratt substitute than the Republican budget does. My colleagues are going to say, we are paying down all of the debt that can be redeemed, that matures within the time period. Nobody in this House knows exactly how much debt can be paid down, but rather than limit ourselves at what we can do through our budget resolution, the Democrats say, let us dedicate more to paying down debt.

Mr. Chairman, we do it for a couple of reasons. We do it because it is our obligation to pay it, and also because these numbers, like the Congressional Budget Office, may be wrong. We may actually be in a deficit, not in a surplus, in 10 years. If we do not have a safety valve through paying down the debt, we will end up issuing more debt. That does not lighten the load of the people that are pulling the wagon, it increases the load. At the same time, we say, let us take Medicare and Social Security off budget. Let us lighten the load there as well. Our Republican colleagues go the other direction. In their plan they would shorten the life span of Medicare and Social Security.

Mr. Chairman, how would you make up for the shortening of that life span? Well, there are only really three ways. You can cut benefits, you can raise payroll taxes or add even more debt. To me that heavies the load for the people that are pulling the wagon.

The Democrats care as much as the Republicans. Some of us would argue the Democrats care even more about the people pulling the wagon, the Dicky Flats of the world. What we are saying here today is we are not going to take a river boat gamble on something that may or may not occur 10 years down the road that would put the burden back on the American working families that are out there.

Mr. Chairman, I urge my colleagues to vote for the Spratt substitute, defeat the Republican budget, and we will be a lot better off for it.

Mr. NUSSLE. Mr. Chairman, I yield 2½ minutes to the gentleman from New Hampshire (Mr. SUNUNU), the very distinguished vice chair of the Committee on the Budget.

Mr. SUNUNU. Mr. Chairman, we are considering a Democrat alternative right now, and I think it is important to review the budget that is on the floor and to make some fair contrasts, because there are a lot of claims that are being made.

Mr. Chairman, we just heard one about retiring even more debt than is in the Republican budget proposal. We are going to retire $2.3 trillion in debt over the next 10 years. That is more debt than has ever been retired in the history of our country. We have paid down about $625 billion in public debt.

I think what we are hearing is in many ways an esoteric argument whether we can pay down $2.3 trillion or $2.5 trillion or $2.7 trillion over the next 10 years, and that fog is being sent out in order to create an argument against cutting taxes. I understand that there are some of my colleagues in this Chamber that have no interest in lowering the tax burden on the average American.

Mr. Chairman, the gentleman from Ohio (Mr. PORTMAN) made clear the tax proposal in this budget gives back 28 percent of the surplus to the American taxpayer, and there are a lot of my colleagues in this Chamber on the minority side who think that is too much money to give back to the American people. They do not want to cut income tax rates in order to encourage economic growth; they do not want to repeal the death tax or eliminate the marriage tax penalty. There are probably 150 or 180 Members of this Congress that did not vote to repeal the marriage tax penalty when it came before us last year. That is unfortunate. Ultimately those colleagues are looking for an argument to be able to continue to stand to oppose tax relief and keep that money in Washington in order to increase the size and scope of the Federal Government.

Mr. Chairman, do we set aside every penny of the Social Security surplus? Of course we do, and so does the Democrat alternative. My colleagues recognize that is the right thing to do. We also set up a reserve for Social Security and a reserve for Medicare. It has never been done in the history of our country, but it makes sense, and it is the right thing to do.

Mr. Chairman, at the end of the day we come down to a whole series of excuses why we should not cut taxes until we balance the budget.

Mr. Chairman, 4 years ago the same Democrats that are opposing this budget resolution said we cannot cut taxes until we balance the budget. Three years ago they said we cannot cut

taxes until we set aside the Social Security surplus. We did both of these things. We set aside the entire Medicare surplus; and now what we see is we cannot cut taxes because we cannot predict the future, and there is some uncertainty as to what the level of economic growth will be next year or the year after that.

Mr. Chairman, of course on that reasoning we will never cut taxes, and I think for some of my colleagues on the minority side, that is the ultimate goal. Leave the money here in Washington. I think that is unfair. I think we should support what is a balanced budget proposal to pay down debt, cut taxes and fund the right priorities.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in response to what the gentleman from New Hampshire (Mr. SUNUNU) just said, I do not know what resolution my colleague is talking about, because the resolution now before us sets aside fully one-third of the surplus from the years 2002 through 2011 for tax reduction, and targets that tax reduction at those taxpayers that need it the most. That is a tax cut of more than $750 billion.

Mr. Chairman, in addition we say because we know there will be a substantial surplus this year, let us take two-thirds of that surplus that we can foresee coming on the end of this year, $60 billion, and give it to taxpayers now both because they deserve it, because we know that it is available, and because we believe that it will be a stimulus to this sagging economy.

Mr. Chairman, that is what is in our resolution, and what the gentleman from New Hampshire said is 180 degrees out from what is before the House at this time.

Mr. Chairman, I yield 2 minutes to the gentlewoman from New York (Ms. VELÁZQUEZ), who is the ranking member of the Committee on Small Business.

Ms. VELÁZQUEZ. Mr. Chairman, I thank the gentleman for yielding me this time.

I rise in strong opposition to the Republican budget and in support of the Democratic substitute. The Republican budget resolution is terribly flawed. It fails to protect Social Security and Medicare and makes cuts in vital areas, such as housing, transportation and the environment, to provide a tax break to the wealthiest 1 percent of Americans.

In addition to the cuts targeted at those who can ill afford to lose any more, we are asking the hard-working men and women who run our Nation's small businesses to bear an unfair burden of this budget.

Although the Republicans continue to claim that they are providing tax relief for small businesses, the truth is that what is contained in the Republican budget resolution is not a tax break for small businesses, but a tax increase by imposing new fees for SBA loans and technical assistance.

Ask any business owner, and he or she will say that these fees are nothing more than a tax. To add insult to injury, small-business owners, who have seen their businesses destroyed in a flood, earthquake, hurricane or some other disaster, will be expected to pay almost $10,000 more for disaster assistance, effectively prohibiting many business owners from rebuilding their life's dream.

Is this what the President means when he talks about compassionate conservatism; kicking someone when they are down?

The Democratic substitute is fair and realistic. It continues to protect and fund this Nation's priorities while providing sensible tax relief to all Americans. Therefore, I will urge my colleagues to support the Democratic substitute and vote down the Republican budget.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. THORNBERRY), a member of the committee.

Mr. THORNBERRY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I believe the committee's resolution is preferable to the substitute, and I want to focus on just one issue, and that is national defense. The committee budget recognizes that the President has ordered a strategic review, and that strategy should come first, and that strategy should drive decisions on resources.

We know there are some places we need to spend more money. The budget recognizes that we are going to spend more than $5 billion on people for pay raises, more housing and military health care. We know we are going to have to spend more on research and development, and we make a down payment on that. But there is a lot we do not know. So we have this contingency fund so that, after the strategic review is completed, we can draw more resources to fund the strategy that the President and the Secretary of Defense recommend.

Now, the substitute takes a different approach. They believe they know how much more resources we need for defense. They believe we need $2.6 billion more in 2002 and about $48 billion more over the next 10 years. But that is putting cart before the horse. For too long we have had a mismatch between the strategy, the programs to implement that strategy, and the funding of those programs. It is time to get it all together and to get it all aligned. This administration is trying to do that with a strategic review to see where we are in the world, what our missions should be, and what kind of force structures we need to accomplish those missions.

This administration also acknowledges that the world is changing around us, and we better do some hard thinking about what we need to spend money on so that we can be prepared for those threats coming in the future. I believe that the strategic review, followed by the contingency fund to implement that review, is a better approach to making sure that this Nation is safely defended in the years to come.

Mr. SPRATT. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Florida (Mrs. MEEK).

Mrs. MEEK of Florida. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in strong opposition to the Republican budget plan and in strong support of the Democratic substitute offered by my good friend, the gentleman from South Carolina (Mr. SPRATT).

We need a budget. We need to be able to take the money which the American public has given us and to use it fairly and wisely. We need to save certainly on taxes, but we also need enough money left to do the other things that are important to the American public.

Now, everyone who comes before this Congress and says what they think the American public wants, they do not always know what the American public wants. But that is sort of a word that everyone uses, the American public says so-and-so. Not so, because we need to improve education, we need to provide real prescription drug relief, we need to ensure the solvency of Social Security and Medicare, and we need to pay down the national debt. There is no question about it, we cannot do it with the Republican budget.

Now, there have been many other efforts made, but the Spratt effort shows how that that can be done. We need a good balance of tax relief, debt relief and a third for new programs. The housing part of this budget is criminal. What they have said is that they are putting more money into housing. That is not correct.

When we look at it, we see we will not be able to get the affordable housing which the Republican budget has come up with, because what they have done is, they have done what they call the funny money shuffle and mixed the FHA funds in terms of regular housing funds. They have also reduced monies for public housing. Tragic.

We should look at this much more closely and not pass this particular approach to the budget resolution. And the Congress should understand that when they go back home to their districts, they are not going to be able to answer some of these crucial problems, particularly regarding affordable housing, one of our major problems.

Mr. NUSSLE. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. CRENSHAW), a member of the committee.

Mr. CRENSHAW. Mr. Chairman, I rise to support the Republican budget.

It is sensible, it is responsible, and it is fair.

□ 1530

I think my colleagues have done a great job of pointing out the underlying foundation of this budget. Number one, it pays down the national debt. That is good for everybody, for our children, our grandchildren. It gives tax relief to working Americans. It allows them to keep more of what they earn, and that is important.

When we look at Social Security and Medicare, it preserves those programs for our senior citizens and their kids and their grandkids as well, and it improves education by putting more money and giving more local control and flexibility.

Finally, as a new Member who comes from a district that is largely military oriented, I am proud to say that this budget begins to make America strong again. It begins to rebuild our forces which have been hollowed out for the last 8 years. It is a good budget. It is a sound budget, and I urge its adoption.

Mr. SPRATT. Mr. Chairman, I yield 3½ minutes to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Chairman, I thank the gentleman from South Carolina (Mr. SPRATT) for yielding me this time.

Mr. Chairman, a little less than a month ago, the House overwhelmingly passed a bankruptcy reform measure that while not perfect sent an unmistakable message to every household in America: Do not spend money that you do not have because if you do you will be held responsible for your choices. We are not going to give you a pass on personal responsibility just because you could not say no to all the enticing credit card offers you received in the mail.

Thus, today, I have to stand here and shake my head in amazement. Here we are, scarcely a month later, debating a Republican budget resolution that is an abdication of fiscal responsibility. The tax cuts outlined in this GOP budget document would cost more than $2 trillion over the next decade; and as a result, they would squander projected surpluses. Note the emphasis on projected. They are not in hand. As a matter of fact, 70 percent of the American public showing their wisdom do not think they will ever be in hand.

Maybe our friends on the other side of the aisle, Mr. Chairman, ought to trust the common sense and intuition and wisdom of their constituents. Instead, they insist on pushing ahead with this budget blueprint for the fortunate few. The top 1 percent get 45 percent of this tax cut.

This bill, the Democratic bill, cuts three-quarters of a trillion dollars in taxes and the gentleman from New Hampshire (Mr. SUNUNU) gets up and says we are against tax cuts. Baloney. What we are for is responsibly helping working Americans, but not adding, as we did in the 1980s under President Reagan and a Republican Senate, $4 trillion to the debt of whom? Of the American public. That is whose debt we added to. It is their money that is being put at risk. But at what cost?

Their plan would do nothing to stimulate our economy now. It threatens to invade the Social Security and Medicare trust funds and it would cut vital services, such as after-school lunch programs that improve learning and help make schools safer.

The diversified Democratic plan, on the other hand, would provide a responsible tax cut for all Americans. It would extend the solvency of Social Security and Medicare. It will allow us to invest in crucial national priorities. I am for investing in our defense and have supported every defense bill that has been signed by the Presidents, Republican and Democratic.

I urge my colleagues to do the right thing today. Vote for fiscal responsibility. Vote for a diversified budget plan that meets our Nation's needs. Vote for this Democratic alternative.

I was here in 1981 when we passed Gramm-Latta I and Gramm-Latta II. I voted against them. I was here when we passed Conable-Hance, the tax cut bill. And I was here when bright young people like the gentleman from New Hampshire (Mr. SUNUNU) got up here with their charts and said it will all work.

I was here when that bill was sent from this House, from this Senate, to the White House. And I was here in August of 1981 when President Reagan signed the bill and, like the gentleman from New Hampshire (Mr. SUNUNU) said, guess what, we are going to balance the budget by October 1, 1983.

In that time frame, we added almost a billion extra dollars to America's debt; $3 trillion was yet to come of additional debt that we added on the heads of Americans.

Let us be responsible. Vote for the Democratic alternative. It is good for America. It is good for our country and it is good policy.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. SMITH), the very distinguished chairman of the Committee on Veterans' Affairs.

Mr. SMITH of New Jersey. Mr. Chairman, I thank my friend, the gentleman from Iowa (Mr. NUSSLE), for yielding me this time.

Mr. Chairman, I rise in strong support of H. Con. Res. 83 and against the pending substitute. I would like to begin my remarks by thanking the distinguished chairman of the Committee on the Budget, the gentleman from Iowa (Mr. NUSSLE), for crafting a responsive and responsible budget in general and for being especially sensitive to the needs and the concerns of our veterans around this country.

The decision of the Committee on the Budget to increase the veterans' affairs budget by 12 percent, that is $5.6 billion over last year, including $1 billion more than even the Bush administration suggested, is a breakthrough and a very, very important plus-up for all of our veterans.

I have said all along that the Bush budget was a work in progress and that we would do more, and today our budget chairman has done so. This 12 percent increase in funding will be a serious and a very tangible expression of solidarity and support for veterans and is especially justified in light of the sacrifices that our veterans have made.

Let me just say to my friends and colleagues, that record increases in spending for medical care will compensate, one, for inflation, as well as for significant increases in spending on mental health care, long-term care, additional staff for reducing waiting times, higher pharmacy costs, spinal cord injury care, homeless veterans, transitional housing, and the list goes on and on.

Yesterday this House passed two very important pieces of legislation that I was the sponsor of—H.R. 801 passed 417 to 0 and then H.R. 811 passed overwhelmingly as well. Both of those bills are fully accommodated by this budget.

As a matter of fact, the second bill, H.R. 811, would provide $550 million for emergency repair of our hospitals. We saw what happened with the recent earthquake, the seismic damage that was done to the American League Hospital. There are many hospitals that have, unfortunately through neglect they are in grave need of upgrading and repair. This legislation would do that.

Tomorrow I will be introducing the new GI Bill of Rights, the Education GI Bill of Rights.

Mr. Chairman, I ask Members to vote in favor of H. Con. Res. 83.

Mr. Chairman, I rise in strong support of H. Con. Res. 83—and against the pending substitute.

I want to begin my remarks by thanking Chairman NUSSLE for crafting a responsible budget in general—and for being especially sensitive to the needs and concerns of veterans in particular. The decision of the Budget Committee to increase funding by 12 percent for the Department of Veterans Affairs—up $5.6 billion over last year—including $1 billion more than the Bush administration's budget proposal—is a breakthrough increase for veterans.

I have said all along that the Bush budget was a work in progress—and that we would do more. This 12-percent increase in funding in the underlying resolution is a serious and tangible expression of solidarity and support for veterans and is especially justified in light of the personal sacrifices made by the men and women who have protected our Nation, in peace and war, and whose lives have forever been changed by their experiences. This victory is a victory for all veterans, especially those who continue to suffer from the disabling effects of war wounds or from lingering

mental illnesses connected to their service. They answered the call and now we must do the same.

Mr. Chairman, record increases in spending for medical care will compensate for inflation, as well as allow for significant increases in spending on mental health care, long-term care, additional staff to reduce waiting times, higher pharmacy costs, spinal cord injury care, homeless veterans transitional housing and emergency care. Additional funds will also be provided for research and construction, state nursing home and cemetery grants, the Veterans Benefits Administration and National Cemetery Administration.

For the first time in my memory, the Budget Resolution includes additional funds to cover mandatory increases which will be needed to fund H.R. 801, the Veterans Opportunities Act of 2001, and a bill I will introduce later this week to increase benefits available to veterans using the Montgomery GI bill. By providing funds in this year's budget to immediately implement H.R. 801, the Congress will be able to provide overdue increases to cover the rising costs of many urgently needed veterans' services, such as adaptive automobile and housing grants for severely disabled veterans.

H.R. 801, which passed the House yesterday by an overwhelming vote of 417–0 will also expand the Servicemembers Group Life Insurance program to include spouses and children, and make the increase in the maximum benefit from $200,000 to $250,000 retroactive to October 1, 2000, in order to provide a higher benefit to those men and women who have recently lost their lives in tragic military accidents.

The bill also increases funds for specially adopted housing grants as well as other important projects.

Under our proposal to update the Montgomery GI bill, the monthly benefit will be increased to a level that allows a qualified recipient to cover their monthly costs of attending a State college as a commuter. It would increase the monthly benefit available to a full-time student over a 3-year period beginning October 1, 2001 from $650 to $1,100 per month.

Last night, the House also approved the Veterans Hospitals Emergency Repair Act, H.R. 811, a bill that I introduced to provide immediate emergency funding to repair and rebuild dilapidated VA medical care facilities. The increase in funds for veterans contained in this resolution is based in part on the need for funds authorized in H.R. 811. This legislation authorizes $550 million over the next 2 years for the Department of Veterans Affairs to immediately address urgent construction needs, specifically in facilities identified as having patient safety hazards, requiring seismic protection, or to improve privacy or accommodations for disabled veterans.

In closing, let me again thank the Committee and advise all of my colleagues that the level for veterans authorized in this resolution is both fair and defensible. Although there are certainly advocates who are calling for even higher levels of funding, I tell my colleagues that this is a good budget and one we should take pride in.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Chairman, I rise in strong support of the Democratic substitute and commend our ranking member, the gentleman from South Carolina (Mr. SPRATT), for his leadership, and in opposition to the Republicans' irresponsible budget resolution.

Our national budget, Mr. Chairman, I believe, should be a statement of our national values. The Republican budget resolution makes very clear the priorities of the Republican leadership and President Bush. They value tax cuts for the wealthy above all else, above initiatives that working families rely on to care for their children.

Mr. Chairman, anyone who has studied economics or reads the business section of the paper or makes investments, or all of the above, is familiar with the term opportunity cost of money. When we use money for one purpose, we lose the opportunity to use that money for another purpose. The opportunity cost is the benefit that would have accrued to the investor.

When the House chooses to use trillions of dollars for a tax cut, it gives us a tremendous opportunity cost to American families. We lose the benefit of improving child care and education for our children. We lose the opportunity for real prescription drug benefits for our seniors. We lose the benefit of reducing interest rates on our credit cards, mortgage and car payments. We lose the benefit of fully paying down the debt, strengthening Social Security and Medicare and giving a tax cut to American working families that will stimulate the economy and be responsible.

Mr. Chairman, the opportunity cost of the Republican tax budget is an opportunity lost for America's children and their futures. President Bush has said many times that this administration will leave no child behind. Yet his budget and the budget resolution, which is based on the funding levels proposed in President Bush's budget outline, both do exactly that in order to pay for the irresponsible tax cut.

Example after example demonstrate the President's budget does leave many children behind. The Bush budget cuts the Child Care and Development Block Grant by $200 million. It cuts grants to prevent and investigate child abuse by $15.7 million. It eliminates the Early Learning Fund, which was created last year to improve the quality of child care and pre-education education.

This budget not only fails to live up to the President's rhetoric, it fails to represent the values of our country. I urge our colleagues to support the Democratic alternative, give a vote to the children of our country and to their future.

Mr. NUSSLE. Mr. Chairman, I yield 1 minute to the very distinguished gentleman from Illinois (Mr. KIRK), a new member of the Committee on the Budget.

Mr. KIRK. Mr. Chairman, Eliran Rosenberg, Natali Landsgoren, and Shelhevat Pass, just 10 months old, three Israelis killed in recent terror attacks by bombs and a sniper, a sniper, where warning was given against these Israelis.

This afternoon we have learned that Israel has taken action today against Force 17, Yassir Arafat's own personal security detail, that plants cars bombs in Israel. This budget fully funds the President's International Affairs Function 150 request of $23.8 billion and it sends a message to the Middle East and to the Arab League that we will stand by our allies, and especially Israel in her hour of need.

This is a responsible budget and fully funds America's role in the world.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, I respect the position of the gentleman from Illinois (Mr. KIRK) and his knowledge of this position, but let me say we have something in our budget that the other side does not have. We have put in the 150 line for foreign aid and assistance $450 million to fund the supplemental for Israel because of the dire straits in which Israel now finds itself.

Mr. KIRK. Mr. Chairman, if the gentleman from South Carolina (Mr. SPRATT) would yield?

Mr. SPRATT. I do not have the time to yield.

It is in our budget. If the gentleman votes for it, the money will be coming.

Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. CAPUANO).

Mr. CAPUANO. Mr. Chairman, we have been seeing this chart now for the last 2 days, and it is a very interesting chart and I need to run through it quickly.

As we can see here, first of all I want to start out by saying that the budget we have before us is better than the budget the President submitted to us. I give him credit for that. It is a step in the right direction and I appreciate the effort, but there is more to do.

Maximum debt elimination, better budget than the President's. The Democratic alternative does more.

Tax relief for every taxpayer, the only difference is we only want to cut taxes by $800 billion. That is all we want to cut taxes by. I guess I can be criticized for that, and I will take that criticism because the question is, what do we want to do with the difference?

The difference is going to some debt elimination; do more for improving education; do more for the Defense Department, $47 billion more; do more for Medicare; do more for Social Security.

On this particular list, we do not even see things like LIHEAP, things like housing, things like election reform, things like research, things like

retraining, and we can go on and on and on. They are not here. Our budget does it. The other side does not. That is why our budget is better.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DREIER), the very distinguished chairman of the Committee on Rules.

Mr. DREIER. Mr. Chairman, I want to congratulate my friend, the gentleman from Iowa (Mr. NUSSLE), for the spectacular job he has done in crafting this with members of his committee.

Mr. Chairman, over the last 6 years, Republican majorities in both the House and the Senate have made history with budgets that stopped reckless Washington spending; paid down the debt; protected Social Security and funded our Nation's top priorities. For the first time in the now over 2 decades that I have been privileged to serve here in the United States Congress, we have a budget that has come from the President, that has not been designated ''dead on arrival.''

Republicans changed the culture of Washington so much that President Clinton was forced to acknowledge that the era of big government is over. Today, with President Bush at the helm, we continue to make history. The Republican budget pays down $2.3 trillion of national debt. This Republican budget provides real tax relief for every American taxpayer. This Republican budget makes our children's education a top priority. This Republican budget protects Social Security from spending raids. This Republican budget restores strength to America's military.

To sum it up, Mr. Chairman, this Republican budget is a fair and balanced American budget that fully funds our shared priorities while providing tax relief to working Americans and paying down our national debt. We should all provide strong bipartisan support for this very balanced measure.

□ 1545

Mr. SPRATT. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Mrs. TAUSCHER).

Mrs. TAUSCHER. Mr. Chairman, I rise in support of the Democratic budget alternative. The Democratic budget provides a more realistic level of funding for our Nation's immediate defense needs. If we do not increase the amount of money we spend on our military now, Navy pilots will not have enough fuel to conduct flight tests, the Army will not have enough ammunition for training, and all branches of the military will face a shortage of spare parts. These shortages will have a real and lasting effect on the readiness of our Nation's military.

President Bush promised to improve the quality of life for our men and women in the military, but the Republican budget resolution fails to fund those priorities.

However, the Democratic budget alternative provides for a fiscal year 2001 supplemental appropriations bill totaling $7.8 billion to immediately address these needs.

I urge my colleagues to do the right thing for national security and vote for the Democratic budget alternative.

Mr. NUSSLE. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Chairman, once again, class warfare, rich versus poor, politics of division, politics of fear. This madness must stop in America. Tell me who hires American workers. Is it the man on welfare, or is it the men and women who take a risk. Some of them go bankrupt, but some become successful and some gain great wealth. Thank God for that.

Wealth, profit, success are not dirty words in a free enterprise society; and by God, that is what we are, and we should be proud of it.

The dream of America is that we can be all we can be. We should be promoting and incentivizing the opportunity to gain wealth, not to demean those who have gained such wealth. After all, if the wealthy lose money, they move overseas and take your people and my people's jobs along with them. I want to incentivize the opportunity in America to gain wealth for all people, thus keeping those jobs here in America.

Mr. Chairman, our capitalist phenomenon not only creates jobs and stabilizes families, it does one more important thing. It stabilizes democracy not only in America, but around the world; and in doing so, it highlights the pitfalls, the injustice, and the failure of communism, I say to my colleagues.

I support the budget of President Bush. I commend the great work of the gentleman from Iowa (Mr. NUSSLE). I want to close by saying, the President is right on. If we target some people in, you thus target people out. That is not the dream of America. This rhetoric of division can some day turn into the fuel of socialism, I say to my colleagues. What strengthens America is there is just one America, not two, not three. One people, under God, indivisible. That is the dream of America. Wealth, profit, and success are not dirty words.

The Democratic substitute is not all that bad; but it does still play to divide, and I shall oppose it and I will support the work of the gentleman from Iowa. I believe we have a fine budget. Parts of it can be refined. I applaud his efforts.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Chairman, I thank the gentleman for yielding me this time.

I rise in strong support of the Democratic substitute which provides substantially more funding for transportation over the next 10 years than does the budget resolution provided by the Republican majority.

Given the congestion in the Nation's transportation system, we must do better; and this Democratic substitute does better. The intent of the majority resolution is to honor the funding guarantees for highway, transit, and aviation as provided in TEA 21 and AIR 21; but the committee developed their resolution based on the administration's budget resolution, and they got it wrong.

The budget resolution brought to the floor by the majority does not include enough transportation funding under Function 400 to honor the firewalls of TEA 21 and AIR 21 and provide necessary funding for the Coast Guard.

This is not an issue of partisan politics, counting things differently. The administration admits they got it wrong. Ten days ago they admitted they got it wrong. OMB wrote to the Committee on the Budget to explain the understated transportation amounts necessary to fund the President's proposed budget.

Last night, the gentleman from Alaska (Mr. YOUNG), our Committee on Transportation and Infrastructure chairman, in a discussion on the floor with the gentleman from Iowa (Mr. NUSSLE), the chairman of the Committee on the Budget, got assurances that the chairman would work to restore funding to honor TEA 21 and AIR 21 in conference, and I commend our chairman for that effort. But the point is that what we are voting on does not provide enough funding for the transportation programs that it claims to fund. They have had 10 days to fix it. They even had a rule that included a self-executing amendment to the resolution; and we could have had it fixed there, but they did not do it.

In contrast, the Democratic substitute fully funds TEA 21 and AIR 21 guarantees for highway, transit, and aviation investments. The gentleman from South Carolina (Mr. SPRATT) does not say with a wink, I will take care of it later. He says, it is in here; add it up. The $33 billion additional is there to deal with these issues. Let us deal with the Democratic substitute.

Still worse than the disservice to transportation is the majority's treatment of education in this budget resolution. The Republican budget increases appropriated funding for the Department of Education by only $2.4 billion, or 5.7 percent, over the 2001 enacted levels. This is less than half the average increase Congress has granted education appropriations for the last five years.

The Democratic budget, however, provides $4.8 billion more in appropriated funding for education and related services than the Republican budget. Over the ten-year period from 2002 to 2011, the Democratic budget provides $129 billion more for education than the Republican plan. These funds allow

Democrats to boost funding for critical priorities including class size reduction, school renovation, special education, and Pell grants and other higher education programs.

This past Sunday, I met with teachers and administrators of Duluth area schools, as well as state legislators, all of whom underscored the need for significantly greater investment in education. They shared with me their views on the need for greater education partnership with and expanded investment from the federal government.

For example, Frank Wanner, a teacher from the Duluth School District, said that in 1978 he had $1700 for classroom materials; today, the allocations buy only a box of Kleenex. Similarly, Russ Berntson of Proctor, Minnesota, said that 3,000 layoffs are expected in my home state of Minnesota in the next year due to underfunding and declining enrollment.

This kind of disrespect for public education must stop. Clearly, the Democratic substitute offers a substantially greater investment in education and the future of our country than does the committee or the administration budget resolution.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes and 15 seconds to the gentleman from Virginia (Mr. DAVIS), my friend and colleague.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I rise today to offer my specific thanks to the gentleman from Iowa (Mr. NUSSLE) and the rest of the Committee on the Budget on both sides for including an amendment by the gentleman from Virginia (Mr. MORAN), my good friend, that would maintain the nearly 20-year-old tradition of pay parity between military and civilian Federal employees.

As many of my colleagues already know, the pay rates for both civilian and military personnel have fallen significantly below those of their private sector counterparts. Very recently, the Bureau of Labor Statistics released a report that confirmed that even now, more than 10 years after the enactment of the Federal Employees Pay Comparability Act, FEPCA, civilian and military employees are paid 32 percent and 10 percent respectively less than their private sector counterparts.

The Committee on the Budget has taken the first important step for protecting the 20-year tradition of pay parity between military and civilian Federal employees. I would like to thank my very good friend and neighbor, the gentleman from Virginia (Mr. MORAN), for leading the cause of the committee and the gentleman from Iowa (Mr. NUSSLE) for accepting this. Without this and the help of the chairman of the Committee on the Budget we would not have had this included in the fiscal year 2002 budget.

A few words about the bigger picture, Mr. Chairman. The budget we have proposed is good for America's future. It shows a strong commitment to the fiscal responsibility that has long been lacking here in Washington. We are committed to paying down the national debt by providing $2.3 trillion for this purpose. That is the most that we can pay. The substitute pays down more of the debt that we can pay because of the long-term, non-callability of some of the government bonds, which leads me to suspect this money would lay around Washington and could be spent on other programs.

It also recognizes that the American people deserve to keep more of their hard-earned money by providing tax relief for every family that pays taxes. That, Mr. Chairman, is only fair. It does not do so at the expense of important programs such as Medicare. In fact, it incorporates the vital protections we passed overwhelmingly in H.R. 2 by keeping the Medicare part A surplus off limits for any purpose other than for Medicare itself or paying down the debt until necessary reforms are made. It recognizes the vital role the Federal Government plays in health care by providing a $2.8 billion increase for NIH.

Finally, it reflects the obligation we have to the future of our youngest citizens by increasing education spending by $47.5 billion over the next 10 years, including an 11.5 percent increase for fiscal year 2002, the largest percentage increase for any department.

Mr. Chairman, this budget is a clear reflection of our priorities. It protects our senior citizens; it teaches the young; it improves the Nation's health care economically, physically and mentally. I urge my colleagues to give it their support.

Mr. SPRATT. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina (Mr. ETHERIDGE).

Mr. ETHERIDGE. Mr. Chairman, I rise in support of the Spratt amendment for the children of this country.

Mr. Chairman, I rise today in strong opposition to the Republican Budget Resolution. Unfortunately, this budget is a missed opportunity and it represents misplaced priorities.

Sadly, Mr. Chairman, this budget is very much a missed opportunity. The White House and the Republican Leadership have utterly failed to deliver on the President's promise of a bipartisan process that puts accomplishment for the American people above gamesmanship by Washington politicians.

More importantly, this budget fails to provide for America's priorities. We must pay down the national debt to remove that burden from our children and grandchildren and cut interest rates for items like cars and homes. This Republican tax package will return us to the days of big deficits, high interest rates, high unemployment and a struggling economy.

I support balanced tax relief as part of a comprehensive economic plan that will restore America's prosperity so that all of our hard working families can have security in their family finances. In my state of North Carolina, last month, we registered an unemployment rate higher than the national average for the first time in nearly two decades. We must pass a strong economic plan, not a wasteful tax giveaway.

The Republican budget mortgages the future based on a guess. If the projected surpluses fail to materialize, Social Security and Medicare will be on the chopping block. The American people know that the budget projections are not real. They are an estimate. It is irresponsible to make decisions that will directly impact people's lives based on a ten-year number we know is no more reliable than a ten-year hurricane forecast.

As the only former state schools chief serving in Congress, I was very pleased by the President's promise to increase education investment. But this budget is a big disappointment because the increase is due largely to the education appropriations we passed last year. It rolls back the clock on school renovation by making those funds compete with other needs. This budget does nothing to help states build schools to relieve overcrowding and get our students out of trailers. Other areas that could be subject to cuts include child care, Head Start and job training that are vitally important to allow people to make the most of their God-given abilities.

Mr. Chairman, a great deal of attention has been paid lately to the trouble on Wall Street and signs the economic boom may well be over. One sector that hasn't been booming for some time is agriculture, and farmers in my district have been hurting in the face of production cuts, commodity price losses and natural disasters. I was appalled when the Budget Committee passed its budget that would gut important farm programs. If approved, these cuts would eliminate funds to identify solutions to the state's hog waste problems and force dozens of our Farm Service Agency offices to close their doors. These agriculture cuts are wrong, and I will fight to restore them despite the Budget Committee's action.

Mr. Chairman, this budget is a missed opportunity, but it doesn't have to be that way. I urge my colleagues to vote down this budget and come together to pass a responsible budget that honors America's values and respects the people's priorities.

Mr. SPRATT. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I have served in this House for more than 18 years; and for most of these years, the deficit has been our dominant concern. It has actually been a fixation. It has taken us almost 20 years and $4 trillion in debt to escape the fiscal mistakes we made in the 1980s and turn this big budget around, out of deficits and into surpluses.

Today I have one priority, one overriding objective, and it is simply this: to make sure that we do not backslide into the hole we just dug ourselves out of. That is my overriding objective and that is why I have a problem with the Republican resolution, because it leaves so little room for error.

I hope that these blue-sky projections that total some $5.6 trillion in surpluses over the next 10 years will materialize. It will be a great bounty for all of us. But if they do not and if we pass this resolution, we can find ourselves right back in the red again in the blink of an economist's eye. This

chart says it all. That is how thin the ice is on which this budget skates for the next 10 years.

We, at least, avoid or lessen that problem, that risk, by setting aside one-third of the surplus, or $910 billion, if these projections pan out. To the extent that these projections do not pan out, that share of the surplus serves as a buffer to protect Social Security, Medicare and their trust funds from being raided again. So we have downside protection; they do not.

The next problem I have with the Republican resolution is that it gives so much room, so much room to tax reduction that it leaves almost no room for anything else. If we want to see the consequences of that, if we have not been listening to this debate up until now, just go through the major accounts of the budget. We are both committed, at least rhetorically, to providing Medicare prescription drugs, but we provide a real Medicare benefit with $330 billion in real money. They provide a meager $153 billion and take that, siphon that out of the Medicare trust fund.

We provide for education. We believe in education. We provide $130 billion more than they do, because we have a balanced budget.

We provide for the environment, parks, conservation. We had a bill out here last year where we increased the amount of money we are spending there significantly. We fully fund it; they do not.

Finally, this resolution does nothing to save or make solvent Social Security and Medicare for the long run. For years and years now, we have known that we face a shortfall in both of these programs looming in the future, just over the horizon of this budget. But we have not had until now the resources to do anything about that problem. The $2.7 trillion surplus in the general fund which we hope we now have over the next 10 years gives us that opportunity, and we dare not do anything else with it if we are going to be true to the commitments that have been made to the beneficiaries of the Social Security and Medicare program, and that includes almost all Americans.

The question is, will we uphold this great compact on which the country has stood, the intergenerational compact for 65 years, or will we slough the problem off to our children.

To keep the promises that we made, we set aside $910 billion, one-third of the surplus, and transfer it in equal shares, half to the Medicare trust fund, half to the Social Security trust fund, making Social Security solvent until 2050, and making Medicare solvent to 2030.

□ 1600

By contrast, the Republican resolution siphons money out of the Medicare trust fund, shortens the solvent life of that program, and does nothing at all for Social Security.

If Members want to save Social Security, if they want to provide a real prescription drug benefit, if they want to do something for education and scientific research, for successful programs like COPS, if Members want to provide $740 billion in tax relief over 10 years and $60 billion over the next several months, if Members want to pay down the debt by $900 billion more, their choice is clear: Vote for the Democratic budget resolution.

Mr. NUSSLE. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, I would just say to my friend and colleague, the gentleman from South Carolina (Mr. SPRATT), I am going to oppose his budget, but I want to thank the gentleman for the way he has conducted the debate today and for the honorable partnership that we have formed in the Committee on the Budget to bring this vehicle to the floor today.

We have some shared goals, even though we do not always share the ideas on how to achieve those goals. I want to applaud the gentleman publicly.

I also want to applaud the staff on both sides who have worked so hard to bring both the gentleman's substitute and our base bill to the floor.

Mr. SPRATT. Mr. Chairman, will the gentleman yield?

Mr. NUSSLE. I yield to the gentleman from South Carolina.

Mr. SPRATT. I very much appreciate the gentleman yielding.

Mr. Chairman, we have had a different working relationship, more methodical, to the problem this year than in years past, and I appreciate that. I do, however, look forward to the day when the well of the House becomes a free market of ideas again, and we can hope to meet on common ground and negotiate our differences and come up with a final result that has something for the gentleman and something for us both in it.

I am sorry to see us diverge on this occasion rather than converge, but I hope some day soon, and perhaps this year before this process is all over, we will sit down and try to find common ground.

Mr. NUSSLE. We will work together to enforce the budget.

Mr. SPRATT. Let me also, Mr. Chairman, if I might, thank my staff, who have worked arduously. I am not sure about the Fair Labor Standards Act, our compliance with it, with the hours they have worked. But we could not have pulled this together or brought this to the floor or made this presentation had it not been for the diligent work of our staff.

Mr. NUSSLE. Mr. Chairman, I yield the balance of my time to the very distinguished gentleman from Texas (Mr. DELAY), the majority whip.

Mr. DELAY. Mr. Chairman, I thank the gentleman for yielding time to me.

I, too, want to add my congratulations to the chairman of the Committee on the Budget and to the ranking member for a job well done. This is the chairman's first budget, and we are very proud of the work that he has done in bringing this budget to the floor. He has done an outstanding job in bringing a lot of people together and listening to a lot of people, and now we have a budget I think that is good for America.

Mr. Chairman, the Members need to be real careful, because the Democrat substitute budget is a beguiling mirage. It is sold as fiscal discipline, but a close inspection shows that it sustains big government and offers taxpayers little more than a patched waste of paltry relief.

The Democrat budget gives the impression that it offers significant debt reduction, but it really comes down to a false choice. Even Chairman Greenspan has reservations about paying off too much of the debt too quickly. Democrats do not take his concerns into account.

Because Democrats refuse to return the tax surplus to the people who earned it, their budget leads to two unacceptable outcomes: first, excessive bonus payments to foreign investors who now hold U.S. debt and who will not sell them back before they mature; and second, the Federal government buying up stocks and bonds once our public debt is gone.

Under the Democrat plan, the Federal government could actually eventually control up to 5 percent of the entire stock market in just 10 year's time after the Treasury has to invest the surplus dollars in an investment product other than Treasury securities. For the first time, the Federal government would own stock in the stock market.

The Democrat plan offers less than $700 billion for tax relief. After we account for their $300 billion alternative minimum tax proposal, there is not even enough room to drop the bottom tax bracket from 15 percent to 10 percent, or there is not enough room to double the per child tax credit.

That is not all that the taxpayers give up for the Democrat plan. The Democrats keep the death tax. The Democrats keep the marriage penalty. Their plan shortchanges taxpayers.

But Congress can choose real relief. That is why every Republican and open-minded Democrat Member of this House ought to support the President's budget, because it strengthens American families, it expands economic freedom, and it strikes a very fair and reasonable balance between national need and fiscal restraint.

For every hard-working family, every struggling small businessman, and for every young woman who is ready to launch her own business start-up, the

President's budget carries a note of hope and optimism.

In fact, for anyone who hopes to realize his or her American dream, this budget, our budget, brings that dream one step closer to reality. That is because our budget respects the taxpayer. The reasoning behind it begins with the supposition that tax dollars actually belong to the people who earned them.

The President wants to let America keep more of what it earns, and we ought to help him do it. So for those women and men who desire nothing but the opportunity to challenge their talents and chase their dreams, the President's budget will spur job creation, enhance economic freedom, and provide the resources to restore limited constitutional government.

Vote down and reject the Democrat substitute, and support freedom by supporting the President's budget.

Mr. MCGOVERN. Mr. Chairman, I rise in opposition to the budget resolution put forward by the Republican leadership and in support of the Democratic Substitute introduced by the Ranking Member of the House Budget Committee, Mr. SPRATT. Within the framework of a balanced budget, the Democratic budget provides for a better future for all Americans.

The Republican-supported budget resolution fails our seniors, fails our children, fails our veterans, fails our cities and communities, fails our farmers and fails our small businesses. In good conscience, I cannot support it.

I cannot support a budget that shortens the solvency of Medicare by at least five years and the solvency of Social Security by nine years, bankrupting these programs by 2024 and 2029 respectively. We should be working to extend the solvency of these programs. The Democratic budget puts $910 billion over ten years into the Medicare and Social Security Trust Funds with resources coming from outside these two programs. This extends solvency to at least 2040 for Medicare and at least 2050 for Social Security.

I will not support any budget that gambles with the lives and well-being of our seniors. And I certainly will not support any budget that actually decreases the solvency of these programs, which have kept millions of elderly Americans out of poverty and provided for the majority of their health care needs.

The Democratic budget provides $1.7 billion for LIHEAP, the Low-Income Home Energy Program, which so many Massachusetts and New England families and seniors depend when faced with skyrocketing energy costs and energy emergencies. The Republican budget freezes LIHEAP and eliminates the emergency funds, in effect cutting LIHEAP funding by $300 million from FY 2001 levels.

The Republican budget breaks faith with our police and firefighters, men and women who put their lives on the line every day for our safety. The enormous cuts to overall funding for justice programs in the Republican budget threaten the Community Oriented Policing Service, the COPS program, which, since 1994, has placed over 100,000 new police officers on the street and provided new resources for state and local law enforcement. The COPS program has been the cornerstone of community crime prevention efforts, has helped reduce violent crime since 1994, and has brought the nation's crime rate to a 25-year low.

Just as troubling, the Republican budget fails to provide the $300 million approved by Congress last year to support the FIRE Act, funds for grants that help develop and provide new resources and technology to save the lives of victims and firefighters alike. Last year, hundreds of firefighters from across the nation fought for and won this new funding. The Worcester Firefighters Association, and especially Fire Chief Frank Raffa and his colleagues, spent weeks personally talking to over 250 Members of Congress about the tragic fire in Worcester that took the lives of six firefighters and that helped awaken the conscience of a nation to the special needs of these dedicated public servants. I refuse to turn my back on the men and women who serve our local communities and I will not support a Republican budget proposal that treats them so callously.

I'm very concerned that the Republican budget backtracks on last year's landmark agreement to set aside dedicated funding for land conservation, preservation and recreation programs. In contrast, the Democratic budget keeps the promise to preserve and protect our environment and helps our communities clean up contaminated lands and ensure that our families have clean water to drink and clean air to breathe. The Democratic budget provides the resources to tackle the nation's water infrastructure needs, an issue of great concern to many communities in the 3rd Congressional District of Massachusetts. It funds new grants for states to help them set up and carry out clean-up programs for brownfields. Helping Massachusetts with this problem will spur economic development in urban areas and remove one of the great causes of urban sprawl.

Even in an area where President Bush and the Republican majority increase funding, such as education, they fail our families, students and communities.

The Republican education budget increases funds by 5.9 percent over last year's level. However, this represents less than half of the average yearly increase that Congress has provided in the last five years. The Republican budget fails to keep pace with the nation's education needs.

Once again, the Republican budget fails to help schools address emergencies and repairs, eliminating the new $1.2 billion urgent school repair program. It fails to include the bipartisan Johnson-Rangel initiative to provide interest-free bonds from school construction. Our country is facing a nation-wide crisis in school facilities and this budget fails to address that crisis in any effective way.

The Republican budget diverts desperately needed Title I education program monies for low-income and poor children to private and religious school voucher programs.

The Republican education budget also fails to invest additional resources in critical education programs like the TRIO program, which funds successful programs in Worcester and Bristol Counties, and GEAR-UP. It freezes funding for Head Start, eliminates the new Early Learning Opportunities Fund, and appears to freeze funding for safe schools, after-school programs and education technology initiatives. Furthermore, the Republican budget fails to provide sufficient, let along full, funding for Pell Grants and for the federal share of special education (IDEA) programs.

The Democratic budget, in contrast, provides for $129 billion more than the Republican budget over ten years in funding for education and related services. Democrats boost funding for critical priorities, including class size reduction, school renovation, teacher recruitment, training, and development, title I aid to the disadvantaged, Pell Grants and other higher education programs, special education (IDEA), after-school programs, school counselors, instructional technology and Head Start.

Finally, the Democratic budget provides for all these programs and more, within the framework of a balanced budget, and still provides $910 billion in tax relief to America's hard-working families.

The Democratic budget cuts taxes and funds priorities like Social Security and Medicare solvency, education, community infrastructure and public services, the environment, and still has room to provide a Medicare prescription drug benefit and continues to pay down the debt. This is not a budget built on smoke and mirrors. The numbers add up, and the proposals are based on real monies and not projected funds that might fail to materialize.

The Democratic budget will better the lives of all of Massachusetts' communities and residents. The Republican budget will not.

Mr. BLUMENAUER. Mr. Chairman, today, Congress debated and voted on the President's FY 2002 Budget plan. The President's plan is both harmful to our economy and unnecessarily cuts important government programs, and I voted against it.

Today, in response, I supported three alternative budgets that better address our future needs while providing working Americans with tax relief. Each alternative plan allows for an honest estimate of future spending needs and provides tax relief that will go directly to families who most need assistance.

The Republican plan triple counts Social Security and fails to protect Medicare in order to fit the President's tax cut. Such a proposal doesn't address some of the real inequities in the tax code like the Alternative Minimum Tax, which increasingly impacts middle-income families.

I know Oregonians deserve better than the shame budget approved today, and I was pleased to support alternative plans that realistically address America's needs.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from South Carolina (Mr. SPRATT).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SPRATT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 183, noes 243, not voting 6, as follows:

[Roll No. 69]

AYES—183

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Barcia
Barrett
Bentsen
Berkley
Berman
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Green (TX)
Gutierrez
Hall (OH)
Hastings (FL)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rangel
Reyes
Rodriguez
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Turner
Udall (CO)
Udall (NM)
Velázquez
Waters
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—243

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Berry
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Costello
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kaptur
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Matheson
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moore
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reynolds
Riley
Rivers
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schiff
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Towns
Traficant
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—6

Baldwin
Becerra
Gordon
Lampson
Rothman
Sisisky

□ 1629

Messrs. BRADY of Texas, PHELPS, DOOLITTLE, BOEHLERT, SHOWS, BUYER, HALL of Texas and Ms. PRYCE of Ohio changed their vote from ''aye'' to ''no.''

Messrs. HOLDEN, DICKS, RUSH, MOLLOHAN and JACKSON of Illinois changed their vote from ''no'' to ''aye.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

□ 1630

The CHAIRMAN. It is now in order for a period of final debate on the concurrent resolution.

The gentleman from Iowa (Mr. NUSSLE) and the gentleman from South Carolina (Mr. SPRATT) each will control 5 minutes.

The Chair recognizes the gentleman from Iowa (Mr. NUSSLE).

Mr. NUSSLE. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, today we present a budget that we have been working on for more than just a few days. We have been working on this budget for almost 20 years, a 20-year attempt to slow the rate of growth of government, provide tax relief for Americans, pay off the debt held by the public, and recognize once and for all that the important decisions happen around kitchen tables, not around committee tables.

Mr. Chairman, the most important debate today will not occur on this floor. The most important debate of today is going to happen tonight sometime after the kids are tucked into bed and mom and dad are sitting around the kitchen table, and they are trying to figure out how to pay for college, and they are trying to decide whether to buy Nike shoes or Keds, or they are trying to decide how to pay that Visa bill that just went over their limit one more time, or they are trying to figure out how to pay the mortgage, how to pay the heating bill, how to pay for the extra energy costs.

Mr. Chairman, we sometimes think that the trillion dollars and trillion dollars of debate that we have here is the most important. But sometimes it is the $10, the $20, the $100 that is debated around our kitchen tables that is the most important. That is why we have presented the budget that meets the goals that we have worked so long to achieve.

We had a priority of paying down the maximum amount of publicly held debt. We accomplish that, and there is still money left over.

We set aside in a bipartisan way, I would say to my friends on both sides, all of the Social Security trust fund, a big victory for the American people and for seniors today and seniors tomorrow; and there is still money left over.

We set aside all of the trust fund for Medicare. We provide for a prescription-drug benefit. We want to modernize Medicare in this budget, and there is still money left over.

We provide for the important priorities of defense, agriculture, education, environment, so many issues that we have come here to debate in the halls of Congress; and there is still money left over.

The question is, Who does that money belong to? It belongs to the people who debate around their kitchen table tonight. Let us give them that refund that the President asked. Let us provide for them in this budget. Let us pass the budget.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have stated the reasons that I oppose this resolution before, but I will state them in a nutshell again.

First of all, in its single-minded zeal for tax reduction, this resolution cuts so close to the bone that it leaves no margin of error. If these projections do not pan out, we are in deficit again.

Secondly, it makes so much room for tax cuts that it leaves little room for

other priorities. If my colleagues want to see those other priorities, look at them, tick them off: Medicare, prescription drugs, education, conservation, down the list. It does an insufficient amount.

Finally, it does nothing at all for Social Security and Medicare, nothing at all. In fact, it actually deducts funds from the Medicare program by siphoning off money from the Medicare Hospital Insurance trust fund to pay for a meager and inadequate prescription-drug insurance.

For all of that, if the bottom line is debt reduction, it achieves less debt reduction to the tune of $915 billion than the resolution that we have just presented which covers priorities across the board.

We can do better.

Mr. Chairman, I yield the balance of my time to the gentleman from Missouri (Mr. GEPHARDT), the minority leader.

Mr. GEPHARDT. Mr. Chairman, I ask Members to consider voting against this budget resolution and to support the Democratic budget because I think it is a better budget.

When one does a budget, one makes choices. One makes choices between size of tax cuts, how much is going to go to pay down the debt, how much goes to Medicare, prescription medicine, how much goes for education, how much goes to support the environment.

I suggest to Members that we are making a mistake with this budget. Let us think of it as two products. First, we have the Republican budget product. It is a $2 trillion-plus tax cut, most of which goes to the wealthiest Americans. If we buy this budget, this is what is contained in this plan, this program.

On the other hand, if my colleagues vote for a Democratic budget, they get much more. It is a better product. We get lower interest rates. Yes, we get a tax cut focused on middle-income Americans, but we also get debt-free by the year 2008.

We get a prescription-drug benefit for all senior citizens. It extends Social Security to 2050, Medicare to 2040. It extends both about 12 years. More quality teachers and more cops on the beat.

So the question is which box do we want for the American people. I suggest that this is a decision that will be with us for a long time.

I was here in 1981. We had a new President who came saying that he wanted a budget that included a large tax cut. We came to this floor in 1981 and debated that budget. The President said that it would not cause large deficits, that it would create jobs, that it would bring down interest rates and inflation.

After we lost our alternative to that tax bill, many of us sat on the floor and wondered what we would do, how we would vote.

I was getting calls from home, people saying give the new President a chance; and I did. I voted for the Reagan tax cut. Then the deficits began, as we worried they would. First it was $100 billion a year, then $200 billion, then $300 billion, then almost $400 billion. We went from $1 trillion in back debt to this country to almost $6 trillion in debt.

It took the budget summit of 1990 and the Budget Act of 1993 and 1997 to begin to get that deficit under control.

Now, instead of having deficits as far as the eye can see, we have surpluses for the first time in 20 years. Why? I ask my friends in this Congress, why would we want to go back and repeat that mistake again?

When I went home these last weeks, constituents came up and said where is the Medicare prescription drug program that I thought was going to be coming after the election? Where is the furthering of the solvency of Medicare and Social Security? Where are the smaller classrooms with better teachers and more classroom sizes? These are the issues that people are deciding in this budget debate.

I plead with Members, turn down this budget and let us do a budget that does not send this country back into bankruptcy, back into high deficits, back into high interest rates, back into high inflation. We still have time to avoid it.

I urge Members to vote against this misguided wrong-headed budget.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. ARMEY), the very distinguished majority leader.

Mr. ARMEY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I listened very intently to the gentleman from Missouri (Mr. GEPHARDT), the distinguished minority leader; and, Mr. Chairman, his argument just does not wash. In fact, it promises a ''Tide'' of new spending for America.

Mr. Chairman, this budget is right for America. It establishes a new direction. For too many years, we have seen liberals raise our taxes and send spending into orbit.

But now we have a new President and one who wants to tell us all to come back to Earth. Our new President wants to send us in a new direction; and we should say, We are with you, Mr. President.

Mr. Chairman, I am amazed by the complaints I have heard about this budget. I hear your spending plan does not go far enough. We cannot lower taxes that much. What do these complaints mean? They mean more taxes, and they mean more spending.

Now, have we heard this before? Yes. Think about what we are hearing. That is called tax and spend, and that is the track we are trying to leave. It is the same tired vision for America. It is a vision that we reject.

We are here today trying to establish a new direction, one that we can call fiscal responsibility. Yes, we have achieved a lot already. We have had the first balanced budget in 30 years. Today again, for the fifth year in a row, we will not only balance a budget, but run a surplus in our budget. Mr. Chairman, that has not happened for 70 years.

Fiscal responsibility used to be about as common in this town as Haley's comet, but we put the tax and spend century behind us. We are here today to replace it with a century of surplus.

We have to understand that this budget, Mr. Chairman, is not about numbers. It is not about pie charts. It is not about CBO or OMB or calculators or green eye shades. This budget is about people. This budget is about setting the right example. This budget is a vision for a better America, a responsible vision.

This budget is a road map for America. It is not the end of the road, Mr. Chairman; it is the beginning of the road. It points the way that reflects all the right priorities.

□ 1645

Mr. Chairman, this budget is, in fact, fiscally responsible. It will pay down all of the available public debt, and that is in addition to the half trillion dollars of public debt we have already paid down. And it makes generous provisions for the spending on the right priorities: education, public health, national defense. And after we have done all of that, yes, indeed, we will give tax relief to everybody in America who pays taxes. There is marriage penalty tax relief. There is across-the-board tax reductions in the rates. There is death tax relief. We will do as much as we can to give money back to the people who earned it.

As for spending, some of my colleagues still complain that our spending plan does not go far enough. Mr. Chairman, this budget spends an additional trillion dollars over the next 10 years. If you put a trillion dollars together end to end, it would reach to the planet Mars; and that is not enough? This budget spends $23 trillion total over the next 10 years. If you put $23 trillion together end to end, it would take you to Jupiter and back; and that is not far enough? I think my colleagues who are saying that are still out there someplace.

Mr. Chairman, I was in Congress when we passed the first $1 trillion Federal budget. It took two centuries for Congress to spend a trillion dollars in a single year, and here we are 14 years later, we are near the $2 trillion mark; and that is not far enough? And now we will add an extra trillion dollars over the next 10 years; and that is still not enough?

So the choice is very clear. The choice is between two visions: a vision of bigger and bigger government spending, a choice between larger and larger taxes, or a choice of smaller government that trusts the people to make up their own minds.

My colleagues, especially those of my colleagues on this side of the aisle, let us trust the American people as our President has led us to do. Let us say we are with you, Mr. President. We are with you, Mr. and Mrs. America. We are ''yes'' on this budget.

Mr. NUSSLE. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. HASTERT), the very distinguished Speaker of the House.

Mr. HASTERT. Mr. Chairman, first of all, with all due respect to the minority leader, yes, we have all been sold soap before; and sometimes bigger boxes of soap do not necessarily get the job done, especially when bigger boxes of soap mean more government. I remember one time when my wife was breaking me in on just how to wash the laundry. If you put too much soap in that machine, bubbles came out, and it gushed all over. We had soap all over. Everywhere was soap and bubbles.

Mr. Chairman, that happens with government, too. If we put too big of dollars in government, what happens is spending goes up. We will never see a balanced budget again. We will never see a surplus. That is what this is all about. This is all about trying to lay out what our plans are for our children and grandchildren and our lives in the next 10 years.

Mr. Chairman, there has been a lot of work done on this bill, and there are a lot of points of view, and I appreciate what everyone did because it laid down the parameters of debate on what people really wanted to do and what their vision for the Nation is. Those are the choices that we will have to make, and the vote in a few minutes will give us the chance to make those choices.

Mr. Chairman, the choice here is a choice between government that grows too big, too much, too fast, too big a burden on the American taxpayers, or a budget that holds the growth of government down to slow growth of government and takes a little bit of that extra money, not all of it, not half of it, but just a part of it, and says, we need to take some of that money, and we need to pay it back, we need to give it back to the people that made it in the first place.

Mr. Chairman, that is what this choice is all about. So there is tax relief for the American people. So people who get married are not paying an extra $1,400 because they are married rather than being single. Or if you have a small farm or family business and you want to pass it on to the next generation, you can do that without the Federal Government coming in and confiscating 55 or 60 percent of it.

Probably everybody who pays taxes deserves a little tax relief. When we cut across the board the marginal tax rates, that means thousands and thousands of Americans in this country who pay taxes now will not even have to pay taxes. But it also means the man and wife that go to work to support their children that earn the $60,000 or $70,000 a year, or $40,000 or $50,000, are going to have more money in their own pocket so they can make decisions about their kids and families and what kind of education they are going to have; or maybe just pay the bills or the tuition to a sports camp, something special for their family. Those are the choices that we are trying to take away from government bureaucrats with too much spending and give it back to the American people who know what their priorities are, that have the right and deserve to spend more of their money the way that they see fit.

Mr. Chairman, this budget is also about children and about children in a very special way. It is about education. When you talk about education, sometimes it just kind of goes over some people's heads. But where real education takes place, and I spent 16 years in a classroom, education takes place in a classroom with good teachers and parents who care. We put more dollars not into some bureaucracy, not for some bureaucrat in Washington, D.C., to lay down more paper and more busywork, but we put dollars in the classroom so teachers can do a better job and parents can get more satisfaction sending their children to school and knowing something good is going to happen.

Mr. Chairman, we have talked about this budget a great deal. There has been a lot of debate on this floor today, but this budget, crafted by the President, worked on by the gentleman from Iowa (Mr. NUSSLE), and I thank him for his great work, really goes to the heart of what we want to do for the future of this country and for the moms and dads and children and our grandchildren.

We can make this a better place to live. We can make, through this budget, better choices for people to make because they can make their own choices and have better education for their kids.

Mr. Chairman, I would ask my colleagues on the other side of the aisle to support us today and pass this budget resolution because it is time we do it. Let us go to it.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. SHIMKUS) having assumed the chair, Mr. LATOURETTE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 83) establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001 and, setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011 and, pursuant to House Resolution 100, he reported the concurrent resolution, as amended by the adoption of that resolution and by the previous order of the House, back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on agreeing to the concurrent resolution, as amended.

Under clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 222, nays 205, not voting 6, as follows:

[Roll No 70]

YEAS—222

Aderholt	Fossella	Lucas (OK)
Akin	Frelinghuysen	Manzullo
Armey	Gallegly	McCrery
Bachus	Ganske	McHugh
Baker	Gekas	McInnis
Ballenger	Gibbons	McKeon
Barr	Gilchrest	Mica
Bartlett	Gillmor	Miller (FL)
Barton	Gilman	Miller, Gary
Bass	Goode	Moran (KS)
Bereuter	Goodlatte	Morella
Biggert	Goss	Myrick
Bilirakis	Graham	Nethercutt
Blunt	Granger	Ney
Boehlert	Graves	Northup
Boehner	Green (WI)	Norwood
Bonilla	Greenwood	Nussle
Bono	Grucci	Osborne
Brady (TX)	Gutknecht	Ose
Brown (SC)	Hall (TX)	Otter
Bryant	Hansen	Oxley
Burr	Hart	Pence
Burton	Hastert	Peterson (PA)
Buyer	Hastings (WA)	Petri
Callahan	Hayes	Pickering
Calvert	Hayworth	Pitts
Camp	Herger	Platts
Cannon	Hilleary	Pombo
Cantor	Hobson	Portman
Capito	Hoekstra	Pryce (OH)
Castle	Horn	Putnam
Chabot	Hostettler	Quinn
Chambliss	Houghton	Radanovich
Coble	Hulshof	Ramstad
Collins	Hunter	Regula
Combest	Hutchinson	Rehberg
Condit	Hyde	Reynolds
Cooksey	Isakson	Riley
Cox	Issa	Rogers (KY)
Crane	Istook	Rogers (MI)
Crenshaw	Jenkins	Rohrabacher
Cubin	Johnson (CT)	Ros-Lehtinen
Culberson	Johnson (IL)	Roukema
Cunningham	Johnson, Sam	Royce
Davis, Jo Ann	Jones (NC)	Ryan (WI)
Davis, Tom	Keller	Ryun (KS)
Deal	Kelly	Saxton
DeLay	Kennedy (MN)	Scarborough
DeMint	Kerns	Schaffer
Diaz-Balart	King (NY)	Schrock
Doolittle	Kingston	Sensenbrenner
Dreier	Kirk	Sessions
Duncan	Knollenberg	Shadegg
Dunn	Kolbe	Shaw
Ehlers	LaHood	Shays
Ehrlich	Largent	Sherwood
Emerson	Latham	Shimkus
English	LaTourette	Simmons
Everett	Leach	Simpson
Ferguson	Lewis (CA)	Skeen
Flake	Lewis (KY)	Smith (MI)
Fletcher	Linder	Smith (NJ)
Foley	LoBiondo	Smith (TX)

Souder
Spence
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—205

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Barcia
Barrett
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Green (TX)
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hefley
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—6

Baldwin
Becerra
Gordon
Lampson
Rothman
Sisisky

□ 1715

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. PUTNAM. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

The SPEAKER pro tempore (Mr. SHIMKUS). Is there objection to the request of the gentleman from Florida?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 6, MARRIAGE PENALTY AND FAMILY TAX RELIEF ACT OF 2001

Mr. DREIER, from the Committee on Rules, submitted a privileged report (Rept. No. 107–31) on the resolution (H. Res. 104) providing for consideration of the bill (H.R. 6) to amend the Internal Revenue Code of 1986 to reduce the marriage penalty by providing for adjustments to the standard deduction, 15-percent rate bracket, and earned income credit and to allow the nonrefundable personal credits against regular and minimum tax liability, which was referred to the House Calendar and ordered to be printed.

APPOINTMENT OF MEMBER TO MEXICO-UNITED STATES INTERPARLIAMENTARY GROUP

The SPEAKER pro tempore. Without objection, and pursuant to 22 U.S.C. 276h, the Chair announces the Speaker's appointment of the following Member of the House to the Mexico-United States Interparliamentary Group:

Mr. KOLBE of Arizona, Chairman.

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 1-minute requests.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE NET CORPS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HONDA) is recognized for 5 minutes.

Mr. HONDA. Mr. Speaker, I take this opportunity to come to the House floor to speak about legislation I introduced last week, the National Education Technology Corps Act of 2001, or better known as NET Corps.

As a former science teacher, principal and school board member, I am extraordinarily pleased that Congress is becoming more engaged in the plight of our schools. Much of the discussion centers on how the Federal Government can be more creative and how we can meet the needs of our schools. I agree that we do need to be more creative, and I am confident that the Net Corps Act is as intelligent and innovative as the backers, the high-tech industry, educators, and nonprofits.

Representatives from each of these sectors recently attended a press conference in San Jose where they voiced their support for this bill and efforts to improve our education system. I crafted this bill in the spirit of the Peace Corps and Americorps, programs that are based on the premise that American citizens of all backgrounds have something constructive to offer underfunded and underserved communities.

It is a shame that in America we must classify our schools as underfunded. As a member of the Committee on the Budget, I argue that it is a sad statement about our national values when our schools cannot offer our children the tools that will prepare them for the information economy.

I often talk about accountability. No, not just teacher accountability, but also about holding our political institutions accountable for inadequately serving our schools. I am discouraged by the Republican budgetary earmarks for education. The vote today only reinforces how necessary it is for advocates of schools to be creative.

NET Corps is creative and it is smart. The NET Corps program, an expansion of the Corporation for National Service, will recruit high-tech savvy volunteers from academic institutions and high-tech companies. I am particularly excited by the inclusion of the high-tech companies in the NET Corps.

The reality is that many high-tech companies already have organized programs and efforts to help our schools. Companies like 3Com and Silicon Graphics, Intel and Hewlett-Packard come immediately to mind. NET Corps rewards these companies for their efforts by providing them a 20 percent tax credit on the time their employees have spent in schools working directly with teachers and school administrators. But NET Corps is not about rewarding companies who are already active; it is about enticing engaged companies to lend their employees to help our children. High-tech companies are receptive to this legislation because they understand that the future of America's IT economy rests on their ability to attract qualified workers.

I am pleased to be joined in my effort by my distinguished colleague, the gentleman from California (Mr. HORN). The gentleman from California (Mr. HORN), as a former president of the California State University at Long Beach, understands the great challenges our schools and children face,

and he recognizes that NET Corps better prepares teachers to address these challenges. I am proud to have him as a cosponsor, and I look forward to working with him to pass this important legislation.

Finally, let me say that since introducing this legislation, I have been contacted by countless high-tech employees, teachers, and parents who support this legislation. They are part of what I call the NET Corps movement.

Mr. Speaker, I urge my colleagues to join me in this movement. Our children's futures depend upon it.

BLACK BERETS FOR U.S. ARMY SHOULD BE MADE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES of North Carolina. Mr. Speaker, I rise this afternoon to once again bring attention to the issue of the decision by the Army Chief of Staff to issue black berets as standard issue head gear to all Army personnel. Until this decision was made, the black beret had been the outward symbol of the Army Rangers, one of the most elite fighting forces within the United States armed services. While much has been said regarding the decision, I believe that even more needs to be said, particularly regarding the decision to bypass the Barry amendment and purchase the bulk of the berets totaling nearly $35 million from Communist China.

Mr. Speaker, at a time when the small businesses of our Nation are struggling for new business, it is a travesty that our own government has chosen to bypass the Buy American Rule in order to meet an arbitrary deadline. While the 225th birthday of the United States Army should be marked with great celebration, I do not believe that the men and women who so faithfully serve in the Army would want the day marked by having to wear a beret that says ''Made in China.''

I recently received a letter written by a small businessman from Sanford, North Carolina, and I will submit this letter for inclusion in the RECORD.

Mr. Brooks Pomeranz is president of Cascade Fibers Company, a small mill that in a matter of a few short months could convert its cutting and sewing operation into a mill that could have produced at least a part of the beret order for the United States Army. He writes, and I quote him: ''With the decline of U.S. textiles and U.S. textile mills closing every month, it is unconscionable that our government is contracting foreign companies to manufacture these berets. With just a portion of this business being contracted to my company would enable us to keep 80 families from losing a vital income for their children. Our quality is outstanding and our service is superior. Eighty families, 80 moms, 80 dads and countless children whose livelihood would continue if this bill were given even a portion of the order for new berets. Instead, those berets will be made by men and women in China who work under the worst possible working conditions for merely pennies per day. The same men and women who are told that they are not allowed to worship as they please and who are told that they cannot have more than one child. And, at the center of all of this is the undeniable fact that United States tax dollars would go to a communistic government to be used for the purpose of weapons from our enemies to threaten and intimidate not only the people of the United States, but also our allies. This should concern all Americans.''

Mr. Speaker, I want to thank the gentleman from Illinois (Mr. MANZULLO) and the Committee on Small Business on the House side for holding next week's hearings on this issue, and I want to call on the House Committee on Armed Services on which I serve to seek possible remedies to this problem before it is too late. The men and women of the United States Army and small business owners around the country deserve at least that much.

Mr. Speaker, the letter I referred to earlier follows:

CASCADE FIBERS COMPANY,
Sanford, NC, March 21, 2001.

Hon. WALTER B. JONES,
House of Representatives, Cannon Building, Washington, DC.

DEAR CONGRESSMAN JONES: I am the president of Cascade Fibers, a small textile company in Sanford NC employing 80 associates. Cascade Fibers, a cut and sew textile business, makes table linens, table skirting, placemats, napkins, and aprons for the hospitality, rental laundry, and retail markets. Our quality is outstanding, and our service is superior. But with large corporations buying out smaller companies, and with the growth of overseas napery being sold at a much cheaper price, Cascade Fibers is experiencing a very difficult time competing in this market, and our time may soon be running out.

I am including articles that I have recently read regarding berets that our military will be wearing that are to be manufactured overseas so that our soldiers will have them for the US Army's 226th birthday on June 14th. With the decline of US textiles and US textiles mills closing every month, it unconscionable that our government is contracting foreign companies to manufacture these berets. With a portion of this business being contracted to Cascade Fibers, would enable us to keep 80 families from losing a vital income for their children. Our quality is outstanding and our service is superior.

I am asking for your help ASAP to help me promote my company to the right contacts to be able to receive a portion of this business. Anything that you can do will be greatly appreciated by these American families so they can continue to provide for their children.

Sincerely,

BROOKS POMERANZ,
President.

COMMUNITY, MIGRANT AND HOMELESS HEALTH CENTERS

The SPEAKER pro tempore (Mr. CRENSHAW). Under a previous order of the House, the gentleman from Illinois (Mr. SHIMKUS) is recognized for 5 minutes.

Mr. SHIMKUS. Mr. Speaker, Community, Migrant and Homeless Health Centers provide cost-effective, quality health care to our country's poor and medically underserved. They act as a vital safety net for our health delivery system and reduce health disparities that large portions of our populations experience.

These centers are nonprofit, community-owned and operated, and serve all 50 States. They provide health care to those who otherwise could not have access to it, serving one in 12 rural citizens, nine in 8 low-income Americans, and one in 10 uninsured Americans. Surely this is something that this House in a bipartisan manner can support.

I want to thank the gentleman from Illinois (Mr. DAVIS) who will follow and speak on this same issue.

Mr. Speaker, I represent a rural area; and much of my district has very limited access to health care. Centers in my district operating in Salem, Vandalia, and Springfield, Illinois, have made vital health services available to the community. By serving a specific area, the centers can tailor their services to the specific needs of the community and work with the schools, businesses, churches and community organizations to provide the best care possible.

Community health centers are cost-effective in a viable way to bring quality health care to underserved populations. Increasing Federal funding will enable community health centers to expand and reach more of the uninsured. That is why I support the Reach bill, which would double the budget for community health centers.

□ 1730

But it is also an inexpensive way to get preventative and primary health care to those who have fallen through our health care delivery system.

I encourage all our colleagues to support this vital program that helps so many.

URGING SUPPORT FOR H.R. 6, THE MARRIAGE PENALTY AND FAMILY TAX RELIEF ACT

The SPEAKER pro tempore (Mr. CRENSHAW). Under a previous order of the House, the gentleman from Pennsylvania (Mr. PLATTS) is recognized for 5 minutes.

Mr. PLATTS. Mr. Speaker, tomorrow we will cast a very important vote here in the House. We will take up the second component of the President's comprehensive tax relief package, H.R. 6,

the Marriage Penalty and Family Tax Relief Act.

I rise today to join my freshmen Republican colleagues in expressing my strong support for H.R. 6. Earlier this year in January my freshmen colleagues and I announced we would commit ourselves to the enactment of legislation that would eliminate the marriage penalty once and for all. I am delighted that our House leaders have embraced this number one priority of the freshman class and have scheduled this legislation for a vote tomorrow.

I want to thank the lead sponsor of H.R. 6, the gentleman from Illinois (Mr. WELLER). Over the past several years, the gentleman from Illinois has led the effort to eliminate the marriage penalty and restore fairness and equity to our Tax Code. I sincerely appreciate his hard work and dedication to this very important issue.

I also compliment the gentleman from California (Mr. THOMAS) and members of the Committee on Ways and Means for moving this legislation very quickly, and for their decision to couple the marriage penalty relief aspects with a much-needed increase in the child tax credit.

Mr. Speaker, I was proud to cosponsor the Marriage Penalty and Family Tax Relief Act as one of my first deeds as a Congressman. This important legislation will double the child tax credit. It will go significantly further than was proposed initially in President Bush's tax package to lessen the impact of the marriage penalty.

H.R. 6 is not tax relief for the rich. In fact, this legislation is designed substantially to reduce the tax burden on low- and middle-income families. It does so by raising the standard deduction for married couples to twice that for single taxpayers.

In 2000, the year 2000, the standard deduction amounted to $4,400 for single taxpayers, but just $7,350 for married couples filing jointly. That is an automatic tax penalty for married couples at every income level. H.R. 6 will eliminate this unfair and inequitable provision.

H.R. 6 will also expand the 15 percent tax bracket, the lowest tax bracket for married couples, to twice that of single taxpayers. Under current law, the 15 percent bracket covers taxpayers with taxable income up to $26,250, but only $43,850 for married couples filing jointly.

H.R. 6 will also help low-income working families by increasing the income ceiling on the earned income tax credit, making more couples eligible for this vital tax relief.

In addition, H.R. 6 will provide $100 in immediate tax relief this year to every low- and middle-class working family by increasing the child tax credit from $500 per child to $600 per child, retroactive to January 1 of this year; then, phasing that increase into $1,000 by the year 2006.

Finally, H.R. 6 will ensure this critical tax relief does not erode due to unfair consequences from the alternative minimum tax.

Mr. Speaker, there are over 28 million working couples in the United States, including more than 63,000 couples in my district. Enactment of H.R. 6 will return over $225 billion in marriage penalty relief to these hard-working American families.

When coupled with the across-the-board rate reductions the House passed earlier this month, the expanded child tax credit would provide the average family of four with an additional $560 in tax relief in the year 2001 alone.

Over the next few years, the Marriage Penalty and the Family Tax Relief Act will save the average family of four well over $1,000 a year in taxes. That is more than $1,000 to have available to spend on a mortgage payment, new clothes for the children, day care, preschool, college savings accounts, or a host of other critical priorities in a family budget.

But the Marriage Penalty and Family Tax Relief Act does more than just allow American families to keep a larger percentage of their earned money. It would also help keep families together. With nearly 50 percent of marriages ending in divorce today, we certainly should not penalize couples who stay together. Rather, we should do everything we can to alleviate the economic constraints which hinder their ability to build a family and a lasting relationship.

Mr. Speaker, let us give American families a fighting chance. I urge my colleagues to support the Marriage Penalty and Family Tax Relief Act when it comes to the floor tomorrow. I thank again the leadership for bringing this issue before us and making sure we have the full support of the leadership ranks and Members from both sides of the aisle who want to do right for the working families of our Nation.

CALLING FOR CONGRESSIONAL ACTION ON HUMAN RIGHTS VIOLATIONS IN SUDAN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

Ms. NORTON. Mr. Speaker, I have just come from a subcommittee hearing of a subcommittee of the Committee on International Relations, on which I do not serve, but the Chair and the ranking member were kind enough to afford me the courtesy of sitting at a hearing today on Sudan.

I come to the floor today as part of the effort of an increasing number of Members to draw to the attention not only of the House, but of the country the need to step forward on slavery, genocidal war, bombing of humanitarian workers, and forced conversions of Christians and animists to Islam, the worst litany of human rights violations in the world today.

The world is full of human rights violations. We have spoken up on many of these violations, and done much on many of them. We have not been able to get hold of this atrocious situation, although this House and the Senate have almost unanimously condemned these violations in Sudan.

The gentleman from New Jersey (Mr. PAYNE), the ranking member of the subcommittee, and I had a 1-hour special order last year. No Members joined us then, but just this week the multilateral, the gentleman from Texas (Mr. ARMEY), and a bipartisan group of Members held a press conference on Sudan indicating that this House, Members from both aisles, indeed, are not going to sit still for the outrage in Sudan without moving forward.

We have a new Caucus on Sudan chaired by the gentleman from New Jersey (Mr. PAYNE) and the gentleman from Virginia (Mr. WOLF), perfectly bipartisan in nature. Soon another resolution from the House condemning the violations in Sudan will come forward.

Thus far the most dramatic response has been that schoolchildren have bought other children and women out of slavery in Sudan. As important as that is for drawing attention to the atrocities in Sudan, it is hardly a grown-up response to what is happening in southern Sudan.

At the hearing today and among all of those concerned, we hear a plethora of responses. It is important to settle in on some immediate as well as long-term responses.

Everyone knows that related to the long-term responses to stop the war in Sudan, what leads to the slavery, what leads to the genocidal bombings, is the search for oil by Khartoum, bombing its own people in the south to depopulate it so it could get to that oil without sharing it with the entire country.

But in the meantime, there are a number of things we can do. Surely we need to bypass the Khartoum Government and use religious organizations and nongovernmental organizations in order to get food aid and medical and other assistance to the people of southern Sudan.

Surely we now in this country ought to be leading the United Nations toward a condemnation of the war of the north against the south. There are some who want a no-fly zone, although I do understand that the problem there is that it could engage us in hostilities with Khartoum.

We may not be there yet, and perhaps we should not get there, but we cannot sit still for what is going on in Sudan.

Recently I signed on to a letter circulated by the gentleman from Virginia (Mr. WOLF) for a special envoy so we could begin to restart diplomatic

relations. President Clinton had a high-level special envoy. President Bush says he is not partial to special envoys. Yet if this is a way to try to break into this outrageous situation, then so be it.

What we must do this session is move beyond what we did last session: a special order by the gentleman from New Jersey (Mr. PAYNE) and I on the floor, a resolution by the House and Senate condemning the bombings. This is a very complicated situation, and we cannot stop the war of the north against the south in Sudan. We cannot eliminate slavery through some emancipation proclamation from the United States. We cannot go and buy children and women out of slavery. We cannot stop the worst conversions.

But we are the strongest power in the world. We have got to find a way to use that power to stop the war in Sudan, or at least to get a cease-fire so we can begin to pull the sides apart and help restart that country toward a democracy.

COMMUNITY HEALTH CENTERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I rise today to discuss an important component of our health care delivery system. Community health centers for 35 years have undergirded the primary health care movement in this country. They have provided access to quality, affordable primary and preventative health care, regardless of a patient's ability to pay. They have been a safety net for millions who otherwise would not have been able to afford health insurance.

Community health centers are the family doctor, the health care home for over 11 million low-income patients nationwide, including over 7 million minorities.

We talk about health care in macro terms, but when we really think about it in micro terms, day to day, it really is the vast network of more than 3,000 community-based health care center sites operating in urban and rural communities that make sure our citizens are healthy. They deliver top-rate health care with highly trained, culturally competent health professionals.

Across the Nation, health centers are staffed by more than 6,000 physicians, thousands of nurses, dentists, and other health professionals and volunteers. Health centers provide health education, community outreach, transportation, and other support programs in schools, public housing, and homeless shelters.

Community health centers have done an outstanding job of controlling costs. For the past 35 years, they have provided quality, cost-effective primary and preventive care to the hardest-to-reach populations, where they are most needed, for less than 76 cents per day for each person health centers serve. That is how they have controlled costs.

In my congressional district, there are 24 health center delivery sites. Each of them are jewels. They are cost-effective, responsive to community needs, and the patients just love them.

Unfortunately, they, along with health centers throughout the country, are facing severe challenges which jeopardize their ability to continue providing services for those most in need. For example, approximately 46 percent of Illinois health center patients are uninsured. That number is rising, while the Federal grants to address the health needs of this population remain stagnant.

The bulk of health center patients' uninsured populations are working families who, for a variety of reasons, cannot afford health care for their families. The cost to health centers of providing this care cannot be recouped by them and falls into the category of uncompensated or free care, which is quickly becoming the number one factor jeopardizing Illinois health centers.

Also, nationally there are more than 43 million who are without health insurance. That number is projected to increase to more than 50 million by 2007.

The rising number of uninsured with problems associated with welfare reform and the cutbacks in charity care mean health center budgets will be challenged to meet increased demands. Currently health centers are serving 4.4 million uninsured Americans.

While I am pleased that President Bush recognizes the importance of community health centers and has set a priority of increasing the number of health center delivery sites by 1,200 in his budget, the President's budget also provides an increase of $124 million for the health centers, and that is a good start.

□ 1745

Mr. Speaker, it falls short of providing the resources to match demand.

I, along with members of the Congressional Black and Hispanic Caucuses are urging a $250 million increase for the health center program. With an additional $250 million, health centers will be able to expand in facilities in rural and urban communities.

Additionally, they will have the needed resources to hire staff and see an additional 700,000 uninsured patients.

Mr. Speaker, our Nation is divided when it comes to health. Divided along the lines of those with and those without access to health care. We obviously suffer from this great disparity. I believe that if we are to become and to be the great Nation that we have the potential of being, then each and every one of our citizens must have access to quality, comprehensive affordable health care without regard to their ability to pay.

Since we do not have universal health insurance or universal coverage, the next best thing would be to have a community health center in every medically underserved community in this Nation.

H.R. 184, THE COLLEGE STUDENT CREDIT CARD PROTECTION ACT

The SPEAKER pro tempore (Mr. CRENSHAW). Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, a couple of years ago, personal bankruptcies reached an all-time record of 1.4 million. Surprising to me, my own State of Tennessee led the way.

Today personal bankruptcies are still running at a rate of over 1 million a year, and all of this has been occurring at a time when the economy has been very strong, at least until the last few months.

People are drowning in a sea of debt, a sea of red ink, and most of this has come from credit card debt, people being seduced by the lure of easy credit. Easy credit and large debts have ruined millions of lives. Just think how many families are touched when you have 1.4 million personal bankruptcies. Most of these have been mature adults.

What many of us are most concerned about, though, is what is happening to young people, that is why the gentlewoman from New York (Ms. SLAUGHTER) and I have introduced H.R. 184, the College Student Credit Card Protection Act, along with approximately 40 cosponsors.

The ''USA Today'' on February 13th, last month, had an article that said, the headline is ''Debt smothers young Americans.''

Arianna Huffington, the columnist, wrote a column in ''The Washington Times'' recently, and she wrote this, how far credit card companies have gone was illustrated recently when a mother in Rochester, New York filled out an unsolicited application her 3-year-old daughter had received. She listed the child's occupation as preschooler. Under income, she wrote nothing.

The toddler was promptly sent a Platinum Visa card with a $5,000 limit, which Arianna Huffington said, she, no doubt, quickly maxed out on Barbies and Pokemon toys.

In the same column, Arianna Huffington said this, one study found that one in four college students carries credit card debt in excess of $3,000, and this debt is a gift that keeps on giving long after graduation. Sixty-two percent of Americans aged 22 to 33, the most of any age group, are saddled

with credit-card debt, more than $2,000 worth on average.

They also suffer the greatest anxiety over such debt, with nearly half saying it concerns them a lot.

In a ''USA Today'' article, it said this, as a freshman at the University of Houston in 1995, Jennifer Massey signed up for a credit card and got a free T-shirt. A year later, she had piled up about $20,000 in debt on 14 credit cards.

Paige Hall, 34, returned from her honeymoon in 1997 to find herself laid off from her job at a mortgage company in Atlanta. She was out of work for 4 months. She and her husband, Kevin, soon were trying to figure out how to pay $18,200 in bills from their wedding, honeymoon and furnishings for their new home.

By the time Mistie Medendorp was 29, she had $10,000 in credit card debt and $12,000 in student loans.

Robert Samuelson, the economic columnist for ''The Washington Post'' and ''Newsweek'' wrote a column a couple years ago talking about how many colleges lured students in very excessive student loan debts, telling them not to worry about the big increase in fees that these colleges had imposed many times increasing their fees at many times the rate of inflation, just saying do not worry, we will give you a student loan. So many students have been getting out of college with $25,000 and $50,000 and $57,000 worth of student loan debts and massive credit card debts in addition.

It is just not right to start young people out or encourage young people to go so far into debt just as they are starting out.

The ''USA Today'' story said this, it said young people are taking advantage of all of these credit card offers they are getting. A study from Nellie Mae shows that the average credit card debt among undergraduate students increased by nearly $1,000 in just the past 2 years.

The percentage of undergraduate college students with a credit card jumped from 67 percent in 1998 to 78 percent last year, according to this, to the Nellie Mae study, and many of them are filling their wallets with credit cards.

Last year, 32 percent said they had four or more cards.

There was one cartoon I saw in the paper and it showed a young college student, a female college student in one panel showing a list of 18 credit card hours she was taking, and the next panel she is flipping out a thing that says, and she has 18 credit cards to go with it.

''The Washington Post'' ran a story and said W. Dyer Vest, a senior at Virginia Tech owns two T-shirts that he said cost him $2500. The shirts were ''free,'' actually as long as Vest signed up for two Visa cards at the table displaying in the campus center.

Credit card in hand, he proceeded to update his wardrobe, outfit his girlfriend, eat well at restaurants and give generously well at Christmas.

A year later, he owed $2500 to credit card companies and could not afford the minimum payments. He later dropped out of school for a semester.

John Simpson, an administrator at the University of Indiana said this, he said ''credit cards are a terrible thing. We lose more students to credit card debt than to academic failure.'' Can you imagine that? An administrator at the University of Indiana saying that we lose more students to credit card debt than to academic failure?

Robert Manning, a professor of economics at Georgetown University and author of the soon-to-be published book Credit Card Nation argues that giving children credit cards without limits is like handing them the keys to the family car with no restrictions.

THE BUDGET RESOLUTION AND CHILDREN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, when I look at the Republican budget that was passed today, it is clear to me who is taking care of the billionaires in this Nation. But I want to know who is taking care of our children.

The Republican budget resolution passed today puts children and their needs behind a $2 trillion tax cut that gives 44 percent of the benefit to the wealthiest 1 percent of Americans. In fact, a third of our children are part of families that would receive zero benefit from the proposed tax cut.

Let me say that again, one-third of all American children live in families that would receive nothing from the Republican tax cut. Nothing.

In my State of California alone, 1.7 million middle- and low-income families would not see a single cent from the expensive Republican tax plan; that is more than a third of the families in our State.

In recent months, we have heard the Republicans talk about helping children. I think it is time the Republicans put their promises to children in their budget.

The Republican budget does not fulfill their promise to leave no child behind, instead it leaves millions of children behind, behind in terms of reduced funding for childcare, reduced in terms of cuts to juvenile justice programs and behind in terms of educational dollars.

Mr. Speaker, last week the Democratic Caucus Task Force on Children, which I chair, released a report on how the President's budget blueprint shortchanges our children. The Republican budget mirrors the President's budget and is equally negative for our kids.

In fact, the Children's Task Force found that the Republican budget proposal spends so much of their tax cut that to make ends meet, the class size reduction initiative would have to be eliminated, funding for after-school programs would have to be frozen, child care for 50,000 low-income children would be cut, and $145 million could be cut from Head Start resulting in 25,000 fewer children and their families receiving Head Start services in the year 2002. This is not acceptable.

The Republican budget could reduce funds for maternal and child health programs, as well as those that I listed before, making it harder for low-income children to have a healthy start and a healthy future.

Mr. Speaker, where is the compassion in taking money away from children and putting it into the pockets of the wealthy? Our children deserve better, Mr. Speaker.

Let us face it, in today's world, kids are lucky if they have two parents living at home with them, and if they do, chances are that both parents work outside the home. They work hard. They commute long hours, and it is our children who are being left behind. Now is the time for us to be expanding programs for children, not cutting them.

This Congress should be considering paid leave for new parents, not tax breaks for billionaires. It is time we got our priorities straight and show our children that we care about them, that we care about their future.

Our children may not vote, they may not make contributions to political campaigns, but they must be part of every single decision we make here on Capitol Hill. The Democratic Budget Alternative that I voted for would have made a smart investment in our children's future by providing reasonable tax cuts so that they are aimed at the families who needed it the most. It would have protected Social Security and Medicare, improved school and, most importantly, paid down the national debt for the future of our children.

Mr. Speaker, the Democratic Alternative would have made good on promises to leave no child behind. And our plan would also have moved all children forward, forward toward a bright future. The bottom line is that the Republican budget's math does not add up.

Once they have subtracted $2 trillion in tax cuts for the wealthy, the remainder is much too small to divide sufficiently among programs that matter to our children.

Children may only be 25 percent of our population, Mr. Speaker, but they are 100 percent of our future.

The fact is, America's children are America's future. This Republican budget places both at risk.

COMMUNITY HEALTH CENTERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. RODRIGUEZ) is recognized for 5 minutes.

Mr. RODRIGUEZ. Mr. Speaker, I stand here today to show my support for the community health centers and the vital services provided to the medically underserved, rural areas and the minority communities throughout this country.

Mr. Speaker, I strongly support the $250 million budget increase for the year 2002 for the community health centers. The funding level will allow centers to expand and deliver health care services to those in need who need it most.

I would like to acknowledge the fact that President Bush pledged to provide $3.6 billion over 5 years to build an additional 1200 community health centers. The request of a $250 million increase will put us on the right track to meet the President's funding goals.

Mr. Speaker, I think that is something that is viable and something that we can continue to work on.

In 1999, these centers performed primary and preventive health care and dental services for more than 11 million children and adults. We have a total of 44 million uninsured Americans that lack access to health care services.

I want to talk to my colleagues briefly about that, because of the fact that these are working Americans. These are individuals that are up there, and families that are working hard in small businesses. I would attest to my colleagues if my colleagues have someone out there that is not working with a major corporation, that is not working for Federal Government or State or local government, most of those individuals do not have access to health care. They are in dreaded need.

□ 1800

They do not have enough resources to be able to purchase it. They are not poor enough to qualify for Medicaid, not old enough to qualify for Medicare. Yet they find themselves uninsured, yet working and trying to make things come together. The community service centers provide that access to them.

One in six or 4.6 million low-income children are served by the health centers. There are over 400,000 births that are delivered. Imagine how many kids we could reach out to by increasing the budget by $250 million. This is a small price to pay for our children to have healthy bodies and strong and clean teeth.

Community health centers are critical because they provide treatment, they provide preventive care, and they provide access.

In my district back in Texas, we have five health centers with 23 sites. Yesterday I had the opportunity to meet with some of them from the Atascosa Health Center in Pleasonton, Texas, and Centro del Barrio in the south side and east side of San Antonio, and the Barrio Clinic at the Ali Austin Center. These services are continued to be provided by these centers. I want to thank them for their services.

Nearly 70 percent of those served in community health centers are minorities. One out of every 10 rural Americans is served by these centers. I represent 13 other counties, a lot of rural area; and these centers pay a very vital role in that area. Hispanics make up also close to 68 percent of my district, and many of the benefits of these centers go to that population.

As many of my colleagues know, also, we are having a real serious problem in the area of tuberculosis. My district goes all the way to the Mexican border. Almost one-third of the cases in this country are along the border, from Texas to California, in the area of tuberculosis. We know that that is a disease that we are having some real serious problems with. These centers play a very significant role in providing that treatment in that area.

Not to mention the fact that when we look at the problems that we are encountering with other infectious diseases such as HIV, AIDS, and others, at a time when we feel we are making the gains, we still have 20 percent of the cases among Hispanics when we only represent 12.5 percent of the population. So there are still strides that need to be done.

Let me just say why we should support and reauthorize this $250 million. First of all, millions of Americans are uninsured and need that access to care. Secondly, health centers are an inexpensive way of providing access to quality affordable care to these communities. Thirdly, health centers help make the benefit of public insurance programs available to more eligible children and adults. Not to mention that the expansion will provide primary care infrastructure in this country that is needed and drastically needed for us to continue to move forward.

I want to thank the chairman and ask my colleagues to support this effort in assuring that the community health centers get an additional $250 million as we move forward and meet the President's goal.

COLLEGE STUDENT CREDIT CARD PROTECTION ACT

The SPEAKER pro tempore (Mr. CRENSHAW). Under a previous order of the House, the gentlewoman from New York (Ms. SLAUGHTER) is recognized for 5 minutes.

Ms. SLAUGHTER. Mr. Speaker, I appreciate this opportunity to speak on a growing problem, the credit card debt among our college students.

Along with the gentleman from Tennessee (Mr. DUNCAN), I have introduced a bipartisan College Student Credit Card Protection Act. This legislation requires credit card companies to determine whether a student applicant can afford to pay off a credit card balance before approving the application. It looks into the amount of money the student will be making and limits the credit to a percentage of that amount.

In the event that parents are obliged to pay off the credit card debt, no increase on the amount of credit card debt can be approved without the parents' consent.

Now, what does it take for a college student to get a credit card? Well, it turns out the credit card companies are just itching to give them away by the lure of free T-shirts and mugs with little scrutiny of the student's ability to pay their debts. As a result, a lot of college students end up taking a crash course in debt management.

Credit card issuers are raining down solicitations on college students and households. Mr. Speaker, in just 1 month, just 1 month, the six members of my staff were sent this many credit card solicitations that will fill this laundry basket. Let me repeat, this is just 1 month for six staff members of the House of Representatives.

Now, sadly, one of my constituents wrote to me that her stepson had to file for bankruptcy at the age of 21 because he was $30,000 in debt; and she spoke to the bank officer, and the bank officer told my constituent that her own college-age daughter was in the same situation, but her parents were trying to help her out of the mess to avoid hurting her credit rating and thus her future financial opportunities.

The gentleman from Tennessee (Mr. DUNCAN) told us about the 3-year-old in my district who got a platinum credit card for $5,000. We also even had a cat named Bud who also lives in Rochester where they really seem to be easy to get, and that cat got a preapproved card.

Now, what about the students whose parents cannot bail them out? Unfortunately, that is not uncommon. The number of bankruptcies among individuals under the age of 25 had nearly quadrupled in the past 5 years.

John Simpson, an Indiana University administrator, said, ''Credit cards are a terrible thing. We lose more students to credit card debt than to academic failure.''

''60 Minutes,'' too, recently reported that, in 1999, a record 100,000 persons under the age of 25 filed for bankruptcy. Nellie Mae, the Nation's largest student loan agency recently found that student credit card debt rose to a national average of more than $2,700, up from an average of under $1,900 in 1998, a nearly $1,000 increase.

In addition, nearly one in every 10 undergraduates has credit card debt greater than $7,000. This is an even bigger problem if one calculates the

amount of time it will take the young borrower to pay off this debt.

A student using a card with an 18 percent annual percentage rate who makes a minimum monthly payment of $75 will be paying off that credit card balance of $2,700 over 15 years, paying as much interest on the balance as he or she originally borrowed.

The Daily Texan, a newspaper of the University of Texas, recently reported that the university's legal services office sees students who are struggling with debt at the rate of one every 2 weeks.

The university counselor said ''the highest voluntary credit debt I have seen was $45,000. Most students who come in with major problems are the ones whose debts range from $8,000 to $15,000.'' That is the common range of debt for a college student in Texas.

In addition, the nonprofit Consumer Education Center in Austin, Texas, helps about a half dozen students every week to try to deal with credit problems. But let me be clear, the problem is certainly not specific to Texas. As I pointed out, in Indiana, more students leave college because of debt than because of academics. This is the story on every college campus.

Leslie Starkey, the niece of one of my staffers, was a young successful advertising executive in New York City, but she had been burdened by thousands of dollars of credit card debt since college. It was not very long after Leslie had pulled herself out of this crushing debt with the help of a credit card counselor that she was killed in a tragic fall. She was 28 years old and had lived only a short time with the joy of being debt free.

We owe it to Leslie and other young people who have committed suicide because they could not meet their credit card debt obligations to enact this legislation so that they will not be spending what is the best time of their lives under the burden of enormous credit card debt.

Mr. Speaker, I regret to say that the bankruptcy laws that recently passed this House will do nothing to help these young people.

REGARDING THE NEED FOR A DEFENSE SUPPLEMENTAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. SKELTON) is recognized for 5 minutes.

Mr. SKELTON. Mr. Speaker, yesterday I returned from the West Coast where I visited several naval installations and talked with numerous Navy and Marine personnel. As a result, I am all the more convinced of the need for a supplemental appropriation now. Family housing roofs are leaking, aircraft are being cannibalized, and training is being curtailed or canceled.

I am dismayed that the White House has apparently rejected the idea of a supplemental appropriation for 2001. Such a supplemental would pay for costs already incurred in operations around the world. It is not a matter subject to a strategic review of our future; it is paying for our past. Why it should be off limits to pay what we owe is a mystery to me.

Mr. Speaker, it is a disquieting truth that our military services rely on supplemental funding when making their budgets. They are allowed to budget for procurement, research, pay and training. All of these costs are largely predictable. But they are not allowed to budget in advance for most operations because the nature and tempo of the operations can never be foreseen.

In a way, the Navy includes some operations funding in its peacetime budget. Overseas rotations is part of its normal operating procedure, so deployments require little additional funding when they go into action. The Air Force is getting toward that concept as well, but even they need supplemental help to cover the cost of operations.

Even if a supplemental is proposed later in the year, it is sort of like the fire department showing up after one's house has burned down.

One reason I enjoy serving on the Committee on Armed Services, Mr. Speaker, is that I get to speak regularly with our troops and their commanders. One message that has been coming through with exact clarity, from field commanders and service chiefs alike, is the need for an immediate supplemental. They have been forced to borrow against training money to keep operations going, and that bill has come due. As a result, training is slowing to a crawl or stopping. Some ammunition supplies are exhausted. Our military is not being kept up to standard.

That is what I hear. It is not just one service; it is all of them. That, Mr. Speaker, is why we need an immediate supplemental.

By immediate supplemental, I do not mean the check in the hand by the close of business Friday, although that would not hurt. But I do mean an immediate and public commitment that there will be a supplemental, a commitment that help is on the way. If the chiefs know a supplemental is coming, even one late in the fiscal year, they can resume full activity confident that their coffers will be replenished. Absent that assurance, though, the only prudent and, in many cases, the only legal thing for them to do is to stop training.

This is a test of the new administration, Mr. Speaker, a test of their word and of their world view. If the military is to be sacrificed on the altar of a tax cut, if help is not truly on the way, then skip the supplemental. But if the Nation's commitment to our men and women in uniform is real, then they should step up and pay what is owed.

CONSOLIDATED HEALTH CENTERS BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. CLAY) is recognized for 5 minutes.

Mr. CLAY. Mr. Speaker, I rise to add my voice to those calling for a substantial increase in the fiscal year 2002 budget appropriation for the consolidated health centers program.

Community health centers provide critical primary and preventive health care services to over 11 million low-income and uninsured patients in more than 3,000 rural and urban communities throughout our country. In my own district, thousands of citizens benefit greatly from the quality health care they receive at our local community health care clinics.

The fact that this program has enjoyed strong bipartisan support throughout its 30 years' existence is itself a testament to the success they have achieved in providing needed health care services to our Nation's most vulnerable populations.

While I am encouraged by the President's call to double the level of service these health centers provide, I believe his proposed funding increase of $124 million will not adequately cover the critical demand for quality health care by the uninsured.

There are over 45 million people in our country without access to affordable health care insurance; and, sadly, that number continues to rise.

Nowhere is the problem of access to quality health care more critical than within the African American community where economic factors and limited health care options exacerbate an already disproportionate health care crisis.

Community health care centers are a vital component in addressing the health care gap that exists in minority communities across this country. But if they are to continue to meet the growing health care needs of those communities, it is imperative that we increase the consolidated health centers program funding by $250 million in fiscal year 2002.

□ 1815

Mr. Speaker, with an additional $250 million, we can expand community health care facilities in rural and urban communities and provide quality health care to an additional 70,000 uninsured individuals. I urge the Committee on Appropriations and all of my House colleagues to support a $250 million increase in funding for the consolidated health care program.

H.R. 1249, PROVIDING ASSISTANCE TO FARMERS COPING WITH CROP DISEASES AND VIRUSES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Hawaii (Mrs. MINK) is recognized for 5 minutes.

Mrs. MINK of Hawaii. Mr. Speaker, I recently introduced H.R. 1249, to ensure that farmers who suffer crop losses due to plant viruses and plant diseases are eligible for crop insurance and noninsured crop assistance programs and that agricultural producers who suffer such losses are eligible for emergency loans.

Pandemics of plant viruses and diseases regularly destroy the crops of entire farms and often the crops of entire geographic areas. A single plant virus or disease outbreak can send farms into bankruptcy; often, farmers are left without any means of recovering. Agriculture producers can qualify for emergency loans when adverse weather conditions and other natural phenomena damage cause farm property damage or production losses, but, under current law, crop viruses and diseases are not considered ''natural disasters'' and thus are not eligible for these types of loans.

For example, in Hawaii in 1999, the State ordered the eradication of all banana plants on the entire island of Kauai and in a 10 square-mile area of the island of Hawaii in an effort to eradicate the banana ''bunchy top'' virus. A court order required compliance, and farmers were ordered to destroy their entire farms and livelihood without any compensation. These farmers did not qualify for emergency loans or disaster assistance, and many were left with no other option but to sell their farms.

Today, Hawaii's papaya industry is faced with another outbreak of the ringspot virus. The only way to get rid of this virus is to destroy diseased plants, but farmers are reluctant to do so because of the financial loss involved. As a result, the disease spreads, with disastrous consequences to neighboring farmers and the rural economy.

The survival of our nation's farmers is largely dependent upon the unpredictable whims of mother nature. We provide our farmers with assistance when adversely affected by severe weather, but that is not enough. Emergency loans and disaster assistance must be made available to farmers for crops suffering from calamitous plant viruses and diseases.

H.R. 1249 would enable farmers to qualify for crop insurance programs, noninsured assistance programs, and low-interest emergency loans when devastated by crop losses due to plant viruses and diseases.

I invite my colleagues to cosponsor this worthy legislation, and I urge immediate consideration of H.R. 1249 in the House.

BUDGET PASSED TODAY SUPPORTS OUR SOLDIERS AROUND THE WORLD

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Iowa (Mr. GANSKE) is recognized for 60 minutes as the designee of the majority leader.

Mr. GANSKE. Mr. Speaker, unfortunately it sometimes takes a tragedy such as the loss of our pilots in Europe this week, or the recent deaths of the National Guard members killed in Georgia to remind us of the risks associated with military service in our country. In time of war, we realize the individual sacrifices made for the common good. But we should also recognize the efforts made every day by our soldiers around the world.

I believe the budget for our military forces which was passed by the House today is focused on our soldiers. The legislation would increase military pay by 4.6 percent and increases pay and other compensation by $1.4 billion in fiscal year 2002.

It provides $3.9 billion for the first year of an expanded health care package for over-65 military retirees. It also allows for an additional $400 million to improve the quality of housing for military personnel and their families by providing new construction, renovation of existing housing, and measures to reduce out-of-pocket housing expenses.

The budget also provides funds for research and development to help guarantee that U.S. forces will go into the field with the tools they need to ensure victory and minimize casualties. At the completion of the current review, which is occurring on the scope and role of the U.S. Armed Forces, we will have a better idea what our needs are for the next decade, and I look forward to the results of that review.

Mr. Speaker, I am from Iowa, and Iowans have a proud tradition of service in the Armed Forces. Back in the Civil War, Iowa had a population of 670,000, but we sent 78,000 soldiers to fight. Nearly 13,000 never returned home; 28 were honored with the Medal of Honor for their service. The Medal of Honor for gallant service in our country's wars since then has been awarded to another 50 Iowans and to 36 men and women who have grown up in Iowa. Exemplary of Iowa sacrifice in the armed services were the five Sullivan brothers from Waterloo, Iowa, who served on the USS Juneau. George, Francis, Joseph, Madison and Albert Sullivan had a motto. They said, ''We stick together.'' And they all died together in the Battle of Guadalcanal.

Mr. Speaker, since the Civil War, more than 1.1 million American men and women have given their lives for our Nation. I think most Americans recognize the debt that we owe those men and women throughout history. I also believe it is important to think about the daily sacrifices made in smaller measure by our soldiers. Every day they risk their lives. Every day many of them miss loved ones who are thousands of miles away. In today's volunteer service, every man and woman does it by choice. We should be proud of the service that they give to America every day.

Mr. Speaker, we should think of our soldiers when we make decisions regarding our military and its force structure. They should be paid a fair wage. Benefits should be commensurate. They should be well equipped, well supplied, well trained and they should be deployed wisely.

Their services must be used wisely and not overused. Our military is currently stretched pretty thin. This causes problems with the quality and supply of our equipment and with our personnel retention. Today our military is deployed in 138 countries around the world. Since 1990, we have dramatically reduced our military spending while we have asked our forces to do much more. This leads to an unhappy equation. Inadequate funding for training and material plus increased deployments equals problems with morale, equipment readiness, retention and recruitment.

Mr. Speaker, the mission of the Reserves has changed over the years. During the Cold War, reservists and guardsmen were considered on call to respond to World War III or some catastrophic event. During the 1980s, they contributed less than 1 million manhours per year. Today reservists are called upon to perform day-to-day operations and to support various ongoing missions. For example, the Air National Guard and the Air Force Reserve combine to provide the U.S. Transportation Command with 52 percent of its total available aircraft, including 55 percent of the tankers and 64 percent of the tactical airlift. Air Force Reserve flight crews average 110 days of active duty a year.

Beginning last April 2000 and continuing for six rotations, the Army National Guard will be sent to Bosnia to provide combat troops and support division headquarters operations.

Why is there such an increased reliance upon our Reserves and the Guard? Well, because our Active Forces have been reduced by 35 percent since 1990, but overseas deployments have increased by 300 percent. A total of 265,000 reservists and National Guardsmen participated in Operation Desert Storm. And in other operations, since 1995, 19,000 reservists were called to duty in Bosnia, 5,600 were called to Kosovo, and 8,000 were called to Haiti.

Mr. Speaker, in calendar year 1999, the Reserves and National Guard were called to fulfill nearly 750,000 manhours in foreign campaigns. If we break it down, we see reservists and guardsmen spent in Bosnia, 334,000 hours; in Kosovo, 313,000 hours; and Iraq, 145,000 hours.

The Reserves and Guard are accounting for more of our national defense needs than ever before. This comes with some positive and some negative consequences. On the positive side, it is a testament to their abilities. It means that the Reserve and the Guard are more respected and appreciated than ever before. An increased dependence

also results in some increased funding within the defense appropriations, and it forces the Reserves to improve their abilities to respond to crises quickly and efficiently; and those are all good effects.

However, increased reliance also means a lot of pressure is placed on Guard and Reserve personnel. An Air Force Reserve air crew member who works at his regular job 221 days a year and serves 110 days of active duty has only 34 days off to spend with his family, and that leads to many individuals leaving the Reserves. It also places a lot of pressure on employers who are a key element of Guard and Reserve service. Most employers patriotically accept an employee who serves 1 weekend a month and 2 weeks in the summer. They support a Desert Shield/Desert Storm type of deployment because this happens only once in a generation. But how many 6-month or 9-month peacetime rotations to Bosnia will employers put up with?

For example, starting in 1995, Iowa reservists have been called on to serve in Bosnia. In September of last year, soldiers from the Iowa National Guard Company A, 1st Battalion, 133rd Infantry were ordered to active duty. They were deployed in Southwest Asia to support U.S. forces that are enforcing the Iraqi no-fly zones. About 100 Iowans were called to service, coming from Waterloo, Charles City, Dubuque, Oelwein, Hampton and Iowa Falls, to assist with security duties at Patriot missile sites. Currently Company C, 1st Battalion, 168th Infantry, with about 100 members from Denison and western Iowa, is deployed in to Saudi Arabia and Kuwait for similar duty.

Mr. Speaker, the Iowa Air National Guard has been involved in deployments as well. The 132nd Fighter Wing was deployed to Incirlik Air Base in Turkey to support Operation Northern Watch no-fly zone operations over northern Iraq during fiscal year 1999 and fiscal year 2000. They are scheduled to return to the Persian Gulf region this summer to support Operation Southern Watch.

Each of these deployments involves approximately 200 pilots and crew members and 6 Iowa-based F–16C ''Fighting Falcon'' fighter aircraft. The deployments are approximately 6 weeks in duration. There is also a detachment of National Guard based in Davenport of Company F, 106th Aviation unit which has personnel in Paraguay. Over the last 2 years, Iowa National Guard units have deployed for active service and for training purposes in over 15 nations.

Mr. Speaker, often such deployments involve 9-month rotations for the troops. Nine months is a long time to be away from your families. If any of my colleagues have children, you know that nine months makes a huge difference in a person's life. It is a long time to be away from your regular job. How does absence effect promotions on the job? How does a 9-month absence affect your family? The impact it has on the recruitment and retention to the Reserves in the Iowa National Guard is significant.

Mr. Speaker, these concerns bring to mind a larger issue. If the Nation continues to accumulate missions around the world as it has over the last 10 years, we are going to have to reevaluate the size of our Active-Duty Force. The last administration's strategy of making the U.S. the guarantor of democracy around the world has involved the U.S. in a wide variety of peacekeeping missions that are of at least questionable national security, and that has had an adverse effect of our ability to fight two major theater wars simultaneously or to respond to a real national security threat. A Congressional Budget Office report in December 1999 found that, ''Peace missions could be taking a toll on the military's ability to pay for routine operations, maintain the combat skills for conventional wars and keep its equipment and personnel ready and available for such wars.''

In May 1999, the GAO, which is the investigative arm of Congress, found that nonwar operations have adversely affected the military capability of units deployed in Bosnia and Southwest Asia.

In addition, those units that stay in the U.S. have to pick up the work of the deployed units. These deployments are having a serious impact on our Nation's ability to defend itself. During Operation Allied Force in Kosovo, we came dangerously close to running out of certain types of cruise missiles. If North Korea had decided to attack South Korea during that period, we might not have been able to respond as effectively.

And these overseas deployments are not cakewalks. Armed conflicts continue to erupt in the Balkans. Just this week there was open warfare in Macedonia: Ethnic tensions remain high in the region, and American soldiers are stuck in the middle.

In Iraq, the situation for our Air Reserve and Air Guardsmen are equally dangerous.

□ 1830

The American public is not always aware of how often our pilots, active, Reserve, or Guard, are targeted by Iraqi air defense systems and forced to take evasive actions.

Iraq is not a secure environment. The Balkans are not a secure environment. The longer we have soldiers deployed to these theaters, the greater the risk.

So what can we do? Well, first of all, I have to commend our Reservists for their commitment and their devotion.

Second, our allies should bear more of the responsibility. Last April, I voted for an amendment that would withhold 50 percent of the funding for Kosovo operations until the President certified that our allies were complying with at least 75 percent of their commitment to the operation. Unfortunately, the amendment was defeated, but we must do things like this to make sure that our allies are picking up their share of the burden.

Third, we have to realistically understand that we cannot be everywhere at the same time. We have to regain control over the deployment of our military personnel.

Fourth, we must ensure that our spending bills provide for our main priorities. We must ask ourselves, does funding provide for our military personnel? Are they adequately paid? Do they receive medical care? Are they provided appropriate living accommodations? Does funding provide for our current equipment and weapons needs?

We just had a talk on that from the gentleman from Missouri (Mr. SKELTON).

Does funding provide for needed new weapons? The Quadrennial Defense Review is currently underway and the President has also ordered a top-to-bottom department review directed by Andrew Marshall, head of the Pentagon's Office of Net Assessment. The review of our military must also focus on how America views its role in the world. We must make sure that we build an armed force that fits with the role our Nation chooses to play in the world arena.

We must be prepared to fight the next war. Our forces have to be mobile. They have to be flexible, and they have to be well trained. They have to be able to respond to a world where the most serious threats may not always be armored divisions or fighter wings, which brings us to one threat that we must be willing and able to face.

Terrorism is a horrible fact of life today. We need to be prepared to strike swiftly and strongly in response to acts of terror. We also need to take actions to prevent terrorist attacks that view innocent civilians as acceptable targets.

Since the demise of the Soviet Union and the Warsaw Pact, the United States has been dealing in unfamiliar territory. With the fall of communism and the victory of democracy, America stands alone as the sole superpower of the world and that makes us a tempting target for terrorists and also causes the world to look to us to take a lead in dealing with terrorism.

Our military and indeed our society must be willing to make tough choices when we face threats from state-sponsored terrorism and also from groups not associated with individual countries but with broader causes or ideologies such as radical fundamentalism.

We need a clear, consistent policy, one that backs up diplomacy, international intelligence, international cooperation and clearly stated policies on reprisals, with the military readiness and forces to make them a sure and deadly deterrent.

One thing should be absolutely clear. If we make the decision to commit our troops overseas to an armed conflict, we must give them the means and support to win.

Flying over our soldiers is the American flag. Hundreds of thousands of Americans have died in battle under the Stars and Stripes. The flag is a symbol of freedom and democracy. It should be protected from desecration. I favor a constitutional amendment that would protect it from being defiled and degraded. Surely it is not too much to ask that the symbol under which so many men and women have proudly given their lives be afforded basic respect.

I was never in combat. I am a retired lieutenant colonel in the United States Army Reserve Medical Corps, but I was proud to wear the uniform and the flag is something special to me. That is why I think we should pass an amendment to protect the flag.

Let me close by saying something about our veterans. Congress today recognized their sacrifices. Today the House passed a budget which includes a 12 percent increase for the Department of Veterans Affairs. The budget calls for a $5.6 billion increase over last year's budget for the VA, including an additional $1 billion above that which was proposed by the administration. The funding increase is needed due to underfunding by the past administration.

I believe the increase will allow the Veterans Administration to begin to address a backlog in cases and to provide funding to cover unmet services for our Nation's veterans.

I also recently cosponsored legislation to improve outreach programs carried out by the Department of Veterans Affairs by more fully informing veterans of benefits available to them. The legislation would direct the Secretary of Veterans Affairs to prepare an annual plan for the conduct of outreach activities to provide veterans and dependents information concerning eligibility for Department benefits, health care services, and application requirements when they first apply for any such benefit.

It is very important that we make our veterans aware of the assistance that is available to them.

The bill is appropriately called the Veterans Right To Know Act, and I call upon my colleagues to support it.

Just this week the House passed the Veterans Opportunities Act of 2001. The legislation also seeks to inform service members of the benefits that are available. The bill requires that before an individual leaves the service, they are counseled and educated regarding the programs available to assist veterans. This program will help make servicemen and women more aware of the opportunities which are available to them in civilian life.

The legislation also expands the Veterans Administration's current work-study program and increases the maximum allowable annual ROTC award for benefits under the Montgomery GI bill. For the first time, veterans will be given financial support in pursuing education in the private sector. In today's world, the best technological training is not always in the traditional college setting.

I have also joined more than 70 of my colleagues in cosponsoring the Retired Pay Restoration Act of 2001. This is legislation that would allow retired individuals who suffer from a service-connected disability to receive their disability compensation without having it deducted from their military retirement pay. The legislation is supported by the American Legion, the Disabled American Veterans, the Veterans of Foreign Wars, the Retired Officers Association, the Retired Enlisted Association, the Uniformed Service Disabled Retirees and the Military Order of Purple Heart; also the Noncommissioned Officers Association, the Jewish War Veterans, the National Association of Uniformed Services, AMVETS, and the Military Family Association.

For heaven's sakes, let us pass this, too. It is essential to the vitality of American democracy, the most successful experiment in self-government in the world's history, that we remain vigilant of our freedoms and that we have the proper respect for our fellow citizens in the armed services. So I take this opportunity to offer my thanks to the men and women in uniform.

ARTWORK COMMEMORATING WOMEN IN THE CAPITOL COMPLEX

The SPEAKER pro tempore (Mr. CRENSHAW). Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, during this women's history month, it is with great pleasure that I rise to announce that I have today introduced a resolution expressing the sense of this House of Representatives that artwork displayed in our Capitol, the upcoming Capitol Visitors' Center and the office buildings of the House of Representatives should better represent the contributions of women to American society. I am pleased to be joined by 16 of our colleagues as original cosponsors and encourage all of our other colleagues to join in this effort.

Mr. Speaker, the majority of our Nation's residents are female. The mothers and grandmothers of America have carried life forward in our Republic now for over 2 centuries. Females, in fact, outnumber males, according to the 2000 census estimates, by 6 million: 140 million women, 134 million men.

The statue of a woman called Freedom crowns the dome of our Capitol building. Sixty-four Members of the House and 13 Members of the Senate are now women. We pledge allegiance to a flag that was designed by a woman. Sojourner Truth was committed to freedom and the abolition of slavery in the mid-1800s. Rosie the Riveter symbolized the contributions of women to our victory and the victory of freedom in World War II. Rosa Parks has been a major inspiration of every American concerned about civil rights. Our own colleague, now retired Geraldine Ferraro, became the first woman to be the candidate of a major political party for the office of vice president.

One would think that given the contributions that women have made to the world and to our Nation, as mothers, scientists, educators, astronauts, political leaders, mentors of our youth, having artwork in our Capitol that commemorates their contributions would be automatic. But sadly, in this year of 2001, this simply is not the case. In fact, less than 5 percent of the artwork displayed in all of these buildings displays or honors the contributions that women have made to America. It really is a shocking figure.

In 1995, I sponsored a resolution to establish a Commission on Women's Art in the Capitol. Then in 1997, I sought to include a directive in the report on the fiscal 1998 legislative branch appropriation bill to direct the Architect of the Capitol to prepare a plan for the procurement and display of art that is more fully representative of the contributions of American women to our society. I was told by then chairman of the Committee on House Oversight, the gentleman from California (Mr. THOMAS), that he believed this language was not necessary and would usurp the authority of the Joint Committee on the Library and the Fine Arts Board, and nothing happened.

In 1998, I was successful in getting a similar statement of support included in the fiscal 1999 legislative branch appropriations bill; and then in 1999, I similarly introduced House Resolution 202, a resolution virtually identical to the one that I am now introducing in this new 107th Congress.

Mr. Speaker, our parents have taught us that those things worth having are worth fighting for. Today we renew that fight. We renew this fight with the recognition that we are planning on constructing a new Capitol Visitors' Center that has the opportunity to appropriately represent the contributions of women, as well as men, from the very beginning of that annex's construction.

So often in the past we have been told that it is difficult to find space in the Capitol or in the House buildings for additional artwork commemorating women. So adding pieces to commemorate the contributions of women has been limited. That argument will not be valid with respect to the new Capitol Visitors' Center, where we will have an opportunity to get it right from the beginning.

As our constituents, especially our young constituents, come into this Capitol they should be impressed with a sense of inclusion. America is made up of both men and women, mighty in strength and mighty in spirit, of Native Americans, of pilgrim Americans, of immigrant Americans and of recent Americans. Each and every one of these groups deserves to be recognized and celebrated for the contributions they have made to building this magnificent Republic.

Mr. Speaker, it is my sincere hope that at long last we can consider this resolution this year so we can begin to provide the level of recognition that the contributions of women to American society deserve, and I would implore my male colleagues, this is not a heavy lift. This is actually a fairly straightforward initiative that can be accomplished in regular order. Please give the women of America the recognition that they rightly deserve in these important buildings.

COMPARISON OF THE REPUBLICAN AND DEMOCRATIC BUDGETS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Texas (Mr. BENTSEN) is recognized for 60 minutes as the designee of the minority leader.

Mr. BENTSEN. Mr. Speaker, the House today adopted a budget which is pretty much in line with the budget that President Bush sent up to Congress just a few short weeks ago.

□ 1845

This budget, while it is a budget for one year, it would set America on a fiscal policy course impacting us for 10 years and really, quite frankly, impacting us for many years beyond that as it relates to very important and successful Federal programs, the Medicare program and the Social Security program.

Now, there is a clear divergence on which path to take between the Democrats and the Republicans. While there is commonality between the two parties in terms of many of the spending priorities on the discretionary side and, I would argue, commonality between the two parties in saying that there should be a tax cut, the diversion occurs really in two areas. It occurs as it relates to how much or what we will do with respect to Medicare and Social Security; and it occurs in what we will do with respect to paying down our obligations, that is, the publicly held debt.

The Republican-passed budget is predicated in large part, if not in total, on funding a very large tax cut on the basis of 10-year economic assumptions, which I will talk about shortly. But the tax cut that the Republican budget assumes starts out at about $1.6 trillion, the figure that the President used during the 2000 Presidential campaign. We know now that that tax cut is more around $2 trillion to $2.5 trillion before we include the additional interest on the debt associated with it. Because we know the income rate tax portion which the House has already adopted exceeds what the President assumed by about $150 billion over 10 years, and we also know that the estate tax provision, the estate tax phaseout that the President proposed, is now estimated by the Joint Committee on Taxation, the nonpartisan arbiter and scorer of tax bills for the Congress, that bill is now estimated to cost about $660 billion over 10 years as opposed to the $250 billion that the President proposed. So already, we are seeing that the upper limit of the tax cut is increasing.

But what is important between the two parties is that the Republican budget not only does nothing to extend the solvency of Social Security and Medicare; in fact, we would argue that the budget proposal will hasten the insolvency of Social Security and Medicare. Let me start first with the President's and the Republicans' plan for Social Security.

The projected surplus for Social Security is about $2.5 trillion over the next 10 years. Now, the Republicans and the Democrats agree that we ought to dedicate that to pay down the national debt, but the difference occurs in that the Republicans do not believe that we can pay down as much debt as the Democrats do. In fact, nobody really knows how much debt is payable. We would argue we ought to keep paying it down until we cannot buy any more bonds in the open market at a fair price. But nonetheless, the President's budget and the Republicans' budget assumes this would take about $600 billion of the projected Social Security surplus and would use that for some form of privatization of the Social Security system.

Now, the problem is that any scheme which we have to privatize or reform Social Security is going to cost money on top of what is already projected to be spent on the program, because we have to make up for any changes that might affect current and what are called ''near future'' retirees, or near future beneficiaries. Those would be people who are about 50 to 55 years old who might be affected by the privatization plan. All of the proponents of privatization, as well as the opponents, have come to the conclusion that the cost of a privatization plan much like what the President proposed during the campaign of diverting 2 percent of the FICA payroll tax to private accounts would cost about $1 trillion on top of what is already obligated to the system.

Now, the President proposes in his budget that he is going to take $600 billion of the projected proceeds under the current FICA tax scheme and use it against that $1 trillion cost. The problem is, we can only spend that money once, we cannot spend it twice. So if we take the $600 billion and we use it for something else, we end up taking money out of the Social Security revenue stream, which would cause the Social Security system as we know it today to incur a shortfall as much as 10 years earlier than what was projected just last week. That is, by taking the $600 billion out of the Social Security trust fund and using it for privatization, we shorten the life span of Social Security as we know it today.

The only way that we can make up that $600 billion is through benefit cuts in the Social Security system, which I have not heard anybody saying they want to do that; through raising payroll taxes, which I have not heard anybody say that they want to do that; or incurring even additional debt on top of the debt that is already outstanding.

So this is the first problem that we have with the Republican budget.

The second problem that we have with the Republican budget is that they take about $400 billion of the projected Medicare hospital insurance trust fund, the part A portion of Medicare, the end-patient portion of Medicare for when one goes into the hospital, and they take $153 billion of that and use it for their prescription drug program. They take the remaining $240 billion of it and hold that for some form of Medicare modernization.

Now, we do not know exactly what that means, but we are told that that is some form of a privatization insolvency. Again, the same problem that would occur with the Social Security trust funds occurs with the Medicare trust funds. Because even if we take Medicare trust fund dollars and spend them on a new benefit within the Medicare system like the proposed prescription drug plan of the President, which is unworkable in any event, but if we spend it on that, we are not spending it on the benefits for which it is already obligated. As a result, we have to make up that $150 billion; and we have again hastened the insolvency of the Medicare trust fund, and we have a chart to show that.

Again, like the Social Security, where just last week the actuaries for the Medicare trust fund said that Medicare hospital insurance, part A of Medicare, would be solvent until about 2028, this proposal, the Republican proposal of carving out at least $150 billion

would have the effect of shortening the life span of the Medicare trust fund by as much as about 6 to 8 years. So the only way we can make that up again is by cutting benefits, raising payroll taxes, or incurring more debt.

Now, the problem with that is that if we incur more debt, we are going in the opposite direction than we want to be going in at a time when we are achieving some surpluses in the economy. It is a misuse of the trust funds on the part of the President's and the Republicans' budget resolution.

Now, on top of that, we believe that the Republican budget resolution cuts it a little too close in trying to build around this huge tax cut, in addition to including the President's own new spending request. The President in his budget resolution requests $260 billion of new Federal spending on top of that that is already there, not including other programs that he says will come later. Defense buildup, national missile defense, which is estimated to cost from as much as $100 billion, additional educational funding that the President wants. So the President's own budget increases Federal spending and, at the same time, puts at risk the trust funds. It is all predicated on these very rosy scenario projections of what the surplus is going to be.

If we look at what CBO tells us about the surplus, we know right now the projected 10-year surplus is to be about $5.6 trillion over 10 years, with two-thirds of it occurring in the latter 5 years. But what CBO, the Congressional Budget Office, the nonpartisan budget arbiter of the Congress, tells us is that the margin of error increases dramatically the further out we go in that 10-year period. In fact, we could increase to the good, but we could also increase very much to the bad. They tell us that the margin of error on the first year is about 1 percent of GDP. The margin of error over 5 years is about 2 percent of GDP; and with respect to the margin of error over 10 years, the CBO tells us quite frankly, they do not have any confidence in giving us an estimate of what the margin of error would be.

What that means is that we have a budget which may not pay down very much debt and may, in fact, drive us back into deficits, and most certainly could end up and would end up spending Social Security and Medicare trust fund dollars today that are obligated for tomorrow.

Again, there are really only a few ways to make it up: cut benefits, raise payroll taxes, or incur more debt. What is the problem with incurring more debt? Because we know in the out-years, long beyond this 10-year window that we are looking at, when the baby boomers retire in earnest, and keep in mind that the baby boomers start retiring in just 8 short years, but in about 20 years when they are retiring in earnest, we know that the debt-to-GDP ratio will go much higher than we have seen since the Second World War. So if we do not prepare ourselves today, we will find ourselves in a much more difficult situation.

The Democrats believe that we can do better. We believe that we ought to dedicate more to debt reduction; and at the same time, we also believe, rather than cutting the solvency of Medicare and Social Security, we believe we ought to extend the solvency of Social Security and Medicare. That is what we propose in our budget resolution.

On top of that, Democrats believe that rather than taking money that is already obligated for Medicare beneficiaries and the hospital insurance trust fund that people have paid with their FICA tax every month or every week on their paycheck and taking that money and spending it on something else that if the American people really want a prescription drug program under the Medicare program, and we believe they do; in fact, both major Presidential candidates in the last election believed it, so much that they offered it, that we ought to be willing to put one up that is not only a real plan that benefits all senior citizens who want to participate in it, but also is a plan that does not shorten the life span of the Medicare trust fund.

At this point, Mr. Speaker, I would like to yield to the gentleman from Washington (Mr. McDERMOTT), my colleague on the Committee on the Budget and a member also of the Committee on Ways and Means, who has worked on this issue for many years to talk about our prescription drug plan.

□ 1900

Mr. McDERMOTT. Mr. Speaker, I think this issue of Medicare is one that I think people have a lot of interest in, and earlier today we have talked about some of the kind of shell game aspects of this whole business.

I brought this out here. The gentleman knows this, of course, is the blueprint for New Beginnings. That is what President Bush stood up here and outlined for us a few weeks ago.

On page 14, he says that we have a $645 billion shortfall over the next 10 years in Medicare. That means we are $645 billion short of paying for what we actually promised people.

I put this chart up here because he says right on page 14 of his budget that we are $645 billion short. But if we read further, and we always have to read the whole thing, if we go back to page 51, and by that time most people are asleep, but if we read it, he says, I am going to put in $156 billion.

Mr. Speaker, we do not have to be a rocket scientist or a CPA or a great investment banker or anything to see that that is not enough money to fill that hole. I do not know how they could put something together like this and have it be so obvious.

Now, that is for the program of Medicare that already exists. Now, they play another game here which is a sort of interesting one. They talk about the fact that they are going to have this surplus in the Medicare plan of $526 million. It is interesting, that is what the House says they have, but the President says they only have $392 million. So we have CBO and OMB giving different figures about all this business.

But the President says, we have this $526 billion. He is going to put it in a contingency fund. He is going to save it, use it in the future only for Medicare. Then he comes out here and proposes a $153 billion Medicare prescription drug benefit out of that $500 million.

Now, we saw that we have a $600 billion problem, which the $500 million would seem to fill, almost. But no, no, they are going to use some of that money for the drug benefit.

Last year the gentleman and I sat through on the Committee on Ways and Means when we passed a bill, or I am on the Committee on Ways and Means, and the gentleman is on the Committee on the Budget with me, but we sat in our committees and watched them propose out here a prescription drug benefit for $153 billion, for $153 billion. He says he is going to put $156 billion into it now, but the CBO has already said that that is really $200 billion that it would take to do that. They reestimated the figures. So what they are promising people is not even going to be there.

It is the most complicated shell game. I got going today in thinking about how this works. When I was a kid, we went down to central Illinois or southern Illinois, and there was a county fair. There was a guy there who had this game. We had to guess where the pea was, a little tiny pea.

He had these four walnut shells. He put the pea down, put a walnut shell over it, he had these three there, and he started moving the shells around. Our job, we would bet $1, was that we would be able to figure out where it is.

Members have all seen me put it here, so they know where it is. They have not forgotten. If I move it around over here, bring this around over here, Members would still be able to find it, right? That is what this game is. They are double-counting. They are moving the money around between a contingency fund and fixing Medicare and buying a prescription drug benefit. They are going to use the same money for three different things.

If I was sitting at home, and my mother watches this stuff, she is 91, she is sitting there wondering if she is going to get a prescription benefit or not. The answer I would have to give her is, I do not know which pea it is going to be under, which shell it is going to be under, because they are

using it to buy benefits, they are using it for shoring up the whole issue, and they are still saying, we are going to give a wonderful drug benefit.

The Democrats in our budget today offered $330 billion in drug benefits, twice as much as the Republicans. It is what CBO says we would have to put into the program to actually make it work.

What the President is proposing with that $153 billion is to give little bits of money to every State; he calls it Helping Hands. What that means is he gives the Governor of Texas or the Governor of Oregon, as my colleagues are here, or the Governor of the State of Washington, gives them some money and says, ''Put together a program to help the poor old people in your State.''

So if one's mother is poor and has drug needs, pharmaceutical needs, she has to go down to the State and say, ''I am poor, and I need some money to help me pay for my prescriptions.'' What kind of dignity is there in that?

The Democrats are spending $330 billion because we want it to be for all seniors. We do not want to make old people say, ''I am poor, and I need help.'' Most of these people, they have raised us, they have put us through college, they have taken care of us, and now when they get old, we say, we will help you if you are poor enough. That is what the Helping Hands program of President Bush is. It is not a program that goes for everybody in Medicare.

The gentleman's point made earlier was absolutely correct. If we do not keep this half a trillion dollars for use between now and 2011, we are going to have a bigger hole.

It is easy to explain why that is true. If there is a diet, let us say I am going to lose 10 pounds between now and the first of the year. I am going to lose 1 pound between now and the first of September, and then by the first of November I am going to lose a second pound, and then I am going to lose 8 pounds in the last 2 months of the year, through the Christmas and Thanksgiving season. If I said that, everybody would laugh. They would say, ''That is a stupid diet. You have to lose 1 pound a month and get into a rhythm of doing it.''

If we do not start saving money now, when those baby boomers, those people who are right now about 55 years old, when they come to 2010 and they get on the Medicare program, the numbers in Medicare are going to go from 40 million to 80 million, double. That is what is happening to us. We know it. They are all out there living, paying taxes and so forth. They all believe that Medicare is going to be there for them.

If we do not save this money now, we are not going to have it when they get there and come to need their hospital benefits. I think that the hardest thing for those of us who are in the Congress, and the gentleman has been here almost as long as I have, people do not want to think about something 10 years out. It is kind of too far out beyond. I am only elected for 2 years. I could be gone in a year. My term ends next year. I have to get elected four more times to get down to 2010.

People tend to think, let us give them a big tax break. That is why the President has given $1.6 million. He is looking at the 2004 election. That is the only thing on his mind, is how do I give this money back to the people, and they will think I am a wonderful guy, and they will reelect me in 4 years. That is what it is all about.

As an additional benefit, though, for the Republicans who do not want to do social services, there will not be any money left. This particular thing, which says that we start with a $5.6 trillion excess and take out the $2.5 trillion for Social Security the gentleman was talking about earlier, and then we take out the half a trillion for Social Security, then we only have $2.5 trillion left. Then we take the $1.6 trillion that the President is promising as a tax break for everybody, take it and run, have a good time.

What he does not tell us is that if we do not use that money to pay off debt, we wind up paying another $400 million in interest, because the government has to borrow that money. So if we do not take the $1.6 and pay down the debt, we wind up having to borrow more money.

The second thing that happens with this new proposal of the President that he never tells anybody about is that because of the tax law, there are going to be about 28 million people who start to have to figure their income tax twice.

We have something called the AMT. That is the adjusted minimum tax. That is put into the law because we do not want rich people to some way figure out how to not pay anything, so we have said that everybody ought to pay at least a minimum tax.

All this machination is going to wind up with 25 million people, instead of 2 million today, 2 million have to figure it twice. Suddenly it is going to 25 million. If we fix that in the Congress, which I think we will, it is going to be $300 million.

Now, that leaves us $200 billion for everything else that could happen to the country in 2010, if we believe this estimate, as the gentleman showed in this chart. Who knows what is going to be in 10 years? But if we believe that there is going to be $5.6 trillion, we have $200 billion to deal with all the problem.

The President has promised this prescription drug benefit. He has promised defense. There is not anybody in this building who believes that defense is not going to get a boost up.

How about if we are going to do something about education? Everybody says we cannot leave any child behind, and we have to do educational things, so that is going to come out of that $200 billion. Conservation; shall we save land, save parks and so forth? Or dealing with crime, that all has to come out of that $200 billion over the next 10 years. That is $20 billion a year.

If we want to give tax cuts to people for long-term care, that is, buying nursing home insurance, and if someone buys their own health insurance, that is another $40 billion. And then we have the faith-based initiatives. We are going to give money to churches to do various things. That all comes out of the $200 billion.

That does not talk about crop failures. My good friend, the gentlewoman from North Carolina (Mrs. CLAYTON), is going to be here to talk about agriculture. It does not say anything about crop failures or earthquakes, like we just went through in Seattle. It does not say anything about any natural disasters or wars, or any kind of military action we get into, like Bosnia or anything else. Every bit of that has to come out of this $207 billion.

That is just reckless. This is a reckless plan because of that $1.6 trillion. It is particularly reckless for a program like Medicare.

I appreciate that the gentleman would take the time to come out here and run this special order here tonight, because I think people need to sit and think about the three shells: How much can they move this money around? Can they confuse the people? It really is based on making the people believe something is over here when, in fact, we are also using it in two other places.

People get confused. Even listening to me, I am sure people do not really understand all the technicalities. I am telling the Members that I have been doing this for 30 years. This is the biggest shell game I have ever witnessed. The people are the ones who are going to suffer.

Mr. BENTSEN. I appreciate the gentleman taking the time. I might quickly ask a question. I think there are a couple of points here.

One is, I think, as the gentleman points out, in the Democratic prescription drug plan not only do we fund a universal prescription drug plan for every senior who wants to participate in it, but in addition to that, we do not fund it out of the Medicare Trust Fund.

The other point that I think is important is we heard a lot during the debate on the budget last night and today that Democrats were just trying to scare senior citizens about this. I think I would ask the gentleman, before I yield to my colleague, the gentlewoman from Oregon, are we not trying to explain what our proposal is versus the consequences of their proposal?

Sometimes people do not like to hear consequences, but, in fact, again, the

truth is the truth. If we take money out of the trust funds and spend it on something else, we are going to have to make it up. That may seem scary to some, but is that not the truth?

Mr. McDERMOTT. Mr. Speaker, I thank the gentleman for asking. I sat on the Medicare Commission for a year listening to this whole debate. People want to talk about it, and they use the word ''modernization,'' and use all these fancy words, but what they are talking about is trying to move senior citizens from a program where they have guaranteed benefits, hospitalization, seeing the doctor, laboratory work, X-rays, and adding the pharmaceutical benefit, that is a guaranteed benefit package; what the Republicans are trying to do when they say ''modernization,'' what they mean is we are moving to a guaranteed contribution. That is, they give a voucher. They give a voucher to my mother and to the gentleman's mother. Everybody gets the same amount in the whole country. Every senior citizen would get about $5,500.

□ 1915

Mr. Speaker, with that $5,500, they would have to go out and buy their own plan.

My mother is 91. I do not know how old other people's mothers are, but there are not very many insurance companies who want to insure somebody who is 91. Here, instead of guaranteeing my mother gets these benefits, they say to her, here, Mrs. McDermott, here is your $5,500, you can go out and shop and find the deal you can. That is what is in their presentation.

We are not scaring anybody. That is what they said in the Medicare commission.

Mr. BENTSEN. Mr. Speaker, reclaiming my time, I might also say that one of the sponsors of that in the other body, the senior senator from Louisiana, has even said that that program alone will not achieve the savings that are proposed to modernize or privatize, but certainly to extend the solvency of Medicare, that there must be other things that have to be done.

Mr. McDERMOTT. We will have another night to talk about this issue.

Mr. BENTSEN. Mr. Speaker, I thank the gentleman for his remarks.

Mr. Speaker, I yield to the gentlewoman from Oregon (Ms. HOOLEY), my colleague who is also a member of the Committee on the Budget.

Ms. HOOLEY of Oregon. Mr. Speaker, I thank the gentleman from Texas (Mr. BENTSEN), my colleague, and I am going to talk about something very specific tonight. When you do a budget, whether you do it at home or you do it for any agency, one of the things you do is you have priorities, you put money into those priorities.

For example, you just watched the gentleman from Washington (Mr. McDERMOTT), my colleague, go through the budget. The Republican budget tax cuts are a priority, they have $1.6 trillion over a 10-year period on estimated surpluses, that is coming in over 10 years.

They also talk about a priority being education. Part of the problem with that priority is they have not put any money in that priority.

We had started a program, for example, to reduce class sizes. Well, why do you want to reduce class sizes? You want to reduce class sizes because if you do that, particularly in kindergarten through third grade, kids learn better. They do better in school and they do better in school, not only in kindergarten through third grade, but they do better in school throughout their educational career.

We started a program saying let us put 100,000 new teachers in the schools to help reduce class sizes. That program is going away.

When you talk to school districts, they say what is really important. We have across this country about $100 billion worth of school repair and modernization that needs to occur. Again, this budget diverts $1.2 billion out of that program, and then it eliminates it for the next year.

There are still things in the budget. For example, President Bush has suggested testing, vouchers and so forth, that all has to come out of their budget, but their budget is only a 5.7 percent increase, which has to take care of inflation, new programs and population increase.

Mr. Speaker, one of those programs that I am terribly concerned about is a promise that we made 26 years ago to our school districts and to our students and to the people in our districts that said those students that have disabilities are special needs students, they need an appropriate free education like every student does. And the Federal Government said, school districts, if you do this, we are going to pay 40 percent of those excess costs. Well, we have not done that.

I grew up in a family that said if you make a promise, you have to keep a promise. If you make a commitment, you have to keep a commitment. We have said we want to fund that at 40 percent and, yet, right now, we are only at 14.9 percent. So we have a long ways to go.

The Democratic budget is $129 billion over 10 years more than the Republican budget. We have put our money where our mouth is and we say education is important. Here is what we want to do for our school districts. We wanted to reduce the classroom size. We want to help with modernization for schools, because that is a perfect program for the Federal Government.

We have said we want to help with special education, with students with disability. So we put money into those programs. And you heard from the gentleman from Washington (Mr. McDERMOTT), my colleague, talking about that money that is left over, which is $200 billion over the next 10 years.

If you funded the disability excess costs to our schools and you did it over the next 5 years, getting up to that 40 percent level, which is what the Federal Government promised, just that program alone is $3 billion a year each year for the next 5 years.

If you divide that 10 years into the $200 billion, $20 billion a year, and you are trying to in one little program take $3 billion out of it, you can see that money does not go very far.

Again, if you believe that education is a priority, then you show that it is a priority, not by just talking about it, but by putting your money there. I know that is what the Democrats have done. They have put that additional money into education. We have set it as a priority. We need to have the best education system in the world.

We are the richest Nation. We are the most powerful Nation, and that is one thing that we should do for all of our students is to give them opportunities by funding education. I would like to see us increase that education budget.

I would like to see us keep our commitment to individuals with disabilities. And, again, I think if you make it a priority, you have to put your money there.

Mr. BENTSEN. Mr. Speaker, I thank the gentlewoman from Oregon (Ms. HOOLEY) for her remarks. I think the gentlewoman made an interesting point, I think what the Democrats are saying is that we are trying to keep the promises that we made. The promises we made on special education, but also the promises we made on Social Security and Medicare.

Really, the difference we have with our Republican colleagues is we believe that they are overcommitting. They are overcommitting on the basis of overly optimistic projections. They are overcommitting on the basis of using the Medicare and Social Security trust funds while not extending the solvency of those programs.

We laid out in our budget alternative our idea for extending solvency of Social Security and Medicare and meeting the public's desire for prescription drug coverage.

We do not believe that the Republicans or the President have adequately laid that out. In fact, while they have problems mathematically, we also have concerns because they give us a lot of adjectives as to modernization and privatization, but they do not fill in the details and tell us what it is. All we are saying is mathematically, you have a problem.

If you reduce the solvency of Social Security or Medicare, the solvency time period, you have to make it up,

and there are only three ways to make it up; more debt, higher payroll taxes, or reduced benefits.

All we are saying is, if that is the proposal, then lay that proposal on the table, but do not overcommit us to the point where we either drive the country back into more debt or that we have to make those choices as a last resort, without having to debate those with the American people.

We do not favor those choices. We favor paying down more debt. We favor extending the solvency of Social Security and Medicare. And we think we can do that and have a tax cut, but we do not believe you can overcommit and achieve those goals.

Mr. Speaker, I yield to the gentlewoman from North Carolina (Mrs. CLAYTON), my colleague.

Mrs. CLAYTON. Mr. Speaker, I thank the gentleman from Texas (Mr. BENTSEN) for yielding to me.

I also thank the gentleman for holding this important hearing and Special Order on our budget and, in particular, I want to focus again on Medicare trust funds, because we are so worried about that, and as my other colleagues said, I would be remiss if I did not talk about agriculture.

Let me say I think that the Democratic budget approach was a very simple approach; that we were at a unique opportunity where we could indeed give a tax cut. We could indeed be fiscally responsible, and apply one-third of those funds for writing down the debt, and one-third of those would be for priorities like securing Medicare and Social Security trust funds.

That is the principle, not that we should not give a tax cut, but it should be a reasonable tax cut that all working Americans could benefit from, not just the rich. When you start from the premise that only the rich get it, you, indeed, have difficulties.

We surely have to do everything to ensure the integrity of the Medicare trust fund, because this is a major health issue. There are thousands and thousands of senior citizens in my district who would get no health care whatsoever, unless they are dependent on Medicare. It is not sufficient, but indeed it is the only thing they have.

As I said, the President's proposed $1.6 trillion tax cut over the next 10 years has now been passed, and if that is the case, it is going to cost approximately $2 trillion, not $1.6 trillion when you account for the debt that is involved.

The Congressional Budget Office has reminded us that the Medicare beneficiaries are expected to pay $1.5 trillion for prescription drugs during the next 10 years. So we do not cover that. That is the costs that are coming out of senior citizens pockets or their children's pockets or they are doing without that care.

The Medicare trust fund indeed will be further encumbered by the fact, the gentleman from Texas (Mr. BENTSEN) is right, that the $153 billion they proposed, that amount comes out of the Medicare trust fund. So the trust fund which, indeed, must be there for the 77 billion new baby boomers that we know actually will be drawing on that. They will have to know now that there will be less to draw on, because we need to deal with the prescription drug.

I agree with the majority that we need to work on prescription drugs. I just think we need to fund it in a separate way rather than taking from already committed funds for another cause to do that. We agree on the need to have a prescription drug, because in my district, I can tell you the population is getting older. Because of the climate and the weather we have in our areas, a number of retirees are coming to the community; and we are going to find ourselves in a community where there are less working people and mostly senior citizens and yet they will be drawing on the resources of local government. And it would be unfortunate if they would not be able to do that.

If we do not do that, by the year 2029, when they say that we have moved the insolvency, we are going to find it not to be solvent because we, indeed, draw these extra dollars from that.

If President Bush's plan, as it has now been passed, which is unfortunate, if we act under the assumption, and this is what he says, he says that he makes the assertion that Medicare is not running a surplus. That is in his blueprint. It is not running a surplus. He is not taking the surplus from Medicare.

If he is making that assertion then, would you not think if indeed he is adding a new program of $153 billion, would he not be adding that to it, or if not that amount, be adding as much of a surplus from other resources to the Medicare surplus if his assumption is true that we do not have a surplus?

I think we do have a surplus in Medicare, because the Medicare surplus is based on Social Security and those who are paying for Social Security are paying for their Medicare. It is just a matter of how they want to describe that. I predict in 10 years, indeed, we do not have to predict, we know that the 77 million baby boomers will become and will retire by year 2010.

Let me just say a word about this ever-dependent contingency fund. We have more claims on this contingency fund than there really are dollars. Anything you asked in the Committee on the Budget, we have this reserve fund. We have this contingency fund. They say the contingency fund is larger than that, the truth of the matter is the contingency fund really has fuzzy numbers. At best, given this number to be true, we need to not only secure a Medicare trust fund, but we also need to keep the commitment that we say we are going to do about defense.

We do not know what that will cost. We also are talking about agriculture policy. We are writing a farm bill this year which means that we should anticipate putting new initiatives and new opportunities to make our farmers more competitive internationally. Yet, at the baseline, we are not even considering our last 3-year experience.

Let us not say what we will do for the next 5 years, we do not even consider the experience that has been documented, $9 billion consecutively for 3 years.

□ 1930

We simply ask them just put it in at what our experience has been, $9 billion. Now, most of the agriculture sector that is coming to the Committee on Agriculture said that we need more than the $9 billion, we need $12 billion. The Blue Dogs put that in their budget.

So, indeed, if we find that this ever-shrinking contingency fund is going to meet all this need, this is really going to be a false promise. There is no way that the budget that we have passed can be the budget that will indeed secure the opportunity for having the priorities and the opportunities as we go forward.

We can give a tax cut, and we should give a tax cut, but we also ought to pay down the debt. We ought to be meeting the ever-evolving priorities and those emergencies as we know it. Education, prescription drugs, our defense, our environment, and our agriculture, those are issues we know that are evolving. The energy issues, those are evolving. They will be greater issues, not less of an issue. We see them. We do not have to wait for them.

I come from an area that was flooded 2 years ago. I can tell my colleagues I hope that does not happen to anyone else. But it is going to happen somewhere, maybe even my State. We have not planned for those contingencies. So not only Medicare and agriculture, but all of the priorities and the contingencies that are so necessary to respond to the needs of the American people.

I will say all the money belongs to the American people, not just to a select people. All of the tax revenues belong to all of the American people, not a select people. All working people pay taxes. They may not pay their taxes as income, but they pay Federal taxes in proportion to their income. Many of them pay higher proportion for payroll than some people pay for their income.

So I think it is disingenuous to suggest and to segregate and to make one taxpayer seem less honorable than another taxpayer. If we are going to have a tax break and give a tax incentive, and the President is now saying the tax incentive is to respond to the recession, well, what better way of making that tax break more affordable and accessible to those who would use the

dollars and be consumers than to put it back in the economy.

By the way, most of the taxes that we just passed on the tax bill will not be retroactive, not like we passed it. So they would have to do something else to that bill in order to make it effective to stimulate the economy.

So not only is it failing to stimulate the economy, not only are we not being fiscally responsible, not paying down our debt, but, also, we are not having the opportunity to meet our priorities, and we are not making that tax cut as equitable and fair as we have. So it is a misopportunity.

I hope, indeed, that the Senate will improve upon the product that we are sending them. I thank the gentleman from Texas (Mr. BENTSEN) for giving me this opportunity.

Mr. BENTSEN. Mr. Speaker, I thank the gentlewoman from North Carolina (Mrs. CLAYTON) for giving us her views.

Let me just close, if I might, Mr. Speaker, in making a couple of brief comments. Our Republican friends like to say, ''We want a tax cut. We think it is your money, not the government's money. And the Democrats really do not want a tax cut.'' I think that is wrong.

The Democrats have put forth a tax cut time and again. But we also say, in addition to wanting a tax cut for the American people, we also want to meet the obligations that we have made. We want to be honest about meeting those obligations, be it Social Security, be it Medicare, be it paying down the national debt.

We have had this argument of how much debt we can pay down. The President in his budget said there is $1.1 trillion, $1.2 trillion that we absolutely cannot pay down. The Congressional Budget Office said there is about $880 billion that we think we might not be able to pay down without paying a premium. The Republican budget ended up being closer to the CBO number than the President's number. But, in fact, nobody really knows.

There has been an argument that we would not want to pay any premium whatsoever in paying down the debt when, in fact, that has been our debt management policy for the last several years when we have been buying back debt and paying down debt.

Just like every American who refinances their mortgage when rates come down, sometimes it is economically efficient to pay a slight premium. We should try and pay down every dollar of debt we can as quickly as we can.

But on top of that, we are concerned that the Republicans are overcommitting on the tax side. The $1.6 trillion tax cut grows dramatically every day, not including interest on the debt. Already, as I mentioned, the income tax rate cut that the House passed a couple of weeks ago is almost $150 billion greater than what the President proposed in his budget. The estate and gift tax bill that the President proposed has now been scored by the Joint Committee on Taxation as $400 billion greater than what the President proposed. So, quickly, we are pushing harder and harder against that contingency fund.

What concerns us as Democrats is, not only that we will not meet our obligations, but because of the hard work done by the American taxpayers and the American economy over the last 18 years to dig us out of the hole of debt that quadrupled our national debt when we had deficits as high as $300 billion a year to now when we are finally seeing blue skies with surpluses and not deficits, that we might miss this window of opportunity so soon before the baby boomers retire and push us back into a much more difficult economic situation in the future.

We have our differences with the Republicans and with the President on this. We believe there can be a tax cut, but we believe we must meet our obligations equally with that tax cut. That is a very distinct difference that we have with the Republicans.

We will continue to work as we spend the rest of this year putting through this budget and trying to put through a budget that, not only gives tax relief to American families, but also ensures that American families will not be saddled with more debt today and in the future.

ANGEL OF REBUTTAL

The SPEAKER pro tempore (Mr. CRENSHAW). Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes.

Mr. MCINNIS. Mr. Speaker, as becoming customary around these facilities, I find myself being the angel of rebuttal. I sat here for the last 30 or 40 minutes and heard my colleagues from the Democratic side of the aisle, I would add from the liberal side of the Democratic side of the aisle, because I think some of the views being espoused by the liberal side of the Democrats does not track with some of those views that are being shared or espoused by the conservative Democrats. So I think we should split that out.

I would like to rebut just a few of the comments that have been made by preceding speakers whom were not rebutted. There was no opportunity to rebut them. Those are the rules. I understand that. This is my chance, however, to explain or at least discuss what I believe are some of the liberal attacks on President Bush's policy.

Let me begin by saying that I heard repeatedly, especially from the gentleman from Texas, that the Republicans for some reason are mathematically challenged. We do not have time, we do not need to spend our time this evening making those little kind of, in my opinion, cheap shots.

If one wants to take a look at mathematics, it does not take a lot of understanding to understand and to have some kind of comprehension as to what is happening in our stock market, what is happening in our economy.

From my liberal friends from the Democratic Party, this just did not happen in the last 8 weeks since President Bush has had office. This has happened. We began to see the trend several months ago. This is exactly, frankly, what their side of the aisle has handed President Bush.

Now, President Bush has not spent his time out there expressing anger about the economy that the Democratic leadership through Bill Clinton has given to him. Instead, he has gone to their side of the aisle, he has gone to the Democratic side of the aisle and said, ''All blame aside, let us keep the ship afloat. Before we decide who put the hole in the side of the ship, why do we not try and patch the hole? Before we put any more water in the bucket, why do we not patch the holes in the bucket. Let us see if we cannot resolve this as a team.''

Many of my colleagues on the liberal side of the Democratic Party have been down to the White House to have discussions with President Bush. President Bush in a very professional, nonpartisan, bipartisan manner has extended his hand. He is attempting to work with them.

But night after night, they are down here at this microphone bashing President Bush. Night after night, they are down here at this microphone talking about how this will not work and that will not work and this is not going to go, and it is Mr. No on that side of the aisle, from the liberal side of the aisle.

I am telling my colleagues, this economy is in trouble. My colleagues can say what they want, they can say all the feel-good things out there, but take a look at the layoffs that have occurred just in the last 6 weeks. This is not the time to bash President Bush. This is not the time to bash his economic plan simply for the reason of being in opposition, of expressing or being in political opposition to it.

I understand that there is a difference between the Democratic and Republican Party. I understand we have to take political positions. But, look, when the ship could sink, and I am not saying it is sinking, but it has a hole in the side, and when there is a hole in the side, maybe my colleagues should do something other than for the sake of opposition and for the sake of standing at this microphone and bashing this stuff. Why do they not step forward and work in a positive fashion. I think that the President has done that with them. I think the Republican side has done that with them.

Frankly, there are many Democrats, fortunately of conservative leaning,

who have accepted that kind of thing, who are working as a team.

Let me talk about a few of the comments. The gentleman from Washington says it is the biggest shell game he has ever seen. That is a quote. It is the biggest shell game he has ever seen.

The very next comment coming from the gentleman from Texas says, now, folks, we are not trying to use fear tactics. We are not trying to scare the senior citizens. We are not trying to use fear in our way to get our point across, but it is the biggest shell game we have ever seen.

Come on. Those kind of tactics are long since past, in my opinion. Again, I am not taking away from the right or the liberal to go ahead and espouse their views. That is what this floor is for. That is what this microphone is for.

But I am saying to them that it is not a big shell game. It is a very serious game out there. It is a game that a lot of people stand to lose by if we do not pretty soon sit down and in a fundamental fashion figure out what we are going to do with this economy, figure out how we are going to get this slowdown in the economy to at least slow down.

I mean, the rate of those layoffs, we have got to curb it. Go and talk to some of those people. Just today look up the business news in the newspaper. Just today, Mr. Speaker, take a look at the layoffs that were announced. Go to some of those people that have got their job layoffs and say, hey, what does a tax cut mean to you.

How much bickering should we have on the House floor? Should we try to go together under our leader and try an economic plan? President Bush is a new President in this country. He deserves, at least for a while, for my colleagues to extend their cooperativeness to move toward some kind of resolution to deal with this economy.

Now, I know that some of my colleagues will never step forward and cross this aisle from the Democrat to the Republican side. I will tell my colleagues that, unfortunately, there are some Republicans who may never cross the aisle to work with Democrats. But there is certainly enough of my colleagues on the Democratic side, combined with enough of us on the Republican side, to come together as a team and work with this President.

Let us resolve the issues of the economy, and then go ahead and go on your partisan snips and your trip that you wanted to take towards that path of partisanship.

But in the meantime, let us get together with this new President. Let us form some kind of coalition to help our economy. This economy is threatened. That is no fear tactic. Take a look at it. Unlike the statement from the gentleman from Texas who talks about fear tactics, unlike the gentleman from Washington who talks about the biggest shell game that he has ever seen, the fact that our economy is having some difficulties is not a shell game.

□ 1945

It is not a fear tactic. All you have to do is open your daily newspaper and see what happened today. Take a look at what happened today. Take a look at what happened to the Dow Jones and Nasdaq and what happened to the S&P, and how about job layoffs that were announced today and the corporate losses today, and you will get some kind of an idea that we ought not to be bickering. And those of my colleagues who have important things to say, and many of those preceding me at the microphone, they carry some weight in these Chambers, in my opinion, they ought to push or pull or throw their weight towards assisting this President to come up with some kind of successful method to rescue our economy.

I heard the comment, it is very interesting, this came from the gentlewoman from Oregon, a priority is education, and what is the first thing that the gentlewoman from Oregon says about education? ''The Republicans are putting no money into that program.'' That is a quote.

The gentlewoman from Oregon says the Republicans are putting no money into that program. Give me a break. Come on. My colleagues know there are billions of dollars going into education. Ironically, just a few comments later the gentlewoman talks about a 5.7 percent increase in the President's budget for the new programs, but yet two or three sentences before she says, the Republicans put no money into the program of education. No money.

Mr. Speaker, are my colleagues telling me that is not fear tactics? Are they telling me there is one Congressman or Congresswoman on this floor who does not support education?

How many Congressmen or Congresswomen can you point out, and I address my colleague from Oregon, show me one Congressperson from either side of the aisle that opposes education. I have never found them. I have been up here for 9 years. I have gone back to my district hundreds of times, and I have traveled hundreds of thousands of miles, and not only have I not found such a Congressman, I have never found a citizen out there who is opposed to education. But let me differentiate between finding someone who is opposed to education and someone who wants accountability in education.

Mr. Speaker, frankly some of the preceding speakers say the answer to educational woes is just writing a blank check. Testing is unfair. Questioning school districts is unfair. Asking for accountability is unfair. Give me a break.

Mr. Speaker, what is fair? What is fair is, number one, every citizen in this country is putting money into the education system. Every citizen in this country cares about education. Every citizen cares about education. Every citizen in this country wants better education for our young people. And yet do you not think that as a part of that formula to come up with better education you have to have accountability? That is exactly what the President's budget does. It does it with education, it does it with the military, with the Department of Agriculture. It does it with foreign affairs.

This President came into the White House and he said, Look, you are not going to get blank checks. I paraphrase that. You are not going to get blank checks. Do not just think you can come to the White House and say, we are surrounded by children or military weapons programs or farmers and ranchers; so, Mr. President, you just write the check.

Mr. Speaker, this President had the guts to step forward and say, you know what, I want to measure results. What are the results? The same kind of thing every one of my colleagues who has spoken critically of the President, every one of you, when you go to buy a car, before you turn the cash over, you say to the dealer, I want to know about the results. By the way, what does Consumer Guide say about the results of this? What do my neighbors who own this car say about this type of car? What kind of warranty work do you do, and what kind of guarantee do you have that this car is going to produce like you promise it is going to produce?

In other words, when you go to the car dealership, you ask for accountability from the dealership. When you go to the grocery store, opera or to the art museum, you expect to have something in return, and you measure it. You measure it by did you have a good time. Did you feel that there was something that you got out of going to the art museum, or did the product taste good that you got at the grocery store. You ask for accountability.

But when a Republican President takes the White House and asks for accountability, we have some of my colleagues stand up here and say, my gosh, no money for education. No money for the farmers. No money for Medicare. He is taking from Medicare. Come on. Be fair about this.

Mr. Speaker, my bet is that most of the people that I could talk to in my district and across this country would say to you, do not give a blank check to any governmental agency. Every governmental agency, whether it is education where we are surrounded by children and our future, whether it is military where you are surrounded by weapons and the future protection of this country, whether it is agriculture where you are surrounded by farmers

and our food and feed and the need to sustain this country for the future, no matter who it is, every one of my constituents that I know of would say, Do not write a blank check to any Federal agency. Ask for accountability.

Mr. Speaker, you know what happens with bureaucracy and the lobbyists and the special interests, the minute you ask for accountability from a Federal program, they attack you like vultures. The minute you say on education, for example, what could be more motherhood and apple pie than education. As I said earlier, everybody to the person in these Chambers, everyone supports education. The liberal left supports education; the far right supports education. Everyone supports education.

But, Mr. Speaker, the minute you ask a question, for example, where are those 100,000 teachers going to go, or how are we going to determine where the money goes for the building of new schools, the minute you ask that question, the special interest groups pounce on you like you are a piece of raw meat for a hungry tiger. You must be against education because you will not vote for this program. What gives you the right to ask a question about what kind of results we are going to get from testing and from 100,000 new teachers?

Mr. Speaker, take a look at that program where we theoretically put 100,000 cops on the streets. Take a look at some of these things. You have a fundamental obligation. It is inherent upon every one of my colleagues to ask those questions. How do we measure results? What results are acceptable? What results will we get for the dollars we are putting in?

Now, a lot of my colleagues are afraid to discuss the results because they know that the results coming in will not match the dollars going out, and the special interest groups who are hired, by the way, interestingly enough, a lot of lobbyists are paid for by taxpayer dollars to lobby for more taxpayer dollars. Do you think they have the benefit or the interest of the taxpayer, of the working American out there in their mind? No. They are hired by taxpaying entities to come back here to a taxpayer-subsidized or fully supported entity to lobby for more taxpayer dollars. And the minute you ask for results, hey, we are putting this many dollars out; what kind of results are we getting in, oh boy, do they know how to paint a picture in your district that you are antifarming, or you are antieducation, or you are antimilitary, or you are antipeople. That is exactly the game that goes on here.

To the gentleman from Washington State, if he wants to talk about a shell game, that is the shell game. The minute you ask for accountability, the minute you want to know about results, the minute you want to see if the people of our country are benefiting from the dollars that these Federal agencies are spending, woe, woe be you, because here comes the special interest groups. Here comes the paid lobbyists to trash you in any way they can.

Why? Because they do not want those results out; because in many cases, the results do not match, match meaning in proportion to what we expect for results, they do not match. The dollars going out do not match the results coming in. They do not want to be held accountable, because you know what happens if you are held accountable? You will have to change your ways. And there are a lot of people paid a lot of money in Washington, D.C., to make sure the government does not change its ways.

Well, we now have a President who has had enough guts to step up, for example, to the American Bar Association. For 26 years nobody has had enough guts to question their ratings on judges. How dare this President question the American Bar Association? I am an attorney, by the way, so I know a little about the American Bar Association. In my opinion, a lot of the people, or those lawyers, that is the association of lawyers, in my opinion, a lot of them are prima donnas. But how dare a President question the American Bar Association? This President has enough guts to do it, and he has done it.

How dare a President come into the White House and say to the military generals, hey, I am very promilitary, I want a strong military, I want the best military in the world, but I am not going to sign a blank check for every military program out there. You better justify. You better give me accountability on these weapon systems that you are asking for in the military. You better have some answers for some pretty tough questions. Oh, my gosh, a President has enough guts to do that?

Take a look at foreign affairs. President Bush, he stands up. He says to Russia, do not spy, or we expel your people. He says to China, you have to worry about human rights. He says to North Korea, it is not going to be a giveaway on your nuclear power negotiations.

This President deserves some support. I am not saying he deserves my colleagues' rallying for him. I am not saying the Democrats have to be a cheerleader for President Bush, but I am saying that he deserves some time to try and put this economy back on its rail, because it was derailed when he got to it, and he deserves, instead of my colleagues standing up here in front of this microphone and doing everything they can to object for the sake of objecting, not for the sake of improvement, but for the sake of objection, this President deserves more. And more important than this President deserving it, the American people deserve more, and we ought to deliver it for him.

Let me address a couple of other things. First of all, this tax cut. I like the Johnny-Come-Latelies. Some of the people talking today, well, we are for a tax cut. Well, take a look at the history of those individuals. They did not support tax cuts in the past. All of a sudden the reason they are on is that seems to be the bandwagon in town, and whatever you say, do not say you are opposed to a tax cut, at least say you are for some kind of tax cut. But always say, well, a tax cut that protects all the people, et cetera, et cetera.

Then I heard someone up there saying, well, buying down the debt. By the way, for the gentleman from Texas, who talks about buying down the debt, just for a little accounting information here, when debt is issued, there are different levels of debt that can be issued. If there is no prepayment penalty, which means you can pay off that debt at any time you wish, all you have to do is call up the owner of the debt and say, I am going to pay you tomorrow. You put in what is known as a call provision. I am calling what I owe; I am going to pay it off. That carries less of a return than if you do not have that right.

So what happened with the government, it wanted to maximize its return in many cases, and so it forfeited the right to make that kind of call. So there is a penalty when you pay down that debt. That is basic economics 101. Do not pretend that it is not out there. Do not pooh-pooh the President because the President says, hey, we need to do this in such a fiscal manner that it makes economic sense. Why pay a penalty for debt that is outstanding when we do not have to? It is something we ought to consider.

Let me go on to another point. Let me talk for a couple of moments about the oldest scheme in town, and that is the scheme to come up here to this microphone, and we see it at every level of government, by the way, and talk about how their budgets are being cut. Let me talk about how that contrasts to the American families out there; how it differs.

Let me, first of all, talk about an American family who, let us say, makes $10. We will forget the percentages here and make it simplified. If an American family has in their family budget $10 for the year, and the next year the American family, and let us call them Joe and Jane Smith, our American family, and they spent $10. That is their budget. And the next year that Smith family sits down and they have $15 in their budget. What would the average American say happened to the budget? It was $10 last year; it is $15 this year. Everyone I know, with the exception of government officials and government agencies and lobbyists and special interests, everyone I know would say, hey, if you got $15 this year,

and you had $10 last year, it is a $5 increase.

□ 2000

Your budget actually went up $5, and if you took the $5 and the $10, you could say that the budget went up 50 percent; our budget in our family this year increased 50 percent over what it was last year.

Well, here is the old scheme, the old tactic they use in government agencies and government programs. They put in a budget. The budget, again, same thing, $10 last year. This year that agency says we would like to have $20. So we meet here in these chambers and we decide, look, we are not going to give the agency $20. We are going to give them $15.

Do you know what happens? The agency goes out there and starts to tell its constituency, who generally that constituency are people who benefit from the Federal program, so, for example, if it is agriculture they go out to the farmers, if it is education they go out to the teachers, if it is military they go out to the military people and they say, look, we asked for $20 and that Republican Congress only gave us $15. We got cut $5. We got cut, our budget got cut.

Their budget did not get cut. The budget was increased. It went from $10 to $15. We did not give them what they asked. We gave them an increase. Last year it was $10. This year it is $15. They get a $5 increase.

They go out to their constituency, and we heard it this evening from the preceding speakers, and they say it is a $5 cut.

My colleague, the gentlewoman from Oregon, says there is no money in education, President Bush put no money in the education program, and 2 minutes later or even two sentences later she said it was only a 5.7 percent increase.

Now there it is even more extreme; no money in education because we only have a 5.7 percent increase. How many American workers out there can expect a 5.7 percent increase in their budget this year?

I will say something. There are a lot of American workers who are going to feel very lucky to have their job next year. Take a look at the layoffs. So for us up here as elected officials to stand here and say there is no money for education because it only got a 5.7 percent increase, no wonder there is deep distrust for government, especially when it comes to handling taxpayer dollars.

Now let us speak for a moment about the surplus. I know people keep bantering around the surplus. What they are trying to do, do not kid yourself, do not kid yourself, there are some of you on this floor who want the surplus kept in Washington, D.C., not to reduce the debt. Now, that is the front you put on it. That is the picture that you paint, look, we want to keep the surplus in Washington, American people. Trust us. We want to reduce the Federal debt. Trust us. That is why we want it in Washington.

You know, as well as I know, that a lot of you have the true intent that that money should be used for new programs.

Let us talk about some of the new programs that come before Congress. We very rarely, and I say this after years of service in elected office, I very rarely, in fact I cannot recall one time when somebody came into my office asking for a new program that was a bad program. In my case, every program that has been proposed to me has merits to it. Our decisions up here are never between good and bad programs. That is an easy choice. Our decisions are always between good and good programs.

Just the other day, in one day, in one day, I had requests for about $1 billion. They wanted a couple hundred million more for this increased spending. They wanted four or five hundred million here for the new space program; increased spending. They wanted another couple million here for flood control; increased spending. They wanted another couple hundred million here for a new program for children.

These demands for those dollars will continue to come in as long as there are elected officials and as long as we have constituencies.

So to come up here and say that you think you have the ability, with those kind of demands from our constituents, to hold a big pot of money in surplus is wrong.

We have a program in Colorado for the uranium miners. These people were poisoned producing uranium for this Nation to fight its wars and to have the kind of weapons that we needed. The United States conceded the claims to those people, conceded the claims to those people. That money is due and owed to those people. The United States Government has agreed, they have acknowledged that, they have admitted to the claim. They have yet to pay the claim, and the first thing that comes up is, gosh, there is a surplus. So why are these claims not being paid? Whether there is a surplus or not, those claims ought to be paid.

The fact is this: Everybody out there in education, in farming, in the military, in new highways, in new welfare programs, in new health care programs, in expansion of Medicare, in expansion of Social Security, everybody out there has got their eyes on this big surplus and they have ideas of how to increase the size of the government.

Now, in some cases we as a collective body establish priorities. For example, President Bush in his education budget decided that a 5.7 percent increase in a massive education budget was necessary, and we needed to expand the program. I am not standing here this evening saying that we should deny any expansion of Federal programs, but I am saying that do not mislead the American people by saying that if we keep a surplus in Washington it will not be spent; it will be used to reduce the debt.

The fact is, Mr. Speaker, and I think you have an obligation to tell your constituents, that any dollars left in Washington, D.C. is like putting a cookie jar in a kitchen in front of a bunch of kindergartners who have not had lunch. What are you going to expect? Of course you are going to expect those kids to go to the cookie jar. I would lead the pack.

Back here in Washington, D.C., if you leave a pile of money called a surplus, what do you think is going to happen? Every special interest group back here, a lot of lobbyists will be paid big, big dollars and a lot of agencies will go out there and gather the softest, most emotional aspect of their constituency, like children for education, or farmers in farming, or military, et cetera, and they will go after that cookie jar. That is why when you have a surplus the size of the surplus that now exists, we must make a decision, especially in light of the fact that we have very difficult economic times ahead if we do not get ahead of this train. That is why when we have that here, that is why we must decide do we leave this money here and create new programs or make additional commitments for more Federal spending, that when the economic bad times come and our surplus evaporates we will not have the money to continue them?

We tried this many years ago in the State of Colorado in the 1970s. By the way, Mr. Speaker, as a reminder, my district is Colorado. I represent the mountains of the State of Colorado, almost all the mountains, the Third Congressional District. In Colorado, in the 1970s, we had a big surplus. In 1982, they called it Black Sunday; Exxon announced its pullout of Colorado out of the oil shelf development. Colorado went into a recession. Our budget was a tough budget.

I was in the legislature at the time. We even figured out what the cost of opening a door with an electric switch was. That is what dire straits we were in economically, because in Colorado, thank goodness, somebody had the foresight to require a balanced budget years before. So in Colorado we had to have a balanced budget. We had to cut some things.

People began to say, wait a minute. In the early days of the 1970s when there was a big surplus in Colorado, the Colorado legislators returned that money to the taxpayers. Had they not returned that money to the taxpayers in the State of Colorado in the 1970s that money would have been committed for an expansion of government

programs in the State of Colorado. When the recession came in the early 1980s, we would have been in more dramatic trouble because we could not meet larger commitments made because the surplus was not returned to the taxpayers.

Now all of us agree that some of the surplus here will be consumed by programs that are considered by this collective body as a necessary expansion of a Federal program. For example, we know we have a lot of baby-boomers. We know that every day more people turn 62 or 65. So we know that whether you want to expand a program or not, the fact is Social Security is going to have to expand every day because you have more people turning 62 or 65. Those programs we have to take the surplus, parts of the surplus, and fund those programs. But if we have programs that are not essentially necessary, not what people want because every constituent out there wants something out of a Federal surplus, there are a lot of good programs that people want, the fact is that we cannot fund them all. Even if we could fund them all today, we may not be able to fund them tomorrow when this economic downturn takes hold.

This surplus is coming in for a little while so we may create and spend that money at the government level today, but we may not, again to repeat we may not, tomorrow have the money to pay for it. Then people will really suffer when the government does not have the money to follow through on its commitments.

I think the gentlewoman from Oregon says when you make a promise like this, you have to keep that promise. Let me say, when you obligate those surplus dollars for expansion of Federal programs, the beneficiaries of those Federal programs considered that a promise. When you cannot fund it because your surplus is evaporating, when you cannot fund it because you do not have the dollars, the people who are the beneficiaries of those programs consider it a broken promise, and you are about to set yourself up for this. If you do not return to the taxpayer a substantial amount of those dollars that are not needed for the necessary programs, you are setting yourself up for a broken promise because this government, in my opinion, this economy, in my opinion, cannot sustain the kind of growth rate that we have experienced over the last several years, at least for a short period of time, maybe a longer period of time. So do not set yourself up for those broken promises.

By the way, I heard one of the preceding speakers say, well, the Republicans, and obviously this was one of our liberal colleagues, want to return taxpayer dollars to people that will not use it. How does a taxpayer who gets taxpayer dollars back not use the money?

There is one way, two ways, I guess. You destroy the money, you go out in your backyard, you light a match and you burn the money up; you destroy it. You are not using the money. You destroyed it. Or I guess you could go out in the backyard and dig a hole. You do not destroy the money but you put the money in the hole. Other than that, every taxpayer, or every person that gets a dollar back, but in this case it should be taxpayers because they are the ones who pay taxes, it is not a welfare program, it is a refund to the people who paid the taxes in should get the taxes back, the excess back, every one of those people will use those dollars. I do not care if they are in the 10 percent bracket. I do not care if they are one of the wealthiest families in America. Every one of those people will use those tax dollars. They will either put it in the bank, in which case the bank will turn around in the community and make loans to the community to people who are trying to make a business a success, and hire people in the community. They may go out and buy a brand new TV. They may go out and make a payment on a credit card debt to reduce their debt. They may use the money as a contribution to a charity, or as a contribution to help sponsor something at the local school district. Every taxpayer that gets a taxpayer dollar back will use those dollars. It just happens.

So to stand up here, as the preceding speaker did, and say, well, the Republicans only want to return tax dollars to those who will not use it, I cannot make sense of that kind of comment.

This evening, Mr. Speaker, I intended to speak about the death tax and its ramifications, and I also wanted to speak about water in the West, but next week I intend to return to this podium and speak about water in the West.

□ 2015

It is a very critical issue. In the east, basically, the problem with water is getting rid of it. In the west, our problem is trying to store it and obtain it. Colorado, the State that I represent, is very unique. In fact, the district that I represent is especially unique. My district is the third congressional district of Colorado. That district is the highest district in elevation in the Nation. We live at the highest elevation of any of the population of any of the districts in this country. Our water all runs downhill. As you can imagine, when you are at the high point, your water runs downhill. In my particular district in my particular State, that district gets 80 percent of the water and 80 percent of the population resides outside of it. Water storage, water for power generation, water for protection of our environment, water for human consumption, water for agriculture. It takes on different particularities in the west than it does in the east. There is a clear differential between water issues of the west and water issues of the east.

Mr. Speaker, although I intended to address it this evening, next week I intend to take this podium and speak specifically about the water issues of the west and the east. But this evening, I felt it necessary to rebut some of the remarks and some of the attacks that were directed towards the President's program on economic recovery, some of the remarks that were being made about the surplus, some of the false pretenses, in my opinion, that may have been created as a result of an impression that allowing surplus money to stay in Washington means that surplus will automatically reduce the debt. I felt we had to address that.

However, there is another issue I think we need to address tonight called the death tax. I have talked about this a number of times. Some of my colleagues say, oh, boy, here it goes again, the death tax. Well, do my colleagues know why I keep coming up here about the death tax? Because I have a lot of families, and these are not the Gates, these are not the wealthiest families of America that I am speaking of. I have a lot of families in my district that are suffering because the government has taken it upon itself to go in upon the death of a family member and consider death a taxable event and take money from that family, money in the form of property from that family, despite the fact that all of the taxes have been paid on that property. It is called the death tax, and it is fundamentally unfair. I have heard repeatedly from this floor, well, it is just the rich people, and they ought to have to give back to the community. By the way, the death tax is not giving back to the community, the death tax is taking. It is forcing you to take.

By the way, my second point, when the government comes in and imposes a death tax upon the estate of a member of one's family, we should not kid ourselves that for one minute that money goes back to the community. Do my colleagues know where that money goes? It comes to Washington, D.C. for this collective body to redistribute throughout this fine country. And how many of those dollars do we think go back to the little community or even the large community under which that person was a citizen or where that person resided prior to their death. Do not let people tell us that by going and attacking a person's estate, that those dollars are given back to the community. It does not go back to the local community.

I think the best way to express it, and, by the way, Bill Gates I think has taken opposition to the death tax, but his father who spoke from a foundation headquarters, his foundation was created to get around death taxes. It was

some of the wealthier families. Some of the wealthier families may not have, but some of the wealthier families in this country who said that the death tax is a good tax, keep it in place, those families have already created their foundations, they have already hired their attorneys, they have already secured their life insurance, so that they have minimal impact when they pass on. We can bet our bottom dollar that every one of those wealthy families who recently signed an ad saying keep the death tax in place, we can bet every dollar we have that they have already arranged to make sure that the next generation of their family will have a very comfortable living.

What about those people like a lot of people in my district who cannot afford the team of attorneys, who have no idea how to create a foundation, who do not have the money to do the kind of estate planning that allows one to hire and pay huge premiums for life insurance. What about those families? By the way, those families could be a family of a deceased person, a person deceased who had a dump truck, a bulldozer and a backhoe free and clear and a garage. In my district, that puts one in estate tax territory, in death tax territory.

Well, I think the best way to pass this on to my colleagues is to read some of the expressions that have been related to me through letters from people who have heard me from this microphone speak about the death tax and the inequity of death tax and how it has devastated families in this country. It is fundamentally the most unfair tax that we have in our entire system of taxation.

Let me start out, this one is from a gentleman, Mr. Marshall Frasier. ''Dear Congressman MCINNIS. I was encouraged by President Bush's State of the Union in his outline of his proposed budget and the tax relief. I am President of the Colorado Livestock Association and elimination of the death tax is our members' number one tax priority.

''We have operated as a family partnership since the middle 1930s. My parents died about 5 years apart in the 1980s, and the estate tax on each of their one-fifth interest was 3 to 4 times more than the total cost of the ranch which was purchased in 1946.''

In other words, the estate tax on one-fifth of the interest of his father and one-fifth of the interest of his mother's interest in the ranch, the estate tax on that totaled more, each of them, individually, that one-fifth, the tax on that one-fifth totaled more than the entire purchase price of the ranch in 1946, and we call that equity, we call that fairness. This is a ranch, by the way, where all of the taxes have been paid.

Let me continue. ''Eliminating the death tax and marriage penalty and reducing the tax rates will go a long way towards providing jobs and bolstering the national economy. This, in turn, will enable hard-working families in the Colorado cattle industry to pass their heritage on to the next generation.''

Let me stop here for a moment. A lot of this is not about passing money to the next generation; a lot of this is about passing a way of life to the next generation. In this letter Mr. Frasier says, to pass our heritage. My in-laws happen to be ranchers. They love the land. They do not make any money on the ranching operation, but they love the land. They have been on that land since the 1880s, since the 1880s. What is their goal in life? One, they are proud of their heritage, they are proud of what they do, and they want to have the opportunity to pass it on for 100 generations to come. Why should not a family be able to pass on the family farm for 100 generations to come. Why should the government have a right to come in to somebody like Mr. Frazier and his parents and say to his father who has a one-fifth interest in the ranch, the tax on your one-fifth interest in the ranch is going to be more than the total purchase price of the ranch.

Mr. Speaker, this should be a country that encourages heritage and family operations to go from one generation to the next. This should not be a country that discourages family business or farms or ranches from going from one generation to the next.

Let me continue. ''I have 3 sons involved in our operation and a grandson starting college next fall and it is important that we keep agriculture viable, to keep our beef industry from becoming integrated as pork and poultry have become. We need to make it possible for our youth to be able to stay on our ranches and farms.''

Mr. Frazier, you are right.

Nathan Steelman, another constituent of mine. Now, this is interesting. This is not an old-time rancher writing to me, this is not a well-polished politician writing me, this is not somebody in their 40s or 50s writing me after they have had an opportunity for a career; this is a college student, this is a letter from a college student, Nathan Steelman.

''Dear Congressman. I am a college student at the University of Southern Colorado in Pueblo which is in your district. I grew up in a family which has lived and thrived in agriculture for many years. My parents and grandparents are involved in a typical family farm, a farm that has been in the same family for more than 125 years. My grandpa is 76 years old and in the last years of his life. My parents have been discussing this situation for the last several months. My parents worry about the death tax. They worry about how they are going to be able to keep the farm running once grandpa passes away. The eventual loss of my grandpa will trigger this tax upon my family's inheritance. My parents hope that they will be able to pay this tax without having to sell part of our family operation that my family has so hard worked in maintaining over many years. The outcome, however, does not look good. Farmers and ranchers are having enough trouble keeping family operations running the way it is. Statistics show that 70 percent of all family businesses do not survive a second generation, and 87 percent do not survive a third generation. My family has worked very hard to keep the family farm running this long. We feel as if we are being penalized for the death of a family member. From what I understand, the opposition is concerned about are many individuals who are being affected by the death tax are those that are theoretically very wealthy people. Statistics show, though, that more than half of all people who pay death taxes had estates that are valued at less than $1 million. My family falls under this same category. That just does not seem fair to me.

''Mr. MCINNIS, my family's farm is not located within your district, but when I moved to Pueblo, I felt like I needed to express my concerns to someone who might be dedicated to abolishing this death tax. I hope that you do this.''

Let me go through a couple other letters. Generally, I do not read up here. Generally I like to make my comments without reading, but these letters are very moving. These letters were not solicited by my office, by the way. These letters were sent in on their own volition.

This letter is from Chris Anderson. ''Dear sir, my name is Chris Anderson. I am 24 years old and I currently run a small business. It is a mail order business. I am not a constituent. I currently reside in New Jersey. However, I listened with great interest as you spoke this evening on the topic of the death tax, as you called it. I in all likelihood will not face the problems you were outlining.''

Let me point that out. This gentleman writing this letter says in all likelihood, I am not going to face the problems that you have outlined, at least not in the near future.

''I am not in line to inherit a business. However, I am soon to be married and look forward to having a family and perhaps one day my children will want to follow in my footsteps. I hope and pray they will not be faced with the additional grief caused by a death tax. A 55 percent tax is, at best, a huge burden on a family business and the loved ones of the deceased. At worst it can be a death blow that ruins what could otherwise have been the future of yet another generation.''

Let me repeat that. At worst, it can be a death blow that ruins what could

otherwise have been the future of yet another generation. This is a 24-year-old young man talking about trying to preserve the future of another generation and talking about what the death tax does to threaten that next generation.

□ 2030

He is 24 years old and he is already thinking about the next generation. This letter is not a plea for help.

''I just want you to know that although I am not a victim of this tax, I appreciate the fight against it. I firmly believe that Congress and the government at large need to recognize that America's future is and will always be firmly rooted in the success of small business. Many of these businesses are family-owned and need the next generation to be able to continue them into the future.

''I spent a few years working for a small family-owned business. Not just myself but several workers depended on the income they derived from working for this small family business operation. I fear for those workers when the tax man comes knocking. This tax has claws that rip at many people, and many more people than the immediate family of the deceased. It also has a huge impact on the employees of the family business.

''I hope your constituents recognize this and they will continue to work to get rid of this tax.''

Now, remember, what this letter focuses on is not his particular situation, but what it does to the employees of a small business who may not themselves inherit the business but who depend on that farm of another family or depend on that business of another family for their living.

Recently, we had a death in my district in a small community, and this individual was hit with the death tax, the estate was. Do Members know what it did to that community? That individual was the largest employer in the community, the largest contributor to charities, the largest contributor to his local church, the largest owner of real estate in that community.

Do Members know what happened to that community? All of those assets and those jobs, that money that supported many, that had to be accumulated in a pot. The majority of that money, the majority, this is not an exaggeration or an embellishment, the majority of that money had to be wired to Washington, D.C. for redistribution throughout this country.

Do Members think any of those dollars went back to that little community in the State of Colorado, or it could have been in the community of Missouri, or out in Michigan, or in California, New York, or Virginia? This hurts those communities. It does not just devastate families, it hurts people that are related to that small business, that work for that small business.

Again, a lot of the big businesses and wealthy people have planned around this. They have purchased premiums for life insurance.

Fundamentally, this death tax is not only unfair, it has consequences that were never intended by the drafters of our Constitution. If the people that dreamed of America, if the frontiers-people of our country, if the Founders of our country, if those people who fought in the Revolutionary War ever imagined that at some point this government, which theoretically encourages creativity, encourages small business, theoretically encourages freedom, if they could believe or if they would hear that the government itself would tax death as an event, and that the government would take that money from a community and transfer it to the Nation's capital, to a central authority for redistribution, they would turn in their grave. They would not believe it. It defies the dream of being a success in America. It defies the American dream.

That is not to say somebody should not pay taxes. I need to remind the Members that these death taxes are on property that has already had its taxes paid. It is simply a way to generate money.

When the government and the bureaucracy needs to figure out how to generate money, they have to figure out an event. If we buy a car, there is a reason to generate revenue, sales tax. If we make money, there is income tax. If we buy gasoline, there is fuel tax. So they figure, ''What are we going to do? There is a pot of money out there that maybe we ought to have. Let us get our hands on it.''

If we take a look at the origins of the death tax, we will see that it was a theory of people that redistribution in this country was what we should do. We should move from a capitalistic society to a socialistic society, where central authority redistributes the dollars. As a vendetta against the Fords, the Carnegies, and Rockefellers, they imposed this tax way back then.

Look, that theory failed. This country does not believe in redistribution of wealth, it believes in the capitalistic type of system. It should get rid of this tax. This tax only punishes these young people, this 24-year-old and this young man and his wife who have a mail order business. Why punish them? Let us encourage the next generation.

Let me conclude by saying we have covered two subjects this evening.

One, I spent the first part of my remarks rebutting what was being said about the surplus in the budget and so on. Mr. Speaker, I want to say to the Members, they need to say to their constituents, if we leave dollars laying around in Washington, D.C., the special interest groups and some of the highest paid professionals in this country, the lobbyists, are waiting for those dollars to be sitting here so they can put them into new programs. It is not going to go back to the taxpayers, it is going to create a larger and bigger government. Some day we will pay the price for letting the government grow too big.

So I talked about that, and rebutted some of the comments made earlier by some of my colleagues.

The second part was this death tax. We have an opportunity to reduce or eliminate or significantly alter this punishment tax. That is exactly what it is.

Do not listen to some of these wealthy families who signed an ad, like Ted Turner and some of those people, and in my opinion he is one of the most pompous people I ever met, who said, ''Let us keep this in place,'' et cetera, et cetera. Listen to that 24-year-old who has a small operation. Listen to the young man who has no business, and he is not going to inherit anything. Listen to what he says about the next generation.

I ask Members to take their time this weekend when they go back to their districts to talk to those people that are not the billionaires, those people who just barely are getting by, but they want to pass heritage from one generation to the next generation.

I think Members have an obligation to do that. If they really do it, I think they will come back here next week ready to vote with us to eliminate or reduce the death tax and the burden it puts on the American people.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. BALDWIN (at the request of Mr. GEPHARDT) for today on account of family illness.

Mr. BECERRA (at the request of Mr. GEPHARDT) for today on account of personal business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. HONDA, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Ms. SLAUGHTER, for 5 minutes, today.

Mr. BALDACCI, for 5 minutes, today.

Mr. KANJORSKI, for 5 minutes, today.

Mr. RODRIGUEZ, for 5 minutes, today.

Mr. SKELTON, for 5 minutes, today.

Ms. KILPATRICK, for 5 minutes, today.

Ms. LEE, for 5 minutes, today.

Mr. CLAY, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mrs. MINK of Hawaii, for 5 minutes, today.

(The following Members (at the request of Mr. DUNCAN) to revise and extend their remarks and include extraneous material:)

Mr. DUNCAN, for 5 minutes, today.

Mr. EHRLICH, for 5 minutes, today.

ADJOURNMENT

Mr. MCINNIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 36 minutes p.m.), the House adjourned until tomorrow, Thursday, March 29, 2001, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1374. A letter from the Chairman and Chief Executive Officer, Farm Credit Administration, transmitting the Administration's final rule—Organization; Funding and Fiscal Affairs, Loan Policies and Operations, and Funding Operations; Stock Issuances (RIN: 3052–AB91) received March 23, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1375. A letter from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting the Board's final rule—Electronic Fund Transfers [Regulation E; Docket No. R–1074] received March 15, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

1376. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Changes in Flood Elevation Determinations [Docket No. FEMA–B–7409] received March 21, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

1377. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Changes in Flood Elevation Determinations—received March 21, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

1378. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—List of Communities Eligible for the Sale of Flood Insurance [Docket No. FEMA–7750] received March 23, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

1379. A letter from the Acting Director, Office of Personnel Management, transmitting the Office's final rule—Corrections of Retirement Coverage Errors under the Federal Erroneous Retirement Coverage Corrections Act (RIN: 3206–AJ38) received March 23, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

1380. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Pacific Halibut Fisheries; Catch Sharing Plans [Docket No. 010119023–1062–02; I.D. 121900A] (RIN: 0648–AO80) received March 23, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1381. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries Off West Coast States and in the Western Pacific Pelagic Fisheries; Hawaii-based Pelagic Longline Area Closure [Docket No. 000822244–1060–03; I.D. 030201B] (RIN: 0648–AO66) received March 23, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1382. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Northeastern United States; Summer Flounder Fishery; 2001 Specifications [Docket No. 001121328–1066–03; I.D. 111500CB] (RIN: 0648–AN71) received March 23, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1383. A letter from the Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in Statistical Area 630 of the Gulf of Alaska [Docket No. 010112013–1013–01; I.D. 031301E] received March 21, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1384. A letter from the Deputy Assistant Administrator, National Ocean Service, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Announcement of funding opportunity to Submit Proposals for the Global Ocean Ecosystems Dynamics Project [Docket No. 000127019–0323–02; I.D. No. 111500D] (RIN: 0648–ZA77) received March 20, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1385. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Species in the Rock sole/Flathead sole/Flathead sole/''Other flatfish'' Fishery Category by Vessels Using Trawl Gear in Bering Sea and Aleutian Islands Management Area [Docket No. 010112013–1013–01; I.D. 031901E] received March 23, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1386. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–8–31, DC–8–32, DC–8–33, DC–8–41, DC–8–42, DC–8–43, DC–8–51, DC–8–52, DC–8–53, DC–8–55, DC–8–61, DC–8–61F, DC–8–62, DC–8–62F, DC–8–63, DC–8–63F, DC–8F–54, and DC–8F–55 Series Airplanes [Docket No. 2001–NM–26–AD; Amendment 39–12135; AD 2001–04–15] (RIN: 2120–AA64) received March 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1387. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pratt & Whitney JT9D Series Turbofan Engines [Docket No. 99–NE–56–AD; Amendment 39–12130; AD 2001–04–11] (RIN: 2120–AA64) received March 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1388. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model AS350B, AS350B1, AS350B2, AS350B3, AS350BA, AS350C, AD350D, AS350D1, AS355E, AS355F, AS355F1, AS355F2, and AS355N Helicopters [Docket No. 2000–SW–17–AD; Amendment 39–12133; AD 2001–04–14] (RIN: 2120–AA64) received March 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1389. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737–600, –700, –800, and –700C Series Airplanes [Docket No. 2001–NM–13–AD; Amendment 39–12127; AD 2001–04–08] (RIN: 2120–AA64) received March 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1390. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767 Series Airplanes [Docket No. 2000–NM–416–AD; Amendment 39–12128; AD 2001–04–09] (RIN: 2120–AA64) received March 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1391. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model EC120B Helicopters [Docket No. 2000–SW–31–AD; Amendment 39–12131; AD 2001–04–12] (RIN: 2120–AA64) received March 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1392. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon Aircraft Company Beech Model 1900D Airplanes [Docket No. 2000–CE–10–AD; Amendment 39–12123; AD 2001–04–05] (RIN: 2120–AA64) received March 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1393. A letter from the Chief, Regulations Branch, Customs Service, Department of the Treasury, transmitting the Department's final rule—Assessment Of Liquidated Damages Regarding Imported Merchandise That Is Not Admissible Under The Food, Drug, And Cosmetic Act [T.D. 01–26] (RIN: 1515–AC45) received March 23, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1394. A letter from the Chief, Regulations Branch, Department of the Treasury, transmitting the Department's final rule—Foreign Repairs To American Vessels [T.D. 01–24] (RIN: 1515–AC30) received March 20, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1395. A letter from the Chief, Regulations Branch, Customs Service, Department of the Treasury, transmitting the Department's final rule—Amended Procedure For Refunds Of Harbor Maintenance Fees Paid On Exports Of Merchandise [T.D. 01–25] (RIN: 1515–AC82) received March 23, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Ms. PRYCE of Ohio: Committee on Rules. House Resolution 104. Resolution providing for consideration of the bill (H.R. 6) to

amend the Internal Revenue Code of 1986 to reduce the marriage penalty by providing for adjustments to the standard deduction, 15-percent rate bracket, and earned income credit and to allow the nonrefundable personal credits against regular and minimum tax liability (Rept. 107–31). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mrs. MORELLA (for herself, Mr. GORDON, Mr. BOEHLERT, Mr. BARCIA, Mr. EHLERS, Mr. ETHERIDGE, and Mr. GUTKNECHT):

H.R. 1259. A bill to amend the National Institute of Standards and Technology Act to enhance the ability of the National Institute of Standards and Technology to improve computer security, and for other purposes; to the Committee on Science.

By Mr. KERNS:

H.R. 1260. A bill to prohibit the cloning of humans, and for other purposes; to the Committee on the Judiciary.

By Mr. HORN:

H.R. 1261. A bill to amend the Reclamation Projects Authorization and Adjustment Act of 1992 to impose a limit on the Federal share of the costs of the Long Beach Desalinization Research and Development Project in Los Angeles County, California; to the Committee on Resources.

By Mr. RODRIGUEZ:

H.R. 1262. A bill to amend subchapter IV of chapter 53 of title 5, United States Code, relating to prevailing rate systems for Federal employees; to the Committee on Government Reform.

By Mr. MCINNIS (for himself, Mr. HEFLEY, Mr. TANCREDO, Mr. SCHAFFER, Mr. UDALL of Colorado, and Ms. DEGETTE):

H.R. 1263. A bill to amend the Internal Revenue Code of 1986 to expand S corporation eligibility for banks, and for other purposes; to the Committee on Ways and Means.

By Mr. RANGEL (for himself and Mr. PASCRELL):

H.R. 1264. A bill to amend the Internal Revenue Code of 1986 to provide individual income tax rate reductions, tax relief to families with children, marriage penalty relief, and to immediately eliminate the estate tax for two-thirds of all decedents currently subject to the estate tax; to the Committee on Ways and Means.

By Mr. BLUMENAUER (for himself and Mr. FOLEY):

H.R. 1265. A bill to amend the Internal Revenue Code of 1986 to extend the transportation fringe benefit to bicycle commuters; to the Committee on Ways and Means.

By Mr. BONIOR (for himself, Mr. BARR of Georgia, Mr. CONYERS, Mr. TOM DAVIS of Virginia, Ms. JACKSON-LEE of Texas, Mr. DINGELL, Mr. TOOMEY, Ms. MCKINNEY, Mr. HINCHEY, and Mr. TOWNS):

H.R. 1266. A bill to ensure that no alien is removed, denied a benefit under the Immigration and Nationality Act, or otherwise deprived of liberty, based on evidence that is kept secret from the alien; to the Committee on the Judiciary.

By Mr. CRANE (for himself, Ms. DUNN, Mr. SMITH of Washington, and Mr. HASTINGS of Washington):

H.R. 1267. A bill to amend the Internal Revenue Code of 1986 to provide tax treatment for foreign investment through a United States regulated investment company comparable to the tax treatment for direct foreign investment and investment through a foreign mutual fund; to the Committee on Ways and Means.

By Mr. CRANE (for himself, Mr. NEAL of Massachusetts, Mr. SAM JOHNSON of Texas, Ms. DUNN, and Mrs. JOHNSON of Connecticut):

H.R. 1268. A bill to amend the Internal Revenue Code of 1986 to include wireless telecommunications equipment in the definition of qualified technological equipment for purposes of determining the depreciation treatment of such equipment; to the Committee on Ways and Means.

By Mr. CROWLEY (for himself, Mrs. LOWEY, Mrs. MORELLA, Ms. KILPATRICK, Mr. HINCHEY, Mr. SERRANO, Mr. RANGEL, Ms. SLAUGHTER, Mrs. MEEK of Florida, Mr. FROST, Mr. PASTOR, Ms. DELAURO, Ms. MCKINNEY, Mr. HILLIARD, Mr. WEXLER, Mrs. MALONEY of New York, Mr. SANDERS, Mr. BACA, Ms. BROWN of Florida, Mr. HALL of Ohio, Mr. DELAHUNT, Mr. FRANK, Mr. ABERCROMBIE, Ms. JACKSON-LEE of Texas, Mr. MCGOVERN, Mr. GEORGE MILLER of California, Mr. WAXMAN, Ms. WOOLSEY, Mr. FILNER, Ms. RIVERS, Mr. OWENS, Mr. BROWN of Ohio, Mr. MCNULTY, Mr. ENGEL, Mr. RUSH, Ms. LEE, Mrs. MCCARTHY of New York, Ms. WATERS, Mr. WEINER, Ms. PELOSI, Mr. BOUCHER, Ms. SCHAKOWSKY, Mr. SABO, Mr. GONZALEZ, Mr. MCDERMOTT, Mr. LAMPSON, Mr. BRADY of Pennsylvania, Ms. BALDWIN, Ms. CARSON of Indiana, Mr. NADLER, Mr. ALLEN, Mr. BLUMENAUER, and Mr. SHERMAN):

H.R. 1269. A bill to improve global health by increasing assistance to developing nations with high levels of infectious disease and premature death, by improving children's and women's health and nutrition, by reducing unintended pregnancies, and by combating the spread of infectious diseases, particularly HIV/AIDS, and for other purposes; to the Committee on International Relations.

By Mr. DEFAZIO:

H.R. 1270. A bill to increase accountability for Government spending and to reduce wasteful Government spending; to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, Armed Services, Science, Resources, Financial Services, International Relations, Veterans' Affairs, and Intelligence (Permanent Select), for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DIAZ-BALART (for himself, Mr. MENENDEZ, Ms. ROS-LEHTINEN, Mr. ANDREWS, Mr. BACHUS, Mr. BARTLETT of Maryland, Mr. BILIRAKIS, Mr. BLUNT, Mr. BOEHNER, Mr. BONILLA, Mr. BRYANT, Mr. BURTON of Indiana, Mr. CANNON, Mr. CHABOT, Mr. COOKSEY, Mr. COX, Mr. CRENSHAW, Mr. CROWLEY, Mr. CUNNINGHAM, Mr. DAVIS of Illinois, Mr. DELAY, Mr. DEUTSCH, Mr. DOOLITTLE, Mr. DREIER, Mr. DUNCAN, Mr. ENGEL, Mr. FOLEY, Mr. FOSSELLA, Mr. FRELINGHUYSEN, Mr. GANSKE, Mr. GILMAN, Mr. GOSS, Mr. GRAHAM, Mr. GUTIERREZ, Mr. GUTKNECHT, Mr. HANSEN, Mr. HASTINGS of Washington, Mr. HAYES, Mr. HORN, Mr. HUNTER, Mr. HUTCHINSON, Mr. JENKINS, Mr. JONES of North Carolina, Mr. KELLER, Mr. KENNEDY of Rhode Island, Mr. KERNS, Mr. KING, Mr. KINGSTON, Mr. KIRK, Mr. LANTOS, Mr. LINDER, Mr. LUCAS of Oklahoma, Mr. MANZULLO, Mr. MCINNIS, Mr. MCKEON, Mrs. MEEK of Florida, Mr. MILLER of Florida, Mrs. MYRICK, Mr. NEY, Mr. PALLONE, Mr. PASCRELL, Mr. PENCE, Mr. PETERSON of Minnesota, Mr. POMBO, Ms. PRYCE of Ohio, Mr. PUTNAM, Mr. REYNOLDS, Mr. ROHRABACHER, Mr. SCARBOROUGH, Mr. SCHROCK, Mr. SESSIONS, Mr. SHADEGG, Mr. SHAW, Mr. SHERMAN, Mr. SMITH of New Jersey, Mr. SOUDER, Mr. STEARNS, Mr. SWEENEY, Mr. TANCREDO, Mr. TRAFICANT, Mr. WATTS of Oklahoma, Mr. WELDON of Florida, Mr. WEXLER, Mr. WHITFIELD, Mr. WICKER, and Mr. WOLF):

H.R. 1271. A bill to assist the internal opposition in Cuba, and to further help the Cuban people to regain their freedom; to the Committee on International Relations.

By Mr. FOLEY (for himself and Mr. BECERRA):

H.R. 1272. A bill to amend the Internal Revenue Code of 1986 to allow taxpayers using the income forecast method of depreciation to treat costs contingent on income in the same manner as fixed costs to the extent determined by reference to the estimated income under such method, and for other purposes; to the Committee on Ways and Means.

By Mr. HOSTETTLER (for himself, Mr. WICKER, Mr. BARTLETT of Maryland, Mr. BLUNT, Mr. RADANOVICH, Mr. PETERSON of Pennsylvania, Mr. SOUDER, Mr. SMITH of New Jersey, Mr. PICKERING, Mr. DOOLITTLE, Mr. SESSIONS, Mr. ISTOOK, Mr. HEFLEY, Mr. DEMINT, Mr. RILEY, Mr. ISSA, Mr. PITTS, Mr. SCHAFFER, Mr. HAYWORTH, Mr. JONES of North Carolina, Mr. TERRY, Mr. AKIN, Mr. HOEKSTRA, Mr. SHOWS, Mr. BAKER, Mr. LEWIS of Kentucky, and Mr. SMITH of Texas):

H.R. 1273. A bill to amend the Revised Statutes of the United States to eliminate the chilling effect on the constitutionally protected expression of religion by State and local officials that results from the threat that potential litigants may seek damages and attorney's fees; to the Committee on the Judiciary.

By Mr. HUNTER (for himself, Mr. GOSS, Mr. GILCHREST, Ms. ROS-LEHTINEN, Mr. RAMSTAD, Mrs. BONO, Mr. CRANE, and Ms. BERKLEY):

H.R. 1274. A bill to amend the Internal Revenue Code of 1986 to provide that tips received for certain services shall not be subject to income or employment taxes; to the Committee on Ways and Means.

By Mrs. JOHNSON of Connecticut (for herself, Mr. MCNULTY, Mr. BOEHLERT, Mr. LARSON of Connecticut, Ms. DUNN, Mr. NEAL of Massachusetts, Mr. FOLEY, Mr. ALLEN, Mr. HUNTER, Ms. BALDWIN, Mr. WALDEN of Oregon, Mr. UDALL of Colorado, Mr. SHAYS, Mr. HINCHEY, Mr. SIMMONS, Mr. WYNN, Mr. PETERSON of Minnesota, Ms. DELAURO, Mr. NETHERCUTT, Ms. RIVERS, Mr. HORN, Mr. MALONEY of Connecticut, Mr. GILCHREST, Mr. SANDERS, Mr. SWEENEY, and Mr. INSLEE):

H.R. 1275. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for certain energy-efficient property; to the Committee on Ways and Means.

By Mrs. LOWEY (for herself and Mr. THOMPSON of Mississippi):

H.R. 1276. A bill to expand the enforcement options under the Federal Meat Inspection Act and the Poultry Products Inspection Act to include the imposition of civil money penalties; to the Committee on Agriculture.

By Mrs. LOWEY:

H.R. 1277. A bill to amend the Internal Revenue Code of 1986 to reduce estate tax rates by 20 percent, to increase the unified credit against estate and gift taxes to the equivalent of a $2,500,000 exclusion and to provide an inflation adjustment of such amount, and for other purposes; to the Committee on Ways and Means.

By Ms. MCKINNEY:

H.R. 1278. A bill to redesignate the Federal building located at 935 Pennsylvania Avenue Northwest in the District of Columbia as the ''Frank F. Church Federal Building''; to the Committee on Transportation and Infrastructure.

By Mr. ROTHMAN:

H.R. 1279. A bill to reestablish the annual assay commission; to the Committee on Financial Services.

By Mr. SHOWS (for himself, Mr. BALDACCI, Mr. FILNER, and Mr. BISHOP):

H.R. 1280. A bill to amend title 38, United States Code, to provide for the annual determination of the rate of the basic benefit of active duty educational assistance under the Montgomery GI Bill, and for other purposes; to the Committee on Veterans' Affairs, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. VITTER:

H.R. 1281. A bill to declare the policy of the United States with respect to deployment of a National Missile Defense System; to the Committee on Armed Services.

By Mr. VITTER:

H.R. 1282. A bill to provide for a testing program for the Navy Theater-Wide system and the Theater High-Altitude Area Defense system; to the Committee on Armed Services.

By Mr. VITTER:

H.R. 1283. A bill to establish the policy of the United States with respect to deployment of missile defense systems capable of defending allies of the United States against ballistic missile attack; to the Committee on Armed Services, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WATTS of Oklahoma (for himself, Mr. HALL of Ohio, and Mr. HASTERT):

H.R. 1284. A bill to provide incentives for charitable contributions by individuals and businesses, to improve the effectiveness and efficiency of government program delivery to individuals and families in need, and to enhance the ability of low-income Americans to gain financial security by building assets; to the Committee on Ways and Means, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MOORE (for himself and Mr. HOLDEN):

H.R. 1285. A bill to amend the Internal Revenue Code of 1986 to reduce and simplify the estate tax; to the Committee on Ways and Means.

By Mr. WALDEN of Oregon (for himself, Mr. SKELTON, and Mrs. CUBIN):

H. Con. Res. 89. Concurrent resolution mourning the death of Ron Sander at the hands of terrorist kidnappers in Ecuador and welcoming the release from captivity of Arnie Alford, Steve Derry, Jason Weber, and David Bradley, and supporting efforts by the United States to combat such terrorism; to the Committee on International Relations.

By Mr. BACA (for himself, Mr. ABERCROMBIE, Mr. ACEVEDO-VILA, Mr. BARRETT, Mr. BECERRA, Mr. BERMAN, Mr. BONIOR, Mr. BRADY of Pennsylvania, Mr. CLAY, Ms. DELAURO, Mr. EVANS, Mr. FILNER, Mr. FROST, Mr. GONZALEZ, Mr. GUTIERREZ, Mr. HILLIARD, Mr. HINOJOSA, Mr. HONDA, Ms. HOOLEY of Oregon, Mr. INSLEE, Ms. KAPTUR, Mr. KENNEDY of Rhode Island, Mr. KUCINICH, Mr. MENENDEZ, Ms. MCCARTHY of Missouri, Ms. MILLENDER-MCDONALD, Ms. MCKINNEY, Mrs. NAPOLITANO, Mr. ORTIZ, Mr. PASTOR, Mr. RANGEL, Mr. REYES, Mr. RODRIGUEZ, Ms. ROYBAL-ALLARD, Ms. SANCHEZ, Mr. SANDERS, Ms. SCHAKOWSKY, Mr. SERRANO, Mr. SCHIFF, Ms. SOLIS, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. UNDERWOOD, Ms. VELÁZQUEZ, Mr. WAXMAN, Mr. WEXLER, Mr. FRANK, Ms. BALDWIN, and Mr. NADLER):

H. Res. 105. A resolution expressing the sense of the House of Representatives regarding Cesar E. Chavez; to the Committee on Government Reform.

By Ms. KAPTUR (for herself, Ms. CARSON of Indiana, Mr. COSTELLO, Mr. CUMMINGS, Ms. DELAURO, Ms. ESHOO, Mr. FILNER, Ms. HOOLEY of Oregon, Ms. KILPATRICK, Mrs. MALONEY of New York, Mrs. MINK of Hawaii, Mrs. MORELLA, Mrs. NAPOLITANO, Ms. RIVERS, Mr. SANDERS, Ms. SCHAKOWSKY, and Mrs. THURMAN):

H. Res. 106. A resolution expressing the sense of the House of Representatives that the artwork displayed in the Capitol, the Capitol Visitor Center, and the office buildings of the House of Representatives should represent the contributions of women to American society; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Mr. THOMPSON of California introduced a bill (H.R. 1286) for the relief of Kuan-Fan Hsieh; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 10: Mr. SCHIFF.

H.R. 13: Mr. CROWLEY and Mr. PETRI.

H.R. 28: Ms. BERKLEY, Mr. PALLONE, and Mr. PASCRELL.

H.R. 40: Ms. MCCARTHY of Missouri.

H.R. 41: Mr. LANTOS, Mr. WATKINS, Mr. KENNEDY of Rhode Island, Mr. ROTHMAN, Mr. UDALL of Colorado, and Mr. LATOURETTE.

H.R. 51: Mr. FOLEY.

H.R. 67: Mr. FOLEY.

H.R. 68: Mr. LANGEVIN, Ms. SLAUGHTER, Mr. TURNER, and Mr. WELDON of Florida.

H.R. 80: Mr. ISAKSON and Mr. GOSS.

H.R. 82: Mr. DAVIS of Illinois.

H.R. 144: Mr. MURTHA, Mr. BONIOR, and Mr. HOLDEN.

H.R. 147: Mr. BONIOR.

H.R. 162: Ms. VELÁZQUEZ, Mr. JACKSON of Illinois, Mr. WEINER, Mr. WALSH, Mr. FILNER, Mr. ENGEL, Mrs. MALONEY of New York, and Mr. HOLDEN.

H.R. 179: Mr. REHBERG and Mr. GUTIERREZ.

H.R. 183: Ms. PELOSI, Mr. JEFFERSON, Ms. SOLIS, Mr. LANGEVIN, and Mr. GONZALEZ.

H.R. 184: Mr. DAVIS of Illinois, Mr. BLUMENAUER, and Mr. GEORGE MILLER of California.

H.R. 189: Mr. BACHUS, Mr. HEFLEY, and Mr. GOODLATTE.

H.R. 190: Mr. LINDER.

H.R. 199: Mr. EHRLICH, Ms. HART, Mr. BAKER, Mr. MCHUGH, Mr. TANCREDO, and Mr. GREEN of Wisconsin.

H.R. 201: Mr. TANCREDO.

H.R. 229: Mr. SCHAFFER.

H.R. 230: Mr. HALL of Ohio and Mrs. CLAYTON.

H.R. 231: Mr. BONIOR.

H.R. 236: Mr. KOLBE.

H.R. 238: Mr. DICKS and Mr. MCDERMOTT.

H.R. 287: Mrs. MALONEY of New York.

H.R. 294: Mr. NETHERCUTT.

H.R. 303: Mr. TIAHRT, Mr. KENNEDY of Minnesota, Mr. PETERSON of Pennsylvania, Mr. DEUTSCH, and Mr. KINGSTON.

H.R. 318: Mr. KUCINICH, Mr. KIRK, Mr. PALLONE, Mr. ENGEL, Ms. MILLENDER-MCDONALD, Mr. BONIOR, Mr. FARR of California, Mr. PASCRELL, Mr. HOLDEN, Mr. FOSSELLA, Ms. DELAURO, Mr. HONDA, Mr. ISRAEL, and Mr. SIMMONS.

H.R. 340: Mr. WU.

H.R. 380: Mr. COSTELLO.

H.R. 389: Mr. DELAHUNT.

H.R. 429: Mr. BAIRD.

H.R. 499: Mr. GEORGE MILLER of California and Mr. MCGOVERN.

H.R. 500: Mr. DAVIS of Illinois and Mr. SERRANO.

H.R. 503: Mr. WAMP.

H.R. 510: Mr. SCHAFFER and Mr. FLETCHER.

H.R. 525: Mr. BLUMENAUER.

H.R. 526: Ms. BERKLEY, Mr. GONZALEZ, Ms. ROYBAL-ALLARD, Mr. UDALL of Colorado, and Mr. ISRAEL.

H.R. 534: Mr. BUYER, Mr. PUTNAM, Mr. HILLEARY, Mr. ROYCE, Mr. GANSKE, Mr. WAMP, Mr. HEFLEY, Mr. DIAZ-BALART Mr. OXLEY, and Mr. BACA.

H.R. 599: Ms. ESHOO, Mr. KENNEDY of Rhode Island, Mr. WEINER, Mr. WALSH, Mrs. MALONEY of New York, Mr. KLECZKA, Mr. SESSIONS, Mr. HOLDEN, and Mr. GEORGE MILLER of California.

H.R. 602: Mr. WU, Mrs. BONO, Mrs. CLAYTON, Mr. CLEMENT, Mr. CLYBURN, Mr. CONDIT, Mr. CUMMINGS, Mr. DINGELL, Mr. FOLEY, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. NEAL of Massachusetts, Ms. VELÁZQUEZ, Mr. BARCIA, Mr. HYDE, and Mr. HASTINGS of Florida.

H.R. 611: Mr. BARCIA, Mr. BERMAN, Mrs. NAPOLITANO, Mr. MARKEY, Mr. LUCAS of Kentucky, Mr. HORN, Ms. DUNN, Mr. BAIRD, Ms. CARSON of Indiana, Ms. PELOSI, Mr. HONDA, Mr. DICKS, Mr. EHRLICH, Mr. NEAL of Massachusetts, Ms. ROYBAL-ALLARD, Mr. KENNEDY of Rhode Island, Mr. MCDERMOTT, Mr. HOLT, Mr. HYDE, and Mr. CAPUANO.

H.R. 612: Mr. SCHROCK, Mr. SANDLIN, Mr. TAYLOR of Mississippi, and Mr. BISHOP.

H.R. 620: Ms. BROWN of Florida and Mr. MALONEY of Connecticut.

H.R. 622: Mr. HEFLEY, Mr. BASS, and Mr. OLVER.

H.R. 648: Mr. HAYWORTH.

H.R. 654: Ms. SANCHEZ.

H.R. 676: Mr. OSE.

H.R. 683: Mr. ROSS, Mr. JEFFERSON, Mr. ENGEL, Mr. SANDLIN, and Mr. GONZALEZ.

H.R. 692: Mr. TURNER, Mr. NEY, and Mr. REHBERG.

H.R. 710: Mr. MCDERMOTT, Mr. TANCREDO, and Mr. SHERMAN.

H.R. 712: Mr. SPRATT.

H.R. 730: Mr. KUCINICH and Mr. LIPINSKI.

H.R. 737: Mr. ANDREWS.

H.R. 742: Mr. PETERSON of Minnesota.

H.R. 758: Mr. LAFALCE and Ms. KILPATRICK.

H.R. 817: Mr. CONYERS.

H.R. 818: Ms. NORTON, Mr. BROWN of Ohio, Mr. KUCINICH, Mr. DAVIS of Illinois, Mr. ROHRABACHER, and Mr. BLAGOJEVICH.

H.R. 831: Mr. PAUL, Mr. LATOURETTE, Mr. CROWLEY, Mr. CAMP, Mr. FOLEY, and Mr. BASS.

H.R. 840: Mr. MOORE, Mr. WEXLER, Mr. RANGEL, Mr. COYNE, Ms. NORTON, Mr. GONZALEZ, Mr. WAXMAN, Mr. FROST, Mr. NEAL of Massachusetts, and Mr. KOLBE.

H.R. 853: Mr. HALL of Texas.

H.R. 875: Ms. WATERS, Ms. VELÁZQUEZ, Ms. MILLENDER-MCDONALD, Mrs. MEEK of Florida, Ms. HARMAN, Ms. KILPATRICK, Ms. ROYBAL-ALLARD, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. MEEHAN, Mr. BECERRA, Mr. GEORGE MILLER of California, and Ms. DELAURO.

H.R. 876: Mr. LATHAM, Mr. LUCAS of Oklahoma, and Mr. FILNER.

H.R. 906: Mr. HONDA, Mr. SIMMONS, Mr. BONIOR, Mr. TOWNS, Mr. MEEKS of New York, Ms. NORTON, Mrs. MALONEY of New York, and Ms. SOLIS.

H.R. 911: Mr. WALSH and Mr. KOLBE.

H.R. 917: Mr. LANGEVIN.

H.R. 933: Mrs. MALONEY of New York, Mr. HINCHEY, and Mr. HASTINGS of Florida.

H.R. 936: Mrs. THURMAN, Mr. LANTOS, and Mr. PORTMAN.

H.R. 968: Mr. GOODE, Mr. HANSEN, Mr. KUCINICH, Mr. ENGLISH, Mr. VITTER, Ms. HART, Mr. MCCRERY, Mr. HUTCHINSON, and Mr. RYUN of Kansas.

H.R. 969: Mr. BLUNT.

H.R. 981: Mr. GEKAS.

H.R. 993: Mr. SESSIONS.

H.R. 1016: Mr. HOLDEN.

H.R. 1030: Mrs. JO ANN DAVIS of Virginia, Mr. BURTON of Indiana, Mr. MCNULTY, Mr. HOLDEN, Mr. SHERWOOD, and Ms. DUNN.

H.R. 1076: Mr. STUPAK, Ms. ESHOO, Mr. LAMPSON, Mr. FARR of California. Mr. PAUL, Mr. UDALL of New Mexico, Mr. MCGOVERN, Mr. SHOWS, Mr. BLAGOJEVICH, Mr. KENNEDY of Rhode Island, Ms. ROYBAL-ALLARD, Mr. DEUTSCH, Mr. INSLEE, Mr. HASTINGS of Florida, Mr. BOUCHER, Mr. LOBIONDO, Ms. VELÁZQUEZ, Mr. NADLER, Mr. OWENS, and Mr. CROWLEY.

H.R. 1108: Mr. EVANS.

H.R. 1110: Mr. BOUCHER.

H.R. 1111: Mr. ESHOO Mr. MEEHAN, Mr. KIND, Mr. SIMMONS, Ms. DEGETTE, and Ms. ROYBAL-ALLARD.

H.R. 1117: Mr. WEXLER.

H.R. 1140: Mrs. JO ANN DAVIS of Virginia, Mr. GEPHARDT, Mr. OTTER, Ms. DEGETTE, Mr. GOODLATTE, Mr. BOSWELL, Mr. BURR of North Carolina, Ms. NORTON, Mrs. MYRICK, Mr. SNYDER, Mr. ENGLISH, Mrs. MEEK of Florida, Mr. GANSKE, Mr. DINGELL, Mr. THUNE, Mrs. MCCARTHY of New York, Mr. HASTINGS of Washington, Mr. TRAFICANT, Mr. WALSH, Mr. MOLLOHAN, Mr. NEY, Mr. REYES Mr. KILDEE, Mr. WELDON of Pennsylvania, Mr. MCGOVERN, Mr. BONILLA, Mrs. NAPOLITANO, Mr. MCHUGH, and Mrs. THURMAN.

H.R. 1160: Mr. FARR of California, Mr. KLECZKA, Mr. MCDERMOTT, and Mr. MARKEY.

H.R. 1170: Mr. WAXMAN.

H.R. 1172: Mr. CLYBURN, Mr. LUCAS of Kentucky, Mr. PALLONE, Mr. KANJORSKI, and Mr. SHERMAN.

H.R. 1179: Mr. FLETCHER.

H.R. 1181: Mr. UPTON, Mr. SIMMONS, Mr. WALSH, Mrs. MORELLA, Mrs. EMERSON, Ms. HART, Mr. GORDON, Mr. OSE, and Mr. KOLBE.

H.R. 1187: Mr. WHITFIELD and Ms. NORTON.

H.R. 1192: Mr. CAPUANO.

H.R. 1202: Mr. FOLEY, Mr. SAXTON, and Mr. HINCHEY.

H.R. 1257: Mr. NORWOOD.

H.J. Res. 36: Mr. HAYES and Mr. TERRY.

H.J. Res. 40: Ms. CARSON of Indiana and Mr. DINGELL.

H. Con. Res. 4: Mr. ISSA and Mr. FRELINGHUYSEN.

H. Con. Res. 12: Mr. MCGOVERN.

H. Con. Res. 26: Mr. FARR of California.

H. Con. Res. 54: Mr. WAMP, Mr. ALLEN, Mr. CRENSHAW, Mr. MCCRERY, and Mr. GOODE.

H. Con. Res. 64: Mr. GREEN of Texas.

H. Res. 72: Mr. LAFALCE and Mr. STEARNS.

SENATE—*Wednesday, March 28, 2001*

The Senate met at 9:15 a.m. and was called to order by the Honorable GEORGE ALLEN, a Senator from the State of Virginia.

PRAYER

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

Almighty God, Sovereign of our beloved Nation, and the source of the absolutes that knit together the fabric of character, we ask You to stir up the banked embers on the hearth of the hearts of people across our land. Rekindle the American spirit.

We allow our hearts to be broken by what breaks Your heart in the American family, schools, and society. The roots of our greatness as a nation are in the character of our people. Our Founders' passion for justice, righteousness, freedom, and integrity gave birth to a unique nation. Now, at this crucial time in our history, we ask You to bless the Senators as they set an example to encourage parents, teachers, coaches, spiritual leaders, and all who impact our youth with the ethical values which transcend the divisions of race, creed, politics, gender, the rich, and the poor. You are our Adonai, our Elohim, Yahweh, our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable GEORGE ALLEN 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. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 28, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable GEORGE ALLEN, a Senator from the State of Virginia, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

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

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. LOTT. Mr. President, today the Senate will immediately resume consideration of the Thompson amendment regarding the hard money limit, or individual and other contributions that are referred to as hard money. There will be up to 30 minutes of debate prior to the vote at 9:45 a.m. Following the vote, another amendment regarding hard money is expected to be offered by Senator FEINSTEIN. Senators should expect that there will be a vote, or votes, every 3 hours during the day and, hopefully, maybe some of that time will be yielded back and we won't have to use the full 3 hours on each amendment.

Hopefully, we can make real progress today. Everybody will agree that we have had full, and some would even say good, debate on this subject. I think it has been handled in a fair way. I think we are going to be tested this morning in the next 3 hours to see if that will be the way it continues. I am concerned about things I have heard regarding how the Thompson amendment and others would be considered. I urge the Senate to continue in not only the words of the unanimous consent agreement but in the spirit and make sure each Senator has an opportunity to have his or her amendment fully considered and fairly voted upon.

If that doesn't occur, then I think it could lead to other complications, and I will be prepared to become engaged in trying to make sure that this remains on an even keel.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

BIPARTISAN CAMPAIGN REFORM ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 27, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 27) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

Pending:

Specter amendment No. 140, to provide findings regarding the current state of campaign finance laws and to clarify the definition of electioneering communication.

Thompson amendment No. 149, to modify and index contribution limits.

AMENDMENT NO. 149

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the Thompson amendment No. 149 on which there shall be 30 minutes for closing remarks.

Who yields time? The Senator from Tennessee, Mr. THOMPSON.

Mr. THOMPSON. Mr. President, as was stated, we are here to consider our amendment to modestly raise the hard money limits that can be contributed to candidates. We should keep our focus on what this whole reform debate is about; that is, the concern over large amounts of money going to one individual and the appearances that come about from that.

What we are doing today is a part of helping that. It is not enough just to get rid of soft money and leave the hard money unrealistically low limitations where they are. Everything will go to the independent groups. We see how powerful they are now, and they are getting more and more so.

Under the first amendment, they have the right to do that. It will be even more in the future when and if we do away with soft money. Therefore, we should not keep squeezing down the most legitimate, on top of the table, limited, full disclosed parts of our campaign system, which is the hard money system which is now at $1,000.

It has not been indexed for inflation since 1974. All we are asking is that we come up to limits, not even bringing it up to inflation, which would turn the $1,000 limitation into about a $3,550 limitation. We are not suggesting that. We are saying let's go to $2,500, substantially below inflation and the other numbers commensurate with that.

If those limits did not have corruption significance and appearance problems in 1974, they do not today because we are actually giving the candidate less purchasing power than we gave him in 1974, and the reason we are having to bump it up in the increments that we are is because we have not done anything for all of that time.

I think the most salutary benefit of raising the hard money limits just a little bit and to the parties just a little—let the parties have some money to do the things they are supposed to do—no corporate money, no union money, no soft money, but hard money to the parties. Let them be raised, too,

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

again below inflation. The effect of that would be to benefit challengers.

I engaged in a little colloquy with my friend from New York as to how in the world somebody in New York, who wants to run as a challenger in New York, under the $1,000 limitation, or how in the world would a challenger in the State of California or the State of Texas or any other big State—or small State for that matter, but especially large States—get enough money to run as a challenger under these present-day limitations?

They will not even try anymore, and we will continue to have a system made up of nothing but multimillionaires and professional politicians who have Rolodexes big enough to barely fit in the trunk of an automobile.

Mr. MCCONNELL. Will the Senator yield for a question?

Mr. THOMPSON. I will be glad to yield.

Mr. MCCONNELL. Did the Senator see the full-page ad yesterday in the Washington Post?

Mr. THOMPSON. I did not.

Mr. MCCONNELL. A full-page ad paid for by an individual named Jerome Kohlberg, a billionaire, who is financing a lot of the effort on behalf of the underlying legislation, which I know the Senator from Tennessee supports.

I bring it up only to underscore the point the Senator is making. To the extent you weaken the parties, these people are going to control the game. This particular individual put a half a million dollars in against Senator JIM BUNNING in his campaign in 1998.

The point, I gather, I heard the Senator from Tennessee making, to the extent you totally weaken the parties—they already lost money. We know that 40 percent of the RNC and DNC budget is gone. What the Senator from Tennessee is doing, as I understand it, is giving the parties a chance to compete against the billionaires.

Mr. THOMPSON. Exactly, and the candidates a chance. Continue on with those full-page ads. Spend millions of dollars on those full-page ads slamming the candidate. That is free speech, that is America, but let the candidate have a fighting chance. Let him have some control over his own campaign.

I am most disturbed to read in the newspaper that the leadership on the other side, with whom I have worked on these reform measures, is saying now that we can increase it this much, but if you go one centimeter over that, they are going to be against the whole McCain-Feingold bill.

I ask how that considers those of us who have stood with McCain-Feingold, against those who say it will hurt their own party, through thick and thin over the years, to hear the other side now saying that if you go one centimeter over this level, which is still substantially below inflation, we are going to blow up the whole bill because it disadvantages our party.

Are we back to trying to figure out which party is going to get a little advantage on the other party? Is that what this is all about? That is what we have been fighting against. That is not reform.

The fact of the matter is, in all of these areas, we are in as much equilibrium from a party's standpoint as we are ever going to be. Raising these limits to a point that is far below what the writers in 1974 wanted certainly does not tinge on corruption. It does nothing to weaken McCain-Feingold. It strengthens McCain-Feingold.

If you want a bill the Senate will pass, if you want a bill the House will pass, if you want a bill the President will sign, then you will assist in raising these hard money limits up to a decent point.

We talk about a couple and treating a man and a wife as the same; the wife going to do exactly what the husband says, presumably. Raise those money limits. We are talking about $100,000. This is $100,000. Why not extend it over 4 years and say $200,000? You can get the theoretical limits up as high as you wish as long as no large amounts are going to individual candidates, as long as amounts are going to parties that under the law and under all of the learned speculation about what the law will be in terms of these cases that are pending, you are still not going to be able to coordinate between the donor and the candidate. You give to the party and the party can give to the candidate, but you cannot have that kind of coordination that was suggested on the floor. That is just not the law.

Let us remember the purpose of this effort. This will strengthen this effort if we will raise these hard money limits. Give the candidates a fighting chance, give challengers a fighting chance, and not engage in some class warfare: Because not everybody can contribute $2,500 then nobody ought to be allowed to contribute $2,500, even though it skews our system and it will ultimately result in these independent groups totally taking over.

We will be back in here with a strong effort to get rid of all limitations and total deregulation. That will be the result.

We often say do not let the perfect be the enemy of the good. If that phrase ever applied, it applies today.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut, Mr. DODD.

Mr. DODD. Mr. President, I gather the opponents of this measure have 15 minutes; is that correct?

The ACTING PRESIDENT pro tempore. That is correct; the opponents have 15 minutes.

Mr. DODD. Will the Chair advise me when I have consumed 4 minutes?

The ACTING PRESIDENT pro tempore. The Chair will do so.

Mr. DODD. Mr. President, I say to my friend from Tennessee, as I said last evening, I have great respect and admiration for him as a colleague and as a Member of this body. I remind my good friend from Tennessee that the McCain-Feingold bill, of which my friend from Tennessee is a supporter and of which I am and a majority of us are, has a $1,000 per capita limitation on hard money contributions.

That is what McCain-Feingold says. McCain-Feingold does not raise the hard dollar contributions at all. It limits PAC contributions to $5,000; contributions to parties to $10,000; $20,000 to national parties; and raises the aggregate limits from $25,000 to $30,000. There are increases in hard dollar contributions in McCain-Feingold. But our colleague from Tennessee is suggesting we increase the hard dollar contribution by 150 percent, from $1,000 to $2,500. The practical realities are, it is $2,500 for the primary and $2,500 for the general, so we are talking a $5,000 base in that contribution; and as we solicit the contributions from families, a husband and wife, that is really $10,000. We are going from $4,000 to $10,000. That is a significant increase.

I realize costs have gone up in the last 24 years, but this jump from $1,000 to $2,500, the net effect of going from $4,000 to $10,000, is a rather large increase. When we take the aggregate limits from $25,000 to $50,000, that is a 100-percent increase, $50,000 per individual per calendar year. That is a large amount of money.

If you subscribe to the notion that there is too much money in politics, that we ought to try to get less or slow it down, so we don't have the chart my friend from Tennessee showed last evening where the costs have gone from $600,000 for a statewide race in 1976 to in excess of $7 million in the year 2000, 10 years from now, if you extrapolate the numbers, we are looking at $13 million for the average cost of a Senate race.

When does this stop? When do we try to reverse this trend that I don't think is a part of natural law? This is not natural law. The cost of campaigns has to go up exponentially?

There are those who believe there should be some increase—I accept that—in the hard dollar. I am not happy, but I understand there should be some increase.

My plea is the one I made last evening to my friend from Tennessee, who I know is a strong supporter of McCain-Feingold and has been for several years; he is not a Johnny Come Lately to the reform effort. We ought to be able to find some common ground between his proposal and those who agree with McCain-Feingold, who believe and understand there should be some increase, and to find some number we can support.

There are many people who support the amendment of the Senator from Tennessee who ultimately will vote against McCain-Feingold. I think they are hoping to get this number up so high that there will be people on this side who do support McCain-Feingold but can't in good conscience if the number is so high that it makes a mockery of reform. There is sort of a three-dimensional chess game going on here.

My appeal to my colleague from Tennessee is, while we will vote on his amendment in 15 minutes, I suspect there will be a tabling motion, and I suspect there is a possibility the tabling motion may prevail. If it does, that may be a time in which we can begin to sit down and see if we cannot resolve some of this issue. I don't think the differences have to be that great; There can be some common ground.

My plea would be for those who support McCain-Feingold, to try to seek that level of increase that is acceptable, although not something many of us would like to see but certainly a more moderate increase than what is proposed.

I know we have several other colleagues who want to be heard on this amendment. I will yield 5 minutes to my colleague from Minnesota.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, putting more big money into politics is not reform; it is deform. Saying that an individual can contribute as much as $5,000 a year to a candidate, that an individual can contribute as much as $100,000 a year in an aggregate to different political efforts, means two things. It means, first of all, that those who run for office are going to be even more dependent on the top 1 percent of the population. Is that reform?

It means the vast majority of the people in the country are now really going to believe if you pay, you play, and if you don't pay, you don't play. They will feel left out. And they should feel left out.

It is hard for me to believe that Senators want to go back home to their States and say, we have voted for reform by making it possible for those people who are the heavy hitters and the well-connected and have the money to have even more domination over politics today in our country. How are you going to explain that? Do you think it will be the schoolteachers who are going to be making $100,000 contributions per year? Do you think it will be the hospital workers? Do you think it will be the child care workers? Do you think it will be middle-income people, working-income people, low- and moderate-income people, the majority of people? One-quarter of 1 percent of the population contributes over $200. One-ninth of 1 percent of the population contributes over $1,000. Now you will take the lid off and make the people with the big money even more important, with more influence over politics? And you dare to call that reform?

This is one of the most frustrating and disappointing times for being a Senator if we pass this amendment. My colleague from Tennessee talks about class warfare. Let me put it a different way. This is fine for incumbents; I guess they get the money. I don't see myself getting these big bucks. What about whoever wants to run for office as a challenger but he or she is not connected to all these interests; they are not connected to people who are so well heeled; they represent different people? There is not one Fannie Lou Hamer in the United States. There is not one Fannie Lou Hamer. The truth of the matter is, there will not be one Senator who will be able to represent a Fannie Lou Hamer, a civil rights leader, a poor person, people without any power, and people without any money.

You are not going to get people elected any longer if you raise these limits because no one is going to have a chance unless they have a politics that appeals to people who have all of the economic clout. What kind of reform is this?

I think this amendment, if it passes, is a potential ''deal breaker.'' And my colleague from Tennessee says we cannot let the perfect be the enemy of the good. I say to my colleague from Tennessee, the question is whether or not we have the good any longer. The question is whether or not we have the good any longer. We take the caps off; we bring more big money into politics; we now make hard money contributions essentially soft money.

One hundred thousand dollars per year? How many couples in the State of Minnesota can contribute $200,000 a year? How many people in Minnesota can contribute that? And we call this reform?

This amendment has that made-for-Congress look. This amendment has that pro-incumbent look. This amendment has that pro-money, big money look.

I ask, where are the reformers? Why aren't we making an all-out fight? Why aren't people saying this is the deal breaker? We are getting to the point where it is a very real question, if this kind of amendment passes, whether we even have the good any longer. I hope this amendment will be defeated.

Mr. THOMPSON. Does the Senator from New Jersey wish to speak?

Mr. TORRICELLI. If the Senator will yield time.

Mr. THOMPSON. I am informed we have 7½ minutes. I yield the remaining time to the Senator from New Jersey.

The ACTING PRESIDENT pro tempore. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, I thank the Senator from Tennessee for yielding. I compliment him on his leadership on this issue.

This is a regrettable debate in the McCain-Feingold reform question because it is in some measure a distinction without a difference. This is a matter that should have been and should still be settled.

The Senator from Tennessee is offering an amendment that allows a $2,500 individual contribution per election. I believe it is the right level. Some of my colleagues have been apoplectic, that this is an extraordinary change in the system; it would destroy the campaign finance system. The only right and proper thing for the Republic is to have a $2,000 individual campaign limit.

Our Republic must be weak, indeed, if that $500 is the difference between reform and destruction for the whole national campaign finance system.

I believe Senator THOMPSON has struck an appropriate level. Indeed, the $2,500 level that he has established is less, accounting for inflation, than the reforms of 1974. Indeed, in adjusted dollars, the $1,000 limit of 1974 is now worth $300. That $1,000, if adjusted for inflation today, would be $3,400.

Let me explain to my colleagues why I feel so strongly about raising this limit. My hope and wish is we could have reached a compromise on this level. Real campaign finance reform means creating a balanced system. We cannot reform just one part of the campaign finance system. Different aspects must be adjusted for a balanced, workable system.

Can I have order, Mr. President?

The ACTING PRESIDENT pro tempore. The Senate will come to order. Senators will please take their conversations off the floor so the Senator from New Jersey can be heard and other Senators can hear the Senator from New Jersey as well.

Mr. TORRICELLI. Mr. President, a balanced system must include a reduction of costs to end this spiraling cost of campaigns that adds so much pressure on Senate and House candidates. We did that by reducing the cost of television time.

We must eliminate soft money to increase confidence on accountability of these funds, and limits so every American believes they have an appreciably equal influence on their government.

We must ensure that not only the wealthy can get access to fundraising and their own ability to dominate the system is limited.

But there is another component that perhaps only Members of Congress themselves understand, another element of reform. It is the question of time. How much time are Senators taking, raising funds rather than legislating? How much time with their constituents rather than at fundraisers? How many times do they meet ordinary Americans rather than simply

being with the wealthy and privileged few.

That last element is part of what Senator THOMPSON is trying to accomplish today. Because the $1,000 limit forces people to go to hundreds and hundreds of fundraisers, putting together these contributions to fund these massive campaigns is part of the problem. Indeed, I demonstrated to the Senate a few days ago what it would take to run a $15 million campaign today at $1,000. You would raise $20,000 every day, 7 days a week for 2 years; 1,500 fundraising events at $10,000 per event. This is part of what we are addressing. If a person, indeed, contributes $2,500 per election, $5,000 a year, no one in this institution can possibly believe that either by perception or reality the integrity of a Senator is compromised.

Indeed, if our country has come to the point where the American people have their confidence in their government undermined because of a $2,500 contribution, there is no saving this Republic. Certainly, we have better people in the Senate.

Mr. THOMPSON. If the Senator will yield, I understand the Senator has about 2 minutes left. Will the Senator yield about 30 seconds of that to me?

Mr. TORRICELLI. I will yield 1 minute and I will conclude.

I believe with the Thompson amendment we will have this balanced system reducing the amount of time candidates must campaign, and sufficient hard money can be raised to be able to communicate a message. It is a workable and a balanced system. Mostly I regret we have to divide ourselves on this issue, a $500 difference between the Senator from California and the Senator from Tennessee. Even at this late moment, I wish we could bridge this gap. But I hope we can avoid coming to the conclusion that because this amendment is agreed to, somehow we have a less viable reform. This is still fundamental and comprehensive reform. It still reduces the amount of campaign expenditures and the reliance on large contributions. It is a better system under McCain-Feingold, and it is a system that now includes the support of more Members of the Senate on both sides of the aisle.

I yield to the Senator from Tennessee.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. THOMPSON. I will save what little remaining time I have and defer to my colleagues on the other side who oppose the amendment.

Mr. DODD. Mr. President, how much time remains?

The ACTING PRESIDENT pro tempore. Five minutes for the opposition.

Mr. DODD. I don't know if I have any other people who wish to be heard on this amendment, so I will take a couple of minutes and close.

Let me say to my friend from New Jersey that my hope is that also we will find some level that we can support. I said that last evening; I said it again this morning; I say it again this moment. There is a difference. For those of us who have long supported McCain-Feingold and variations of that and other such suggestions over the years, it would be a great tragedy, in our view, to finally close the door on soft money and then open up the barn doors on the other side for a flood of hard money.

To paraphrase Shakespeare, a rose by any other name is just as sweet. A dollar coming through one door or another door still poses the same problem.

What I reject is the idea that there is too little money in politics or there must be some inevitable, unstoppable increase in the cost of campaigns. Unsettled as I am about that, what really troubles and bothers me is who we are excluding. I said it last evening, and I will repeat it.

As we go and seek out these larger contributors, which is what we do every time we increase those amounts, we get further and further and further away from what most, the overwhelming majority of Americans, can participate in.

I think that is unhealthy in America. If we end up saying $50,000 per individual per year—$2,500—Mr. President, there are only a handful of people in this country—last year there were 1,200 people out of 280 million who made contributions of $125,000 to politicians; 1,200. And we are saying it is not enough; we have to raise those amounts even further.

As we do that, we get further away from the average citizen of Virginia, Connecticut, Tennessee, and New Jersey. As we get further away from that individual who can write the $25, $50, $100 check because we are not interested in them any longer, it is no longer valuable for our time to seek that level of support. That is dangerous when we start excluding people from the process.

My concern about this amendment is not just that it puts us on a track that we are going after bigger contributors, giving more access, but it is also whom we exclude—de facto, whom we exclude, and that is people who cannot even begin to think about this kind of level of contribution.

That is dangerous for the body politic. It is dangerous for democracy, in my view, when we or those who challenge us will only be going after those who can write these huge checks. And they are huge. Only here could we be talking about $2,000 as a modest increase.

Who are we talking about? How many Americans could sit down and write a check for that amount—for anything, for that matter, let alone for a politician? I am supposed to somehow believe this is reasonable, when we ought to be doing everything we can to engage more people in the process.

I accept the reality there is going to be some increase. My plea would be to the author of this amendment and to those who also seek increases, to see if we cannot find some agreement that will be acceptable, but please don't try to convince me there is just an inevitable path we have to go down that continues to ratchet up the cost of these campaigns, shrinks the pool of those who can seek public office, and further excludes the overwhelming majority of Americans from financially participating in the political life of this country.

That is a dangerous path. That is a very dangerous path. I suggest we will come to rue the day in the not too distant future of having traveled this road, closing the soft money door and swinging wide open the hard money door and suggesting somehow we have achieved a great accomplishment.

We have an opportunity this morning to do both, to have a modest increase in hard money and to close down that soft money door. And then we can truly say we have reformed this process after 25 years of bickering about it. And I believe the President would sign it.

With all due respect to my colleague from Tennessee, I will oppose this amendment and urge my colleagues to do likewise.

Mr. President, how much time remains?

The ACTING PRESIDENT pro tempore. One minute on each side remains.

Mr. DODD. I think there is going to be a tabling motion. Maybe my colleague would like to complete his argument and then have Senator FEINGOLD make his and move to table. Do you want to yield back?

Mr. THOMPSON. I will yield back part of my time.

Mr. DODD. I yield a half minute to my colleague from Michigan.

Mr. LEVIN. Mr. President, we have worked real hard to close the soft money loophole with one hand. We are hopefully going to do that after a huge amount of work. We cannot and should not with the other hand undermine public confidence by raising the hard money limits from $25,000 per year to $50,000 per year for an individual. That is too much money. It is corruptive in its appearance, and it undermines public confidence.

Mr. DODD. I yield 1 minute to the Senator from Wisconsin.

The ACTING PRESIDENT pro tempore. The Senator is out of time.

Mr. DODD. I apologize to the Senator.

Mr. President, I ask unanimous consent for 30 seconds.

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

The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, should we achieve our dream of passing this bill, there are just four or five Senators who are said to be responsible for it. One of them is Senator FRED THOMPSON. So I regret that this amendment is too high and I have to oppose it. His attitude and his spirit on this bill has been stalwart, and I am grateful to him. It is necessary, though, that I have to move to table the amendment at the appropriate time. I will do that after his remarks.

Mr. THOMPSON. Mr. President, I simply remind my colleagues that we are here about $100,000 contributions, $200,000 contributions, and $500,000 contributions. That is what this debate is all about. There is a difference from that and raising the hard money limit from $1,000 and $2,000 or $500—whichever commentator says it—which is just and reasonable and substantially below inflation. This will help McCain-Feingold, not hurt it.

I yield the rest of my time. I ask for the yeas and nays on the amendment.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I move to table the Thompson amendment and ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion to table the Thompson amendment. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 46, nays 54, as follows:

[Rollcall Vote No. 53 Leg.]

Yeas—46

Akaka	Dorgan	Lincoln
Baucus	Durbin	McCain
Bayh	Edwards	Mikulski
Biden	Feingold	Miller
Bingaman	Feinstein	Murray
Boxer	Graham	Nelson (FL)
Byrd	Harkin	Reed
Cantwell	Hollings	Reid
Carnahan	Inouye	Rockefeller
Cleland	Johnson	Sarbanes
Clinton	Kennedy	Schumer
Conrad	Kerry	Stabenow
Corzine	Kohl	Wellstone
Daschle	Leahy	Wyden
Dayton	Levin	
Dodd	Lieberman	

NAYS—54

Allard	DeWine	Jeffords
Allen	Domenici	Kyl
Bennett	Ensign	Landrieu
Bond	Enzi	Lott
Breaux	Fitzgerald	Lugar
Brownback	Frist	McConnell
Bunning	Gramm	Murkowski
Burns	Grassley	Nelson (NE)
Campbell	Gregg	Nickles
Carper	Hagel	Roberts
Chafee	Hatch	Santorum
Cochran	Helms	Sessions
Collins	Hutchinson	Shelby
Craig	Hutchison	Smith (NH)
Crapo	Inhofe	Smith (OR)
Snowe	Thomas	Torricelli
Specter	Thompson	Voinovich
Stevens	Thurmond	Warner

The motion was rejected.

Mr. LOTT. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. SMITH of New Hampshire). The majority leader is recognized.

Mr. LOTT. Mr. President, we are very close to a unanimous consent request that will allow us to proceed to a conclusion on this issue of the so-called hard money. I emphasize that I think what we should do at this point is go to a straight vote on the Thompson amendment. The motion to table was defeated by a considerable margin, and normally what we do, in an abundance of fairness, is go to a vote at that point on the amendment that was not tabled.

Of course, there is continuing interest in this area, and Senator FEINSTEIN has an amendment she wants to offer that will have a different level for hard money and will affect not only individual contributions but what individuals could give up and down the line, including to the parties.

The fair thing to do is have the two Senators have a chance to have a direct vote side by side and not go through procedural hoops of second degrees and motions to table. At some point, we should get to a vote, get a result, and move to either raise these limits or not.

I believe very strongly these limits need to be raised. They have not been modified in over 25 years. A lot has happened in 25 years. It is part of the fundraising chase with which Senators and Congressmen have to wrestle.

I am concerned what this is trying to do is set up a marathon or negotiating process that drags the responsible Thompson amendment down further.

Mr. MCCONNELL. Will the leader yield?

Mr. LOTT. I will be glad to yield.

Mr. MCCONNELL. Mr. President, this is the first time, as the leader pointed out, during the long 8 days of this debate that the will of the Senate has not prevailed on an amendment. What is happening, of course, is those who were not successful on the Thompson amendment do not want to allow the Senate to adopt the amendment.

The negotiation that the majority leader is discussing presumably will occur now over the next couple of hours, but it is important to note that 54 Members of the Senate were prepared to adopt the Thompson amendment and that apparently is going to be prevented for the first time during the course of this debate.

I thank the leader.

Mr. FEINGOLD. Mr. President, I simply note that a motion to table does not mean one is prepared to vote for the underlying amendment. It means one is not prepared to table the amendment. I know, in fact, there are some Members interested in the negotiating process and looking for alternatives.

Mr. LOTT. I understand that, but I hope we do not negotiate it into a meaningless number or right of people to participate further. Having said that, we have an agreement that I think we can accept at this point that will get us to some straight up-or-down votes and conclusion.

I ask unanimous consent that Senator FEINSTEIN now be recognized to offer a second-degree amendment; that there be 90 minutes equally divided in the usual form, to be followed by a vote in relation to the Feinstein amendment. If the amendment is tabled, a vote will immediately occur on the Thompson amendment without any intervening action or debate. If the amendment is not tabled, there will be up to 90 minutes for debate on both amendments running concurrently to be equally divided, and following that time, the Senate proceed to a vote on the Thompson amendment to be followed by a vote on the Feinstein amendment which will be modified to be a first-degree amendment. I further ask unanimous consent that Senator THOMPSON have the right to modify his amendment, with the concurrence of Senator FEINSTEIN and Senator MCCONNELL, if the motion to table the Feinstein amendment fails, and the modification must be offered prior to the vote on the Thompson and the Feinstein amendments.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, I ask that following Senator MCCONNELL, we insert the name of our manager, Senator DODD, in that unanimous consent request.

Mr. LOTT. I will be glad to modify it to that extent, Mr. President.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. THOMPSON. Mr. President, as I understand it, we have to have the concurrence of the two managers of this bill before Senator FEINSTEIN and I can set forth a modification or a perfection.

Mr. LOTT. I yield to Senator REID for comment.

Mr. REID. We would be happy to eliminate Senator DODD if Senator MCCONNELL were taken out so the two proponents of the two measures would be the determining individuals as to whether or not there would be a modification.

Mr. LOTT. I believe Senator THOMPSON has a further comment.

Mr. THOMPSON. I certainly want Senator MCCONNELL and Senator DODD to be a part of this process and a part of the discussions and negotiations, but I did not understand that we would necessarily have to have their concurrence in order for us to agree on a motion.

I don't think it would be appropriate, frankly.

Mr. LOTT. Mr. President, this is a process that allows time to debate further the provisions of the Thompson proposal and to debate the Feinstein proposal and for those that are trying to find some third way to negotiate, too.

I think in order to keep everybody calm and everybody comfortable in going forward, everybody ought to have a part and be aware of what change might be entered into in terms of the modification. I think this is the way to guarantee that.

Senator DODD, Senator MCCONNELL, Senator FEINSTEIN, Senator Reid, everybody has been, so far, dealing with this in a fair way, protecting each other's rights. We started off by a Senator not being allowed to modify his amendment. It caused a pretty good uproar and everybody said we don't want to do that.

I think we are swatting at ghosts when it is really not necessary.

Mr. MCCAIN. Basically, what we are asking for is the concurrence of Senator MCCONNELL and Senator DODD. I hope that would be forthcoming to have a vote on something that had been agreed to by all parties.

If not, the Senator from Tennessee has the right to pull down his amendment and we would propose another amendment.

Mr. LOTT. I say to Senator MCCAIN, he is absolutely right. I could seek recognition and offer a modification, too. I am going to try to make sure nobody gets cut out. Senator MCCAIN was one of the ones who made sure when we started this whole debate that the Senator was allowed to modify his own amendment. If there is an agreement reached, we are going to find a way to get that done.

Mr. MCCONNELL. Under the consent agreement, it requires unanimous consent to modify, anyway. I don't think anybody will unreasonably deny that. But I don't think it is inappropriate for the managers of the bill to be a part of the negotiation.

Mr. REID. Everyone doesn't have to agree if this unanimous consent agreement goes forward. It is my understanding that the modification would be under the direction of the two proponents of these two amendments. The rest of us would not have to agree.

Mr. THOMPSON. My understanding is that under ordinary rules, absent overall agreement, if the Feinstein motion to table does not carry, it would leave the Thompson amendment not tabled and the Feinstein amendment not tabled. Ordinarily, I would have the right to come in at that point with a motion or perfecting amendment. I am told because we are operating within the confines of an overall agreement, that right is no longer there. So we are operating on the basis of what is fair and what is expeditious.

I don't want to complicate the issue in having more players, more and more players—as we are trying to refine this process and get a resolution, having more and more players involved. Obviously, everybody needs to be involved and would have to be in order for us to get a good resolution, but I don't want to bog it down more than necessary.

Mr. LOTT. I urge we go ahead and get this consent, get started, and start talking and continue to try to find a way to move forward in good faith, as we have done so far.

The PRESIDING OFFICER. Is there objection to the request of the majority leader? Without objection, it is so ordered.

Mr. LOTT. I yield the floor.

AMENDMENT NO. 151 TO AMENDMENT NO. 149

Mrs. FEINSTEIN. Mr. President, on behalf of the senior Mississippi Senator, Mr. COCHRAN, the senior Senator from New York, and myself, I send a second-degree perfecting amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mrs. FEINSTEIN], for herself, Mr. COCHRAN, and Mr. SCHUMER, proposes an amendment numbered 151 to amendment No. 149.

Mrs. FEINSTEIN. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To amend the Federal Election Campaign Act of 1971 to clarify contribution limits).

Strike all after the first word and insert the following:

104. CLARITY IN CONTRIBUTION LIMITS.

(a) CONTRIBUTION LIMITS APPLIED ON ELECTION CYCLE BASIS.—Section 315(a)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)(A)) is amended to read as follows:

''(A) to any candidate and the candidate's authorized political committee during the election cycle with respect to any Federal office which, in the aggregate, exceeds $4,000;''.

(b) INDIVIDUAL AGGREGATE CONTRIBUTION LIMITS APPLIED ON ELECTION CYCLE BASIS.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)), as amended by this Act, is amended to read as follows:

''(3) The aggregate contributions an individual may make—

''(A) to candidates or their authorized political committees for any House election cycle shall not exceed $30,000; or

''(B) to all political committees for any House election cycle shall not exceed $35,000.

For purposes of this paragraph, if any contribution is made to a candidate for Federal office during a calendar year in the election cycle for the office and no election is held during that calendar year, the contribution shall be treated as made in the first succeeding calendar year in the cycle in which an election for the office is held.''.

(c) INDEXING OF CONTRIBUTION LIMITS.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting ''(A)'' before ''At the beginning''; and

(C) by adding at the end the following:

''(B) Except as provided in subparagraph (C), in any calendar year after 2002—

''(i) a limitation established by subsection (a)(1)(A), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

''(ii) each amount so increased shall remain in effect for the calendar year; and

''(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

''(C) In the case of limitations under subsections (a)(1)(A) and (h), each amount increased under subparagraph (B) shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.''; and

(2) in paragraph (2)(B), by striking ''means the calendar year 1974'' and inserting ''means—

''(i) for purposes of subsections (b) and (d), calendar year 1974; and

''(ii) for purposes of subsections (a) and (h), calendar year 2001''.

(d) ELECTION CYCLE DEFINED.—Section 301 of such Act (2 U.S.C. 431), as amended by section 101, is amended by adding at the end the following:

''(25) ELECTION CYCLES.—

''(A) ELECTION CYCLE.—The term 'election cycle' means, with respect to a candidate, the period beginning on the day after the date of the previous general election for the specific office or seat that the candidate is seeking and ending on the date of the general election for that office or seat.

''(B) HOUSE ELECTION CYCLE.—The term 'House election cycle' means, the period of time determined under paragraph (A) for a candidate seeking election to a seat in the House of Representatives.''.

(e) SPECIAL RULES.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following:

''(9) For purposes of this subsection—

''(A) if there are more than 2 elections in an election cycle for a specific Federal office, the limitation under paragraph (1)(A) shall be increased by $2,000, for the number of elections in excess of 2; and

''(B) if a candidate for President or Vice President is prohibited from receiving contributions with respect to the general election by reason of receiving funds under the Internal Revenue Code of 1986, the limitation under paragraph (1)(A) shall be decreased by $2,000.''.

(f) CONFORMING AMENDMENT.—Paragraph (6) of section 315(a) of such Act (2 U.S.C. 441a(a)(6)) is amended to read as follows:

''(6) For purposes of paragraph (9), all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election.''.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after the date of enactment of this Act.

SEC. ___. TELEVISION MEDIA RATES FOR NATIONAL PARTIES CONDITIONED ON ADHERENCE TO EXISTING COORDINATED SPENDING LIMITS.

(a) AVAILABILITY OF TELEVISION MEDIA RATES.—Section 315(b)(2) of the Communications Act of 1934 (47 U.S.C. 315(b)(2)), as amended by this Act, is amended—

(1) by striking ''TELEVISION.—The charges'' and inserting ''TELEVISION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the charges''; and

(2) by adding at the end the following:

''(B) LIMITATIONS ON AVAILABILITY FOR NATIONAL COMMITTEES OF POLITICAL PARTIES.—

''(i) RATE CONDITIONED ON VOLUNTARY ADHERENCE TO EXPENDITURE LIMITS.—If the limits on expenditures under section 315(d)(3) of the Federal Election Campaign Act of 1971 are held to be invalid by the Supreme Court of the United States, then no television broadcast station, or provider of cable or satellite television service, shall be required to charge a national committee of a political party the lowest charge of the station described in paragraph (1) after the date of the Supreme Court holding unless the national committee of a political party certifies to the Federal Election Commission that the committee, and each State committee of that political party of each State in which the advertisement is televised, will adhere to the expenditure limits, for the calendar year in which the general election to which the expenditure relates occurs, that would apply under such section as in effect on January 1, 2001.

''(ii) RATE NOT AVAILABLE FOR INDEPENDENT EXPENDITURES.—If the limits on expenditures under section 315(d)(3) of the Federal Election Campaign Act of 1971 are held to be invalid by the Supreme Court of the United States, then no television broadcast station, or provider of cable or satellite television service, shall be required to charge a national or State committee of a political party the lowest charge of the station described in paragraph (1) with respect to any independent expenditure (as defined in section 301 of the Federal Election Campaign Act of 1971).''.

(b) FEDERAL ELECTION COMMISSION RULEMAKING.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following:

''(4) If the limits on expenditures under paragraph (3) are held to be invalid by the Supreme Court of the United States, the Commission shall prescribe rules to ensure that each national committee of political party that submits a certification under section 315(b)(2)(B) of the Communications Act of 1934, and each State committee of that political party described in such section, adheres to the expenditure limits described in such section, complies with such certification.''.

Mrs. FEINSTEIN. Mr. President, let me begin quickly by going over current law, McCain-Feingold, the Thompson amendment, and the Feinstein-Cochran-Schumer amendment.

Under current law, candidates in hard money are limited to $1,000 per election or $2,000 a cycle. PACs are limited to $5,000 a calendar year, State and local parties to $5,000, national parties to $20,000, and the aggregate limit that any individual can contribute to all of the above is $25,000 a year. That is present law.

McCain-Feingold keeps the $1,000 limit, keeps the limit on PACs at $5,000. State and local parties are doubled to $10,000 per calendar year. National parties remain the same at $20,000 per calendar year. And the aggregate limit that an individual can contribute to all of the above is $30,000 a calendar year, or $60,000 a cycle.

The Thompson amendment changes that. The limit on an individual contribution goes to $2,500 an election or $5,000 a cycle. PACs go to $7,500 per calendar year. State and local parties stay the same as McCain-Feingold at $10,000. National parties double to $40,000 a calendar year or $80,000 a cycle. The aggregate limit is a substantial change. It goes from $50,000 per calendar year to $100,000 a cycle.

What Senators COCHRAN, SCHUMER, and I propose is as follows: that a candidate limit go to $2,000. That is a doubling of the $1,000 limit of current law. The PACs remain the same as McCain-Feingold and as present law at $5,000 a calendar year. The State and local parties remain the same as McCain-Feingold, and the national party's contributions remain the same as McCain-Feingold.

We differ with McCain-Feingold, and I will make clear why. We raise the aggregate per cycle, which is $60,000, under McCain-Feingold, to $65,000 a cycle. So we are just $5,000 more than McCain-Feingold. What we do in this cycle to allow for flexibility and also to allow for party building, we say of that $65,000, it is split as follows: $30,000 per election cycle can go to candidates, and $35,000 per election cycle to party committees and PACs. We also say the $2,000 cap on individual contributions would be indexed for inflation.

So the substantial differences between McCain-Feingold and Feinstein-Cochran-Schumer are on the candidate cap, which is doubled, which is from $60,000 to $65,000 with a split to encourage both giving to candidates as well as to parties, and indexing per election to inflation, which I happen to believe is extraordinarily important.

Right now, individuals may contribute $1,000 to a House or Senate candidate for the primary and another $1,000 for the general. As I said, we double that. We believe our amendment is necessary for the simple reason the $1,000 limit was established in 1974. It hasn't been changed since then. That was 27 years ago. Ordinary inflation has reduced the value of a $1,000 contribution to about one-third of what it was in 1974. The costs of campaigning have risen much faster than inflation.

In 1996, the Congressional Research Service cites figures to the effect that $4 billion was spent on elections in 1996, up from $540 million in 1976. So that is an eightfold increase in spending; an 800-percent increase in spending between 1976 and 1996.

Let me give some examples of how the cost of campaigning has soared since that thousand dollar limit was established three decades ago. The bulk mailing permit rate in 1974 was 6 cents per piece. Today it is 25 cents per piece. If you send out mail, that is a substantial increase in cost. In 1990, when I ran a gubernatorial campaign in California, a 30-second television spot run in the Los Angeles media market at 6 o'clock at night cost $1,800, one spot. Last year, when I ran for reelection to the Senate, the same spot cost $3,000. That is a 67-percent increase in the cost of one television spot in 10 years.

In 1990, a 30-second spot run in the Los Angeles media market during prime time cost about $12,000; by 2000, it cost $22,000. That is an 83-percent increase. So bulk mail has gone up dramatically, television advertising has gone up dramatically. If you come from a large State, you cannot run a campaign without television advertising and without some bulk mail.

The hard money contribution limits have been frozen now for 27 years. What has been the result? Is that result good or bad? Candidates, incumbents, and challengers have had to spend more and more time just raising money. What gets squeezed out in the process? Time with constituents or, in the case of challengers, prospective constituents. I don't think that is good for our democracy.

Personally, in just this past election alone we have had to have over 100 fundraisers, and that took a lot of time—time to call, time to attend, time to travel, time to say thanks. That was time I could not spend doing what I was elected to do.

So the task of raising hard money in small contributions, unadjusted for inflation, is indeed increasingly daunting. Particularly in the larger States, it is not uncommon for Senators to begin fundraising for the next election right after the present one, as they often find themselves dialing for dollars instead of attending to other duties. In my book, that is bad.

I think that presents us with a problem. Let's be honest with each other and the American people. Campaigning for office will continue to get more and more expensive because television spots are getting more and more expensive. Meanwhile, one of the effects of McCain-Feingold is that as we ban soft money, which I am all for, the field is skewed because one has to say: Can you still give soft money? Some would say no. That is wrong. The answer is: Yes, you can still give soft money. But that soft money then goes toward the independent campaign; into so-called issue advocacy. I think it is a very dangerous skewing of the field.

Spending on issue advocacy, according to CRS, rose from $135 million just 5 years ago, 1996, to as much as $340 million in 1998. Then it rose again to $509 million in the year 2000. So there has been almost a 400-percent increase in unregulated, undisclosed soft

money-type dollars going into independent issue advocacy campaigns. That is the danger I see.

Remember, these figures are only estimates and are probably very conservative, since issue advocacy groups do not have to disclose their spending. It is likely that spending on so-called issue advocacy, most of which is thinly disguised electioneering, probably is going to surpass all hard money spending, and very soon. It has already passed soft money spending. If we do not raise the limit on hard money contributions to individual campaigns, the pressure on the candidate and the party will grow exponentially.

Between 1992 and 2000, soft money jumped from $84 million to $487 million. In just 8 years, soft money increased sixfold.

Hard money has not. Clearly, that indicates the skewing of the playing field that I am trying to make the case against. Clearly, what that indicates is more and more people are turning to the undisclosed, unregulated, independent campaign which, increasingly, has become attack oriented.

There are some who do not want to increase hard dollars at all. To them I say if you do not increase hard dollars, you put every candidate in jeopardy. You put political parties in jeopardy.

What we have tried to do in this amendment is create an incentive for contributions to political parties for party building in the aggregate limit, for contributions to the individual within the aggregate limit, and also to give the candidates the opportunity to better use their time, to increase the hard cap, the contribution limit from $1,000 to $2,000.

Additionally, what the Feinstein-Cochran-Schumer amendment will do is move campaign contributions from under the table to over the table. Our amendment will make it easier to staunch the millions of unregulated dollars that currently flow into the coffers of our national political committees and replace a modest portion of that money with contributions fully regulated, fully disclosed under the existing provisions of the Federal Election Campaign Act. That is the value of this split, the raising from $60,000 per cycle provided for in McCain-Feingold to $65,000, providing that $30,000 per election would go to candidates and $35,000 for PACs and party committees.

McCain-Feingold is meaningful reform. I have voted for versions of it at every opportunity over the past several years. I commend both Senators MCCAIN and FEINGOLD. I support the soft money ban in S. 27. I support the Snowe-Jeffords provision in S. 27. I support the bill's ban on foreign contributions and the ban on soliciting or receiving contributions on Federal property.

Doubling the hard money contribution limit to individual candidates and creating these two new aggregate limits that are just $5,000 more than what is already in McCain-Feingold per election cycle will help level the playing field and better enable candidates to run for election with dollars that are all disclosed and regulated.

On March 20, on the floor of the Senate, Senator FEINGOLD remarked:

> We used to think that [$10,000] was a lot of money. Unfortunately, given this insane soft money system, it is starting to look as if it is spare change.

To an extent that is what has happened to the $1,000 limit.

It is very likely that candidates and their campaigns are going to have to live with what we do today for more than likely another 30 years, and costs are not going to drop in the next three decades.

Therefore, some ability to account for inflation, we believe, is both necessary and achievable.

Additionally, we believe that increasing the limit on individual contributions to Federal candidates would also reduce the need for political action committee—or PAC—funding by reducing the disparity between individual contributions and the maximum allowable PAC contribution of $5,000.

The concern about PACs almost seems unimportant now compared with the problem that soft money, independent expenditures, and issue advocacy presents. But we shouldn't dismiss the fact that PACs retain considerable influence in our system.

Again, from 1974 to 1988, PACs grew in number from 608 to a high of 4,268, and PAC contributions to House and Senate candidates from $12.5 million to $148.8 million—that is a 400-percent rise in constant dollars—and in relation to other sources, from 15.7 percent for a congressional campaign committee to 33 percent.

So, today, one-third of all congressional campaigns are fueled by PACs.

The amendment Senators COCHRAN, SCHUMER, and I are offering would also diminish the influence of PACs.

The underlying Thompson amendment would increase the PACs. And that takes us back to where we were a few years ago, which is a mistake.

The Feinstein-Cochran-Schumer amendment would reinvigorate individual giving. It would reduce the incessant need for fundraising. I believe it compliments McCain-Feingold.

Let me conclude.

As I pointed out last Monday when I spoke in support of the Domenici amendment, I just finished my 12th political campaign. For the fourth time in 10 years, I ran statewide in California, which has more people than 21 other States. These campaigns are expensive. I have had to raise more than $55 million in those four campaigns. And I can tell you from my personal experience that I am committed to campaign reform. And I am heartened to see that we are considering this bill, and I believe we will pass it on Thursday.

I believe this amendment will make that bill stronger. I believe it will help to level the playing field.

I believe if we pass a campaign spending bill without adding additional dollars of hard money to political parties and increasing the individual campaign limits, we skew the playing field so dramatically that the issue of advocacy and the independent campaign has an opportunity with unregulated large soft dollars to occupy the arena entirely.

That is a very deep concern to me.

With this amendment, a candidate has an opportunity to respond to an attack ad. With party building, a candidate has an opportunity to tell their political party they need help, that they are being attacked by the X, Y, or Z group that is putting in $5 million in attack ads against them, that they need the party's help. Individuals can respond through the party on an increasing basis with flexibility because the limit is for the election cycle and not the individual calendar year.

That gives an opportunity for parties to raise disclosed regulated hard dollars.

Without this—again, as one who has done a lot of campaigns now—the playing field becomes so skewed that the independent campaign and the attack issue advocacy effort has an opportunity to dominate the political arena.

Mr. President, I would like to yield the floor and hope that you will recognize my cosponsor, the distinguished senior Senator from the State of Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator from California for yielding, and also for her leadership in helping to craft an amendment to seek to find a solution to the challenge of putting the so-called hard money or regulated contributions at an appropriate limit in this modification of the Federal Election Campaign Act.

My perspective comes from my first candidacy for Congress in 1972. It was the first year that candidates for House and Senate seats in Congress were required to operate and fund their campaigns under the Federal Election Campaign Act of 1971. It required recordkeeping. It required disclosure of contributions that candidates were receiving. It limited those contributions. It required all expenditures to be reported on periodic reports to the Federal Election Commission. It required the keeping of records of all expenditures that were made and the keeping of receipts and invoices to back up the entire financial operation of a Federal election campaign.

That was the first election year in history that such extensive record-keeping and disclosures and limitations were required.

Many Senators have been talking about the post-Watergate limits and reforms. Frankly, this preceded Watergate. It was in that election campaign that the Watergate incident occurred in 1974. But the fact is, candidates were required to make full disclosure but not organizations who were not covered by the Federal Election Campaign Act.

Now we have seen that the amounts being raised and spent by individual candidates have diminished considerably in comparison with the total amount of money being raised and spent to influence the outcome of Federal elections. Most of that money is now not even recorded. The contributions are not limited. The expenditures are not limited. Hence, the phrase ''soft money'' has been used to describe those expenditures and those contributions. They are behind the scenes. They are secret. And we are trying, by this McCain-Feingold bill, to put an end to that kind of spending that is secret, undisclosed, repetitious, and expenditures which are not disclosed either.

Advertising is bought by groups. You don't know who is buying the ads. You just see the campaign ad attacking a candidate or a cause. The people are completely confused in many cases as to who is on which side and who is spending the money. We are trying now to help recreate a system where there is full disclosure.

In doing so, the McCain-Feingold original bill makes very few changes to the regulated, disclosed, and reportable political spending that goes on. Only in two instances—one involving contributions to State and local parties—does the McCain-Feingold bill increase the amount that could be contributed, from $5,000 per calendar year to $10,000 per calendar year. Then, in the aggregate limit allowed by law for regulated publicly disclosed contributions, the limit was increased from $25,000 per calendar year to $30,000 per calendar year.

Most Senators believe those modest changes aren't enough; that in order to make the campaign system fully operational so that candidates can, on their own initiative, raise and spend the moneys they need to offset opposition from organized groups, those limits must be increased. Most Senators agree with that proposition.

The issue now before the Senate is how much should the increases be. The Senator from Tennessee offered an amendment, and he discussed his views with the Senate that originally he wanted to triple the contributions in all of these categories. My personal preference was to double them. I made that comment to several Senators as we began to look closely at the provisions of McCain-Feingold.

Senator FEINSTEIN from California agreed that in most instances she thought so, too. We have been working now to craft the specifics of an amendment that would be more than McCain-Feingold provided for increases but a level that we think should pass and could pass the Senate and become a part of the McCain-Feingold bill on final passage.

That is the effort that is reflected in this amendment. It does not increase some of the categories as much as I personally think they should be. As I say, I think they should be doubled across the board.

It is easy to understand. It is substantially less than the index amounts would be if you took inflation into account from 1971 when the act was first created. Over $3,000 would be reflected if we had indexed those amounts in 1971; so that the amount of an individual contribution could be limited now, if it were indexed for inflation, at about $3,300-something instead of $1,000 as it is now.

So to strike a compromise, our suggested limit is $2,000. It is a modest increase when you think about it. The other accounts are likewise increased, except for PACs, which some Members view with some skepticism. Frankly, all of the PAC contributions that are made under the law are fully disclosed; records have to be kept, just as in the case of individual contributions. It is there for the public to scrutinize and see in every instance of contributions from political action committees to Members or to candidates.

I am hopeful the Senate will look carefully at this proposal and in the instance of a motion to table, that Senators will vote not to table the Feinstein amendment.

The PRESIDING OFFICER (Mr. BUNNING). Who yields time?

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. How much time is remaining on my side?

The PRESIDING OFFICER. Sixteen and a half minutes.

Mrs. FEINSTEIN. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. If neither side yields time, it will be taken out equally.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. If I could say to my friend from Kentucky, Senator SCHUMER wishes to speak for 15 minutes. He is indisposed at this time. He badly wants to speak. We only have 16 minutes left. Do you think we can work it out that he have 15 minutes?

Mr. MCCONNELL. I say to my friend from Nevada, I am sure we can work it out. He will come back sometime before the vote is scheduled?

Mr. REID. He will be back sometime within the next 5 or 6 minutes.

Mr. MCCONNELL. It shouldn't be a problem.

Mr. President, I yield the floor.

Mr. REID. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time be charged equally, and also keeping in mind that my friend from Kentucky, if he does not have a number of speakers here when Senator SCHUMER comes back, might give him the extra time.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. MCCONNELL. Mr. President, I congratulate the Senator from California for at least moving in the right direction, recognizing that the cost of campaigns has gone up dramatically.

If the Senator from California is willing to respond to a couple questions, I do wonder, in the Senator's proposal, since the underlying bill would take away 40 percent of the budgets of the Republican National Committee and the Democratic National Committee, and 35 percent of the budgets of the Democratic Senatorial Committee and the Republican Senatorial Committee—and I know from reading the newspaper that many Senators on your side are concerned about what this proposal is going to do to the parties, regardless of how they may be voting—I was curious why the Senator made no change at all in the amount of money an individual could give to a political party in order to try to provide some opportunity to compensate, in hard dollars, for the dramatic loss of funds that this underlying bill will provide by the elimination of soft dollars?

Mrs. FEINSTEIN. I would like to try to answer the distinguished Senator from Kentucky.

Essentially, today, under current law, the aggregate limit that anyone can give in a calendar year to anything—to all of these—is $25,000 or $50,000 a cycle. McCain-Feingold, as you know, increases that to $60,000 a cycle or $30,000 a calendar year. We increase that further to $65,000 a calendar year. And we tried to create an incentive. Again, we are replacing soft dollars with hard dollars.

Mr. MCCONNELL. Right.

Mrs. FEINSTEIN. All the giving to the political parties would have to be with hard dollars. So the way we approach it is that we create these split accounts. In other words, over the cycle an individual can contribute up to $30,000 to candidates and $35,000 to PACs and party committees. So that is a specific requirement.

Mr. MCCONNELL. But the Senator is not responding to my question, which is, the category right above the one you are pointing to on your chart, which is what an individual can give to a national party committee, remains unchanged from current law. According to your own chart, which I have in front of me, that remains unchanged from current law.

Let me repeat the question. Everyone agrees that the abolition of soft money, which this bill will accomplish based upon the Hagel vote yesterday, will take away 40 percent of the budgets of the two big national committees and 35 percent of the budgets of the two senatorial committees—gone. Your bill does not change what an individual can contribute in hard dollars to a party; it does not change that from current law.

Thus my question: How does the Senator envision that her proposal would help in any way the national party committees compensate in hard dollars for the loss of soft dollars?

Mrs. FEINSTEIN. You are correct. It does not. We simply believe the amount in this for PACs and parties, which is the $35,000 out of the $70,000—$35,000 a cycle out of the $70,000—can be given to parties.

Now, of course, this is not $40,000 a calendar year, but, again, there is a limit on the individual in hard dollars. I think most of the party building today comes from soft dollars rather than hard dollars, in any event.

Mr. MCCONNELL. So the Senator from California would agree with me, while there is some relief for us candidates, there basically is no change on the hard dollar donations—

Mrs. FEINSTEIN. Yes.

Mr. MCCONNELL. To the parties.

Mrs. FEINSTEIN. I think the evidence is that very few people essentially max out to parties. So we make it easier to contribute to parties by creating a separate account. That is my answer.

Mr. MCCONNELL. I say to my friend from California, both parties, it seems to me, are going to be anxious to try to increase the number of people who are interested in giving to parties because they are both going to have a dramatic shortage of funds should this——

Mrs. FEINSTEIN. That is healthy. It is all hard dollars. It is regulated. It is all disclosed.

Mr. MCCONNELL. Of course, as the Senator knows, all party soft money contributions are disclosed. That is how everyone knows what the parties are getting in soft dollars. There is no point in having that debate again. We had it yesterday. Soft dollars are gone. Now we are looking at a hard-dollar world.

I am trying to figure out how in the world the parties can compensate for the loss of those soft dollars under the proposal of the Senator from California. The annual aggregate under her proposal actually decreases the amount national parties can receive. Currently an individual can give $50,000 to national parties in a cycle; that is, over 2 years. But under the Feinstein proposal, I gather they can only receive $35,000 over a cycle; is that correct?

Mrs. FEINSTEIN. That is correct. As I said, this really affects very few people. We believe it is a good, healthy reform.

Mr. MCCONNELL. I thank the Senator from California. I did understand her amendment correctly.

Again, we saw a picture in the Washington Post yesterday of the world to come. This is a full-page ad by a billionaire named Jerome Kohlberg which appeared in the Post yesterday. He is one of the principal funders of this reform industry, the employees of which are huddled off the floor of the Senate working on this bill. I bring up Mr. Kohlberg only to illustrate what the world is going to be increasingly like if McCain-Feingold passes.

The distinguished occupant of the Chair experienced the wrath of Mr. Kohlberg in 1998 as he spent half of $1 million trying to defeat the junior Senator from Kentucky. People such as Mr. Kohlberg are going to be the wave of the future. There is a common misconception that people of great wealth are Republicans. In fact, they are overwhelmingly liberal Democrats, people such as Mr. Kohlberg.

With the dramatic weakening of the parties not only through the loss of soft money—that decision having been made yesterday—but should the Feinstein amendment or anything close to it be approved, none of that will be compensated for in hard dollars because there is no change in what individuals can give to parties. Get used to it; this is the wave of the future. We have a picture of it right here in the Washington Post yesterday. People of great wealth who have an interest in politics and public policy are going to increasingly control the national agenda, allied, of course, with the great corporations that own the New York Times and the Washington Post that also have an unfettered right to speak. I am not trying to change that. They just have a bigger voice than all the rest of us because they have big corporations behind them.

I find this very distressing. I do think it is important for everybody to understand the world into which we are about to march.

Having said that, I commend the Senator from California for at least recognizing the need to increase the individual contribution limit set back in 1974, when a Mustang cost $2,700. She represents a State which really illustrates the heart of the problem. Imagine an unknown challenger in California who is not wealthy deciding to take on the well-known and powerful incumbent Senator from California, Mrs. DIANNE FEINSTEIN. I expect Senator FEINSTEIN would agree with me, with a $1,000 contribution limit, trying to pool enough resources together to reach 30 million people against a well-known incumbent, that challenger would probably have to spend the whole 6 years trying to pool together enough resources to be competitive. I wonder if the Senator agrees with that observation.

Mrs. FEINSTEIN. I actually agree with it strongly. Most people in California find that they can't win statewide the first time out. Money is one of the issues here. The State is so big.

I harken back to a conversation I had with Alan Simpson. He said he could go home and have lunch at the grill in Cody and he would see all 200 people in Cody. He would campaign that way.

Mr. MCCONNELL. Right.

Mrs. FEINSTEIN. In the big States, that is impossible to do. Your campaign, getting your message out, has to depend to some extent on large-scale communication, big speeches, large direct mail, television, radio, those things that reach large numbers of people. It is a fact of life. As these prices go up, the candidate can buy less and less. This is what opens the field, then, to the very wealthy candidate who can come in and spend tens of millions of his or her own money and preempt the field just because of that.

Mr. MCCONNELL. I think the Senator has it absolutely right. I am sure she also shares my opinion that the people who would benefit from a hard money contribution limit increase the most would be challengers who typically have fewer friends and not nearly the network that we incumbents have. They have a smaller group of friends and supporters to try to start with as a way to pool enough resources to get in the game. Does the Senator not think that the principal beneficiaries of an increase in the hard money contribution limits to candidates really will be challengers?

Mrs. FEINSTEIN. If the Senator will yield for a moment.

Mr. MCCONNELL. I do.

Mrs. FEINSTEIN. I heard an interesting comment by a Senator yesterday. He said: Well, at least I will only have to do half the number of fundraisers to raise the amount of money that is required. Now the question is, Is that good or bad? I happen to think it is great.

Mr. MCCONNELL. I do, too.

Mrs. FEINSTEIN. The fewer fundraisers one has to do, the better, because you can spend more time doing the things you are supposed to be doing. I have seen on both sides of the aisle the prodigious efforts dialing for dollars. People leave; they have to take time off. They go to party headquarters. They stand out on the street corner with their cell phone, and they call people and ask for contributions.

If inflation had not risen to the extent it has, that would be a different story. I know there are people on my side who believe that if you raise this contribution limit, it disadvantages Democrats. I truly do not believe that. It goes across the field. It gives a nonincumbent an advantage; it gives an incumbent the ability to do their work and concentrate less on fundraising. It gives one at least double the opportunity to meet expenses which, since this limit was put on, have actually tripled.

May I ask a question?

Mr. McCONNELL. I believe I have the floor.

Mrs. FEINSTEIN. Is the Senator's time running?

Mr. McCONNELL. I yield for a question.

Mrs. FEINSTEIN. I just wanted to know whose time was running.

Mr. McCONNELL. It is my time, the Senator will be pleased to know.

Regretfully, the problem with the Feinstein amendment is it just doesn't go very far. It is certainly headed in the right direction. I don't know enough about the exact annual inflation increase over the years to know what going from $1,000 to $2,000 gets us up to. My guess is it probably gets us up to the mid-1980s in terms of purchasing power. I know my friend from California may even be in the minority on her side that want to raise the limit at all.

I have heard it said by a number of our colleagues that not many people can contribute this amount of money. That is certainly true. The fact that not many people can contribute this amount of money does not mean that no one should be able to. The cold, hard reality is that most people are not terribly interested in politics, and most people don't contribute to it. The best example of that that we talked about yesterday is the Presidential checkoff on the tax return where a taxpayer gets to check off $3 they already owe—it doesn't add to their tax bill, just $3 they already owe—into a Presidential campaign fund. Only 12 percent of Americans do that even when it doesn't cost them anything.

The real message is, people are just not terribly interested in politics and not terribly interested in contributing. I wish they were. It would certainly be great if large numbers of Americans had an interest and were willing to contribute. I wish we could get back to the $100 tax deduction we had before 1986 that at least made some effort, through the Tax Code, to encourage people to contribute. But the cold, hard reality is, a rather small number of people are going to contribute to politics.

The question is, Are the parties going to still be viable? Regretfully, it seems to me, the amendment of the Senator from California creates an incentive for contributions to the party committees for party building, she said, but how can this happen if we reduce the amount national parties can receive? With the aggregate limit to parties, the $20,000 limit, under current law, it is actually reduced to $17,500 by the amendment. I think by, in effect, pushing the $20,000 limit backward because of the aggregate provision the Senator has, we really move the party contributions back to the 1960s, not even leaving them at 1974.

I have sort of a mixed feeling about the Senator's amendment. It is great that she is moving in the right direction as far as candidates are concerned, but she has not addressed the needs of political parties, which are getting whacked by the underlying bill in a major way.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 28½ minutes.

Mr. McCONNELL. I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 15 minutes.

Mrs. FEINSTEIN. Mr. President, I am hopeful Senator SCHUMER will come to the floor as soon as possible. Let me make a couple of comments to the remarks the distinguished Senator from Kentucky just concluded. I very much appreciate his comment about the political parties. On our side of the aisle, when you are in public office, there is concern about asking individuals to contribute large amounts of money to a party, period, and that this uses power unwisely. What McCain-Feingold does is it eliminates the soft money aspect of that powerful use of request. You can't ask someone to contribute $500,000 to the party or $1 million to the party or $100,000 to the party. You are essentially limited to the $35,000 per election to go to the party. There are some on our side who don't like that because they say it is too big a request. I don't happen to believe that it is. I also don't happen—well, some are willing to do that and others are not willing to do it.

But in answer to the question of the Senator from Kentucky, that is really the answer. It is people in elected office requesting citizens to contribute large amounts of money. And what that request in itself conveys is the sense of that public official then giving the appearance, somehow, of indebtedness to the individual because they contribute that large amount of money.

The beauty of McCain-Feingold is that is now removed and a Senator is not in the position of having to do that anymore. I think that is very healthy for the system.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, a further provision in the Feinstein amendment, which I want to call to the attention of the Senator—and I am sure she is familiar with it, as is the rest of the Senate—is worthy of discussion. There is a current Supreme Court case, called the Colorado case, pending for decision, which, if the Court upheld the lower court, would declare that the party-coordinated contribution limits are unconstitutional. These are hard dollars spent by party committees on behalf of their candidates.

The Schumer provision says if that is struck down—the coordinated limit—and if parties take advantage of this ruling and make unlimited coordinated expenditures, then they will not get the lowest unit rate on television. They say parties will only get the lowest unit rate if they continue to abide by the coordinated party limits, even if those limits have been declared unconstitutional.

Now, I say to my friend from California—and I see the Senator from New York is back—this is clearly an unconstitutional condition. Party-coordinated expenditures are 100-percent hard dollars. There is no problem unless you believe parties can corrupt their own candidates, and it is illegal to earmark contributions to specific candidates in the amount beyond the individual contribution limit. In short, it is my understanding that the Schumer provision requires an unconstitutional condition on party spending.

So let's sum it up. If the Supreme Court strikes down the coordinated limit as unconstitutional, which might happen, then the Schumer provision will require parties to continue to abide by an unconstitutional limit, in order to get the lowest unit rate from a broadcaster. I would look forward to litigating that in court, Mr. President. Declaring an unwillingness to follow a pattern declared as unconstitutional, putting in a stipulation that to do something that is constitutionally protected costs you money is not likely to be upheld by any court in the land.

I wanted to call that to the attention of our colleagues before we vote on the Feinstein amendment.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, the Senator from California has 12½ minutes, and the Senator from New York needs 15 minutes. May I get the attention of my friend from Kentucky? Would the Senator be so kind as to allow us 2½ minutes of his time?

Mr. McCONNELL. How much time do I have?

The PRESIDING OFFICER. The Senator has 26 minutes.

Mr. MCCONNELL. I will be happy to give 2½ minutes to the Senator from New York.

Mrs. FEINSTEIN. Mr. President, I yield 14 minutes of my time to the Senator from New York and 1 minute of my time directly following that to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. SCHUMER. Mr. President, I thank my friend from Kentucky for his courtesy, as well as the Senator from Nevada for arranging things on the floor with exquisite neatness and efficiency, as he always does, and most of all the Senator from California for her leadership on this issue.

I agree with everything the Senator from California was trying to do before. But I have joined this because of my concern about the 441(a)(d) amendment, which the Senator from California and the Senator from Mississippi have graciously agreed to add to their amendment. I will address that issue now.

Although I am fully supportive of the other parts of the amendment as well, the Senators from California and Mississippi have taken those up very well. Many Members come to me and say: What are you talking about with these 441(a)(d) limits?

Well, the bottom line is simple, that the very basis of McCain-Feingold, which is limiting the amount of contributions that can go to a candidate, is undermined by a removal of the 441(a)(d) limit. That limit is in the law now. It has been in the law for a long time—since the original campaign finance bill was passed.

But a Supreme Court case, called FEC v. Colorado Republican Federal Campaign Committee, has just been argued in the Court, and a decision should come down shortly, within the next month or two. And to believe most—not all, but most—of the prognosticators, they will rule that the 441(a)(d) limits are removed. If the Court rules as most observers expect, we will face a gross distortion of our campaign finance system and the return of six-figure contributions by wealthy individuals that we absolutely have to address now.

The bottom line is simple. Even if McCain-Feingold were to pass completely intact, this Court case would greatly undermine what we are trying to do. But if we were to raise the limits under which a person could give to a party and then a party could give to a candidate, it would make it so much the worse.

Part of the Feinstein-Cochran-Schumer amendment that I am referring to would at least prevent that exacerbation of the problem.

Let us take it from the beginning. The 441(a)(d) limits direct a national party, whether it be the RNC or the DNC or, as usually happens, the DSCC and the RSCC, in the amount of money they can give directly to a candidacy. Coordination between the national party and the candidacy is completely allowed by the 1996 Supreme Court decision. It may be 1998. I do not remember the year.

Until now and as of now, there are real limits as to how much a party can give. It is 2 cents per voter-age person in the State. In California, it is limited to about $2 million; in my State of New York, $1.7 million; and the rates go down accordingly.

The problem with the 441(a)(d) mechanism, from the point of view of McCain-Feingold, is very simple. Under present law, a person can give $20,000 to a national party, to the DSCC or the RSCC, and they can give it right to the candidate. What has kept that in check, of course, is the overall amount the party can give to that candidate is limited, but if the Supreme Court lifts that ruling and says there can be no limits on a constitutional first amendment basis—something we debated with Senator HOLLINGS' amendment and others; I disagree with that interpretation of the Constitution, but like everyone else, we must live with it. But if they were to lift that limit, then parties presently could raise virtually unlimited amounts of money in $20,000 chunks. Under McCain-Feingold, it would go up to $30,000 chunks per year.

If John Q. Citizen wished to fund Senate Candidate Smith in his State, he could give $20,000, $30,000 a year, each for 6 years to the national party, and that money could go right to Candidate Smith. It makes a mockery of the $1,000 and $2,000 limit. It allows people of great wealth to give huge amounts of money to the candidates.

My view is that the No. 1 thrust of McCain-Feingold in eliminating soft money was to prevent these large sums of money from going to candidates. If 441(a)(d) is lifted, those large sums of money will continue. True enough, McCain-Feingold does other things with corporate and labor union contributions, and true enough, no one can give, say, $½ million to a candidate through the party, which they can do today, but the limits would be so astoundingly high that they would almost make a mockery of the $1,000 or $2,000 limit that we are talking about on individual contributions.

What can we do about that? One thing we can do is make sure we do not raise the aggregate limits of giving to a party very high. One of the reasons—and I discussed this last night with my friend, the Senator from Tennessee—I am so opposed to his amendment is because it would not just mean you could not just give to the candidate through a party at a $20,000 clip but rather at a $60,000 clip. The Feinstein-Cochran-Schumer amendment at least limits that to $35,000 per cycle.

It is an improvement over present law and, in my judgment, an improvement over McCain-Feingold before it was adopted. I think this is a step forward, not just a compromise, that you are not stepping back as much, but on the aggregate limits on the party, it is a step forward.

The second thing we have to do is try to discourage the parties from giving unlimited amounts of money to the candidates. Parties have great functions. I am all for party building. I have no problem with money going to the parties for get-out-the-vote operations and educating the people about the process but not for TV ads for candidates, which is what happens, no matter what disclaimer is on the ad.

What we do in this amendment is say that if you go over the limits that are in this bill—because the Supreme Court may rule that you can go over those limits; if the Supreme Court rules the other way, this amendment has no effect. But if you do go over those limits, you cannot get the low-cost TV time that the Torricelli amendment now allows. It is an incentive to keep the limits low to prevent the parties from raising vast amounts of money for the candidates and obliterating the $1,000 or $2,000 limit for individual contributions that we are hoping to make a much stronger basis of campaign financing with McCain-Feingold.

Is it constitutional? We have consulted a variety of experts, and they say very simply that the constitutional requirement is that the carrot is related to the stick. In other words, it can well be a constitutional limitation that does not strike down free speech.

I understand my friend from Kentucky has a much broader interpretation, but it is a constitutional limitation if what you are sanctioning is related to the reward. Clearly, the proposal we have made in the Schumer part of this amendment is related: Go over the limit and you do not get low-cost TV time. Stay within the limit and you get low-cost TV time. There could not be a clearer relationship because most of this money is used, at least in every campaign I have seen, for television time.

We have consulted a variety of experts who all believe there is not a constitutional problem with this amendment.

If we do not adopt this amendment, if we do not include this amendment, I believe 6 months from now, and certainly 2 years from now after the next cycle of elections, people are going to scratch their heads and say: Was this bill a step forward on the road to reform or was it a step backward? Because even though some limits are placed on corporate contributions, the ease with which people will be able to give large amounts of money to candidates will probably increase or at least not decrease at all.

The ease with which somebody could, say, contribute $150,000 to a candidate

through the party in an election cycle would be large.

I say to my colleagues, first, whether you are for or against the limits in Feinstein-Cochran-Schumer, this is a salutary addition. Second, I say to my colleagues who have trouble raising the limits, which I do not, I support what is in the amendment that the senior Senator from California has crafted, and I think very well, that this will ameliorate some of the greater danger and make it more palatable to those who are against raising the limits altogether.

I particularly salute the Senator from California for having the aggregate party limit be $35,000 a cycle. That is extremely important. Also, when in combination with the part of the amendment before us that I have added, it will put some brakes on a potentially runaway situation that could undo the very reform we seek to pass.

This is a complicated area but one that will become very obvious within a year or two if we do nothing about it. I urge my colleagues to adopt the Feinstein-Cochran-Schumer amendment, to not go in the direction, as much as the good Senator from Tennessee wishes to go, which, as I said, will have much greater ramifications should the Supreme Court rule against 441(a)(d) limits in the Colorado decision.

I hope we will support it.

I yield whatever time I have not consumed back to the Senator from California.

The PRESIDING OFFICER (Mr. BURNS). The Senator has 1 minute 5 seconds.

The Senator from California.

Mrs. FEINSTEIN. I yield that to the Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I strongly urge the body not to table this effort of Senator FEINSTEIN and Senator COCHRAN. It is much more restrained than the alternative. My personal view is we shouldn't increase the limits at all. I don't think we need to. I realize the majority of the body believes that is something that has to happen. I understand it will happen.

Senator FEINSTEIN has tried to craft a reasonable compromise between the different views, actually bring us together, and help us pass a bill. I urge my colleagues, at least on this vote for tabling, to vote no to table.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. I listened carefully to the Senator from New York talk about the possibility of circumventing the individual contribution limits. Let me say under current law contributions received by a national party committee which is directed to be used on a specific candidate's behalf is considered an earmark. Thus, if a donor gives $1,000 to the Republican National Committee and directs it to a specific candidate, the $1,000 contribution is attributable to the candidate. If the donor gives $20,000 to the Democratic Senatorial Committee and directs it be spent on behalf of a specific candidate, it is a $20,000 contribution to the candidate, and the contributor is prosecuted for making an individual contribution in excess of the $1,000 limit.

What am I talking about? The Democrats understand that in the early 1990s the Democratic Senatorial Committee and the Democratic Senate candidates were raising hard money with the DSCC which tallied or earmarked these contributions to be used for individual Senators accredited with bringing them in.

Since the $20,000 earmark contributions to the party were in excess of the limits individuals can contribute to a candidate, the DSCC was prosecuted. In 1995, the prosecution resulted in the DSCC being forced to: One, pay a $70,000 fine; two, end the tally and earmark program; and, three, include specific language on all future solicitations stating the money raised into the DSCC is spent as the committee determines within its sole discretion.

Why bring that up? Only to make the point that the fear that the Senator from New York has is unwarranted because we have already learned that lesson and the party committees know they cannot receive candidate contributions in hard dollars earmarked for candidates.

The problem with the Feinstein amendment and particularly the Schumer provision is this: If the Supreme Court strikes down the coordinated limit—we are talking hard dollars, the good dollars; that is what coordinated is, hard dollar expenditures by petitioners on behalf of the candidates—if the Supreme Court strikes down the current limit coordinated as unconstitutional, Schumer requires parties to continue to abide by unconstitutional limits in order to get a broadcast discount. This is a classic unconstitutional condition.

The Feinstein-Schumer provision will increase the individual contribution limit from $1,000 to $2,000. It does not increase the amount an individual can give to political parties. The aggregate individual limit in the Feinstein amendment reduces the amount an individual can give to a party from $20,000 per year to $17,500 per year. Even if the Supreme Court declares party coordinated expenditure limits unconstitutional, the Colorado case we were just talking about, parties must still abide by them or lose the broadcast discount.

Even though the Senator from California gives the candidate a little help, it is worse than current law for parties. It is already clear from the action taken yesterday there is going to be no more non-Federal money in the party committees. That is gone. If the Feinstein amendment passes, there will be less hard dollars for the committees than we have today. We are going backwards. There may be some relief for parties, but it is a bad deal for candidates.

I see the Senator from Tennessee is on the floor. I yield 10 minutes to the Senator from Tennessee.

Mr. THOMPSON. I have had an opportunity to read or have summarized the Feinstein amendment, and I thought we were just basically dealing with dollar limits. But as we get into it, it is breathtaking in its scope and, in my opinion, clearly unconstitutional.

The Senator from Kentucky had it exactly right. Basically what the so-called Schumer provision would do—it is like the government losing a first amendment case and then conditioning a benefit upon not doing what the Supreme Court just decided he has a right to do.

There is no way we can engage in that kind of activity. As we know, there are limits now on what a party can spend in coordination with its candidates. A lot of people think that will be overturned in Colorado and the Colorado 2 case.

As I understand the Schumer amendment, if the Supreme Court strikes the coordinated expenditure limits of parties, then no broadcaster is required to give a party the lowest unit rate unless the national party certifies to the FEC that neither it nor the State committees where the television ad is run—that certifies they are adhering to what the Supreme Court just struck down.

I have never seen anything quite like that before. It is clear in a long line of cases that we cannot require private citizens to restrict their speech in order to get certain benefits. It is easier when it is the government. This is not the government. These are private governmental entities, some right-to-life case, and so forth. These are not governmental entities. You cannot require private citizens to restrict their speech in order to get certain benefits.

Velazquez v. Legal Services Corporation was decided just this year. I urge my colleagues to have someone take a look at that case and explain to me why the principles of that case don't clearly set out or establish that we just can't do this constitutionally. They held in that case that Congress can't condition legal services grants on a lawyer's inability to challenge the constitutionality of welfare reform. That is an unconstitutional restriction of the first amendment rights of that lawyer, even though it is government money and the government doesn't have to give them money to start with.

Once you have a scheme like that, you cannot condition receiving that government benefit on an agreement to

not exercise your free speech rights. In this case, we are putting into law something that requires them not to exercise a free speech that the Supreme Court had just decided they had a constitutional right to.

This is clearly unconstitutional. I know I sound like a broken record. Some of these other things that we have been engaging in have similar problems, but I think this is the worst that I have seen.

As I look at the limits, I second what the Senator from Kentucky said about party committees. I have been spending a lot of time trying to do something about soft money and the kind of money that gives the wrong kind of appearances with the hundreds of thousands of dollars that are flowing into these parties and soft money, corporate money, union money, coordinated money, and we are trying to do something about that. I still am. Hopefully, we can get rid of all of that.

But we cannot emasculate the parties. Parties are not bad. Parties are weak enough as they are. The Feinstein amendment provides for $35,000 per cycle to the party committees. That is $17,500 a year when the limit today is $20,000. We are going backwards. That is $20,000 that was established in 1974, which adjusted for inflation, will be in the neighborhood of $60,000 or $70,000. Instead of recognizing that and making some inflationary adjustment in response to getting rid of soft money, which we are trying to do, we are going in the opposite direction and further clamping down on the parties.

Mr. SCHUMER. I thank the Senator and apologize that I had to be off the floor for a minute while he was addressing this amendment.

Let me say we can disagree on the policy, in terms of strengthening or weakening the parties. My view is the parties are not strengthened when they are conduits for large amounts of money, whether it be hard money or soft money. I would be all for giving the money for get-out-the-vote operations, giving the money for true educational operations—the things the parties used to do before 1985 when I think most of us would admit they were a lot stronger than they are now.

We can debate that. That is for each person. All of us here have lots of experience that way and have made up our minds.

I know in our State when these party committees are formed——

Mr. THOMPSON. Let me say to my friend, I will yield for a question.

Mr. SCHUMER. Let me ask him this question on the constitutionality. Should the Supreme Court knock down the 441(a)(d) limit, then they would be doing it, I believe—because this is the argument; I have read the arguments—on its mandatory nature. Right now that limit is mandatory.

Our amendment, as my good friend from Tennessee knows, is voluntary. It says you can go above the limit but you don't get the benefit of the low-cost TV time. But if you want the benefit of the low-cost TV time, then you do not get the benefit.

My reading of constitutional law is very simple, and that is that it is quite different, on a first amendment case, to make something mandatory, where the Court is very reluctant—at least this Court—I do not agree with it, but it is there, and we have to live with it—than when there is an option, there is a voluntary limit for which you get some kind of benefit.

I ask the Senator what his view is of that argument, so he can respond to it.

Mr. THOMPSON. I say to my friend, I do not view that argument very favorably because it flies in the face of Velazquez v. Legal Services Corporation. The people in Legal Services did not have to take that money either. They had the option to take that money or not, and the Supreme Court there said you can't require private citizens to restrict their speech in order to get those benefits.

Mr. SCHUMER. Will the Senator yield for a question?

Mr. McCONNELL. Will you yield for a question?

Mr. THOMPSON. I yield to the Senator from Kentucky.

Mr. McCONNELL. I guess the Senator from New York was saying speech up to a certain amount only costs this much but if you speak above that amount, that speech costs more.

Mr. THOMPSON. Or if you exercise your speech as a party committee to coordinate with a candidate—not the donor but the party committee, coordinate with the candidate, which the Supreme Court has just decided you have a constitutional right to do—that if you exercise that right, then you do not get the benefits described.

I yield to my friend from New York.

Mr. SCHUMER. I thank my friend for yielding.

As I understand the Velazquez case, which dealt with Legal Services, the very rationale of the Supreme Court in striking that down was they said there was no relationship between the reward and the punishment. In other words, they said that this is simply an attempt to limit free speech and using an unrelated reward to do it. They said the nexus was not close enough, the nexus between government funding and the ability of a Legal Services lawyer to proceed in a certain way or say a certain thing.

It seems to me in the amendment that we have crafted there is a direct nexus. First of all, the nexus is very close. You have the ability to get more money from your party and the privilege of getting the lowest TV cost.

It does not say you can't put an ad on television. That would probably be unconstitutional. But what we have said here is that certain people, in a certain position—i.e., candidates—should be privileged.

Maybe the Senator from Tennessee might think the Torricelli amendment itself is unconstitutional. I do not recall if the Senator from Kentucky has argued that. But that would be the nub of his argument there.

Second, the attempt here is not the same as in Velazquez, as I understand the case, and that is because in Velazquez people were trying to shut down a certain type of activity they did not like, a certain type of speech, a certain type of activity. There is no such attempt here.

So I ask the Senator from Tennessee, doesn't he see a real difference in both what the Court has said in the case law, the case circumstances, that way?

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

Mr. McCONNELL. Would the Senator like some more time?

Mr. THOMPSON. I will ask unanimous consent——

Mr. McCONNELL. You don't need unanimous consent. I yield you 5 minutes.

Mr. THOMPSON. I respond to my friend from New York by saying, yes, in fact I do see a distinction. Here we are dealing with political speech, which makes it even more sensitive. What my friend's amendment would do is cut back and restrict clearly constitutionally protected political speech. The Supreme Court has decided on numerous occasions that there are only certain limited ways and times you can restrict political speech, such as if you are engaging in express advocacy, which this has nothing to do with.

So I think not only is Velazquez relevant and on point, the amendment before us is more egregious than the activity in Velazquez that was struck down by the Supreme Court.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I think we are close to a vote here. My understanding is the time has run on the other side. Is that correct?

The PRESIDING OFFICER. That is correct. The Senator from Kentucky has 7 minutes 10 seconds.

Mr. McCONNELL. Mr. President, let me just sum up prior to the vote.

The Feinstein-Schumer provision will increase individual contribution limits from $1,000 to $2,000. That certainly is helpful to candidates. It sort of catches us up, maybe, to the early 1980s in terms of purchasing power. It does not, however, increase the amount an individual can give to political parties. In fact, the aggregate individual limit also, as part of the amendment, will reduce the amount an individual can give to a party from $20,000 per

year down to $17,500 per year. So we are going backwards.

We have already taken away all the non-Federal money from political parties. That is 40 percent of the budgets of the Republican National Committee and the Democratic National Committee, 35 percent of the budgets of the Republican Senatorial Committee and the Democratic Senatorial Committee. We have wiped that out with the votes yesterday.

Now if the Feinstein amendment were adopted, the parties, national parties, would be left only with hard money and we have, in effect, reduced the amount an individual could give to a party, set back in 1974, from $20,000 down to $17,500.

While the Feinstein amendment might make some marginal improvement for candidates, it is a step backwards for parties.

In addition, it has the Schumer provision in it that the Senator from Tennessee has very skillfully discussed a few moments ago, that even if the Supreme Court declares party-coordinated expenditure limits unconstitutional—which may happen in the next few months in the Colorado Republican case currently before the Supreme Court—even if that coordinated limit, that hard money limit that parties can spend on behalf of their candidates is struck down as unconstitutional, if a party chooses to spend more than the old limit just having been struck down as unconstitutional, then the party loses the lowest unit rate on ads.

So the practical effect of that is a party could spend so much on behalf of a candidate at a certain price and then, once it has spent more than that, it would have to pay more for additional speech.

The Senator from Tennessee has persuasively argued, and I would as well, that is an unconstitutional condition or surcharge, if you will, on the exercise of free speech, a tax on speech. Clearly, a tax on speech raises serious constitutional questions. I could have raised a constitutional point of order on this. I say to the Senator from Tennessee that I am not going to do that. I have done that in the past when we had campaign finance debates. I am not going to do that.

But I assure you that if this is in the final bill, and if the bill is signed by the President, it will be one of the items that, as a plaintiff in the case, I intend to be as one of the items that we will be raising in court.

Mr. President, I yield the remainder of the time on my side.

I make a motion to table, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 46, nays 54, as follows:

[Rollcall Vote No. 54 Leg.]

YEAS—46

Allard	Fitzgerald	Nickles
Allen	Frist	Roberts
Bennett	Gramm	Santorum
Bond	Grassley	Sessions
Breaux	Gregg	Shelby
Brownback	Hagel	Smith (NH)
Bunning	Hatch	Smith (OR)
Burns	Helms	Stevens
Campbell	Hutchinson	Thomas
Chafee	Hutchison	Thompson
Craig	Inhofe	Thurmond
Crapo	Kyl	Torricelli
DeWine	Lott	Voinovich
Domenici	Lugar	Warner
Ensign	McConnell	
Enzi	Murkowski	

NAYS—54

Akaka	Dodd	Lieberman
Baucus	Dorgan	Lincoln
Bayh	Durbin	McCain
Biden	Edwards	Mikulski
Bingaman	Feingold	Miller
Boxer	Feinstein	Murray
Byrd	Graham	Nelson (FL)
Cantwell	Harkin	Nelson (NE)
Carnahan	Hollings	Reed
Carper	Inouye	Reid
Cleland	Jeffords	Rockefeller
Clinton	Johnson	Sarbanes
Cochran	Kennedy	Schumer
Collins	Kerry	Snowe
Conrad	Kohl	Specter
Corzine	Landrieu	Stabenow
Daschle	Leahy	Wellstone
Dayton	Levin	Wyden

The motion was rejected.

Mr. MCCONNELL. Mr. President, I move to reconsider the vote.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 151, AS MODIFIED

The amendment (No. 151), as modified, is as follows:

At the appropriate place, insert the following:

SEC. 104. CLARITY IN CONTRIBUTION LIMITS.

(a) CONTRIBUTION LIMITS APPLIED ON ELECTION CYCLE BASIS.—Section 315(a)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)(A)) is amended to read as follows:

''(A) to any candidate and the candidate's authorized political committee during the election cycle with respect to any Federal office which, in the aggregate, exceeds $4,000;''.

(b) INDIVIDUAL AGGREGATE CONTRIBUTION LIMITS APPLIED ON ELECTION CYCLE BASIS.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)), as amended by this Act, is amended to read as follows:

''(3) The aggregate contributions an individual may make—

''(A) to candidates or their authorized political committees for any House election cycle shall not exceed $30,000; or

''(B) to all political committees for any House election cycle shall not exceed $35,000.

For purposes of this paragraph, if any contribution is made to a candidate for Federal office during a calendar year in the election cycle for the office and no election is held during that calendar year, the contribution shall be treated as made in the first succeeding calendar year in the cycle in which an election for the office is held.''.

(c) INDEXING OF CONTRIBUTION LIMITS.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting ''(A)'' before ''At the beginning''; and

(C) by adding at the end the following:

''(B) Except as provided in subparagraph (C), in any calendar year after 2002—

''(i) a limitation established by subsection (a)(1)(A), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

''(ii) each amount so increased shall remain in effect for the calendar year; and

''(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

''(C) In the case of limitations under subsections (a)(1)(A) and (h), each amount increased under subparagraph (B) shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.''; and

(2) in paragraph (2)(B), by striking ''means the calendar year 1974'' and inserting ''means—

''(i) for purposes of subsections (b) and (d), calendar year 1974; and

''(ii) for purposes of subsections (a) and (h), calendar year 2001''.

(d) ELECTION CYCLE DEFINED.—Section 301 of such Act (2 U.S.C. 431), as amended by section 101, is amended by adding at the end the following:

''(25) ELECTION CYCLES.—

''(A) ELECTION CYCLE.—The term 'election cycle' means, with respect to a candidate, the period beginning on the day after the date of the previous general election for the specific office or seat that the candidate is seeking and ending on the date of the general election for that office or seat.

''(B) HOUSE ELECTION CYCLE.—The term 'House election cycle' means, the period of time determined under paragraph (A) for a candidate seeking election to a seat in the House of Representatives.''.

(e) SPECIAL RULES.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following:

''(9) For purposes of this subsection—

''(A) if there are more than 2 elections in an election cycle for a specific Federal office, the limitation under paragraph (1)(A) shall be increased by $2,000, for the number of elections in excess of 2; and

''(B) if a candidate for President or Vice President is prohibited from receiving contributions with respect to the general election by reason of receiving funds under the Internal Revenue Code of 1986, the limitation under paragraph (1)(A) shall be decreased by $2,000.''.

(f) CONFORMING AMENDMENT.—Paragraph (6) of section 315(a) of such Act (2 U.S.C. 441a(a)(6)) is amended to read as follows:

''(6) For purposes of paragraph (9), all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election.''.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after the date of enactment of this Act.

SEC. ___. TELEVISION MEDIA RATES FOR NATIONAL PARTIES CONDITIONED ON ADHERENCE TO EXISTING COORDINATED SPENDING LIMITS.

(a) AVAILABILITY OF TELEVISION MEDIA RATES.—Section 315(b)(2) of the Communications Act of 1934 (47 U.S.C. 315(b)(2)), as amended by this Act, is amended—

(1) by striking ''TELEVISION.—The charges'' and inserting ''TELEVISION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the charges''; and

(2) by adding at the end the following:

''(B) LIMITATIONS ON AVAILABILITY FOR NATIONAL COMMITTEES OF POLITICAL PARTIES.—

''(i) RATE CONDITIONED ON VOLUNTARY ADHERENCE TO EXPENDITURE LIMITS.—If the limits on expenditures under section 315(d)(3) of the Federal Election Campaign Act of 1971 are held to be invalid by the Supreme Court of the United States, then no television broadcast station, or provider of cable or satellite television service, shall be required to charge a national committee of a political party the lowest charge of the station described in paragraph (1) after the date of the Supreme Court holding unless the national committee of a political party certifies to the Federal Election Commission that the committee, and each State committee of that political party of each State in which the advertisement is televised, will adhere to the expenditure limits, for the calendar year in which the general election to which the expenditure relates occurs, that would apply under such section as in effect on January 1, 2001.

''(ii) RATE NOT AVAILABLE FOR INDEPENDENT EXPENDITURES.—If the limits on expenditures under section 315(d)(3) of the Federal Election Campaign Act of 1971 are held to be invalid by the Supreme Court of the United States, then no television broadcast station, or provider of cable or satellite television service, shall be required to charge a national or State committee of a political party the lowest charge of the station described in paragraph (1) with respect to any independent expenditure (as defined in section 301 of the Federal Election Campaign Act of 1971).''.

(b) FEDERAL ELECTION COMMISSION RULEMAKING.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following:

''(4) If the limits on expenditures under paragraph (3) are held to be invalid by the Supreme Court of the United States, the Commission shall prescribe rules to ensure that each national committee of political party that submits a certification under section 315(b)(2)(B) of the Communications Act of 1934, and each State committee of that political party described in such section, complies with such certification.''.

MORNING BUSINESS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that there now be a period for morning business with Members to speak therein for up to 10 minutes each, and the time be considered charged against the 90 minutes provided under the unanimous consent agreement previously adopted. This period will run approximately an hour, while the negotiators work on a potential compromise between the Feinstein and Thompson amendments. We will reserve the last 30 minutes of the 90 minutes for debate on a compromise, if one develops.

Mr. DODD. Mr. President, reserving the right to object, that 30 minutes is to be equally divided between the two sides.

Mr. MCCONNELL. Yes.

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

The Senator from Montana is recognized.

(The remarks of Mr. BAUCUS pertaining to the introduction of this legislation are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

The PRESIDING OFFICER. the Senator from Missouri.

SOUTHWEST MISSOURI STATE LADY BEARS

Mr. BOND. Mr. President, while we in the Senate are working hard exploring the mysteries of campaign finance reform, many Americans are enjoying the annual tradition known as ''March Madness.'' In Missouri, we are particularly fixated on ''the March to the Arch'' where St. Louis is hosting the Final Four of the Women's NCAA basketball tournament. In the Final Four are a couple of teams from somewhere in Indiana and Connecticut but in Missouri, we will be cheering for our Southwest Missouri State University Lady Bears. They started out as a low seed, but they are two upset wins away from a national championship. The Lady Bears are coached by Cheryl Burnett who, in her 14 years at Southwest Missouri, has posted a 302–122 record winning 70 percent of her games.

In recent years, the residents of my home State of Missouri have been privileged to witness many great sports legends, from George Brett and Derrick Thomas in Kansas City to Mark McGuire and Kurt Warner in St. Louis to Springfield's own Payne Stewart. Today I recognize the achievements of the Southwest Missouri State University basketball team and, Jackie Stiles—our newest sports legend.

On March 1 of this year, in front of a sell-out, standing-room-only crowd, Jackie broke the record for most career points scored by a women's basketball player in NCAA Division I, a record that has stood since 1989.

Ms. Stiles is the Nation's leading scorer at 30.6 points per game and the career total is a whopping 3,371 points. Monday night, in Spokane, Washington, Southwest Missouri State rolled over the home team Washington 104 to 87. Jackie Stiles left the game to a standing ovation from 11,000 fans rooting for the opposing team.

Fans in her hometown of Claflin, KS, enjoyed watching her compete in basketball, track, and tennis at the high school level. They watched as she scored more points in the history of Kansas prep sports than any high school basketball player—boys or girls. Her decision to play NCAA Division I basketball at SMS was made after all of the top women's college basketball programs tried to recruit her. Her choice has been applauded time after time over the last four years as fans pack into Hammons Student Center to cheer on the Lady Bears team.

Jackie Stiles has led Division I teams in average points per game the past 2 years and was nominated for the prestigious ESPY award, the Naismith Award, and was recently named to both the Associated Press and the Sports Illustrated Women's All-American First Team. The awards she has earned throughout her career are too numerous to list. Beyond the many honors she has earned we should recognize her for something more important than records and awards. Jackie Stiles has become a role model to the many young people who dream of the kind of achievements she has accomplished. The best thing about this is that she is showing them the way to achieve their goals. First, by being a role model and setting a fine example for young people everywhere. In the words of SMS Lady Bear's head coach Cheryl Burnett, ''She really is the kind of role model that an athlete should be . . . Jackie is a tremendous ambassador for women's basketball and athletics in general.''

Whether she is breaking records on the court or reading to elementary students, Jackie embodies a spirit of excellence. Second, Jackie Stiles has reached the pinnacle of women's college basketball by combining her talent with more hard work than most can comprehend. She is the product of a small mid-western town and reflects the values you would expect to find in a town of just over 600—hard work, friendliness, dedication, and devotion to family. She has distinguished herself from many sports heros with her humility which was evident in a recent ESPN interview where she gave credit to the team and the program rather than accepting it for herself. I agree the team deserves a lot of credit, but so does Jackie Stiles.

When Jackie broke her wrist during her sophomore year of high school she did not let it get her down. Instead, she learned to shoot left handed and still averaged 26 points per game. That is also when she began her now-famous 1,000 shots per day practices that kept her in the gym all hours of the day and night. It is that kind of work ethic that builds champions, and that I stand to honor today. She puts her team first and plays unselfishly on the court. When she scored 56 points in a game she gave the credit to her coaches and her teammates, as well as to the enthusiastic fans from Southwest Missouri that have lined up to see her play the last four years.

Her team-centered focus on winning games, not personal accolades, sets Jackie Stiles apart. And, finally, it is her focus on being a scholar-athlete,

maintaining a high grade point average while dealing with the intense pressures of being in the national spotlight. Thank you, Jackie, for choosing Southwest Missouri State University, and for setting an example for young people everywhere with your hard work and humility. Those are the true things of which champions are made.

I congratulate Coach Burnett, Ms. Stiles, the entire team and University for this great achievement of making it to the Final Four. I plan on attending the game Friday night in St. Louis to see one of those Indiana teams dispatched by the Lady Bears. I say to my friends from Indiana, while Indiana may be known for men's basketball, I predict this weekend will make Missouri host to the capital of college women's basketball.

Mr. President, I see no one seeking recognition, so 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. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CORZINE). Without objection, it is so ordered.

EXTENSION OF MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the hour of morning business be extended until 2:15 and that the half hour for the proponents and opponents of the bill be maintained to follow that.

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

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

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

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

Mr. THOMAS. Mr. President, I understand we are in morning business.

The PRESIDING OFFICER. That is correct.

THE UPCOMING BUDGET DEBATE

Mr. THOMAS. Mr. President, we are having a little pause in the subject of campaign finance reform, thankfully. We have been at it for some time. Hopefully, we will be through this week soon. It is a very important issue, but I am anxious, as most of us are, to move on to some of the other issues before us. Probably the most important one is that of the budget.

Each session, of course, is important and vital. It is important for us to have a budget. You can argue about the details of the budget, but the fact is that a budget is more than just a piece of paper with our spending plans on it. The budget is what defines where we are going to go over the next 2 years and into the future. It defines, as well, what our priorities are, which is a very important issue. It causes us to look ahead as to where we ought to be doing things that strengthen America, things that we ought to be doing that help put this economy back in place. Hopefully, we will be working on that budget next week.

The President has put forth a budget. Our Budget Committee will come forth with a budget. I believe the Republican budget addresses the priorities of the American people. It puts us on the continued road of a balanced Federal budget which, of course, for many years we didn't have. We had deficit spending and we continued to increase the debt. We now, largely because of a strong economy, have a situation where we have not only a balanced budget, but a surplus which is, of course, in many ways a very happy thing to have. We have a priority, I hope, of continuing to save Social Security for seniors, not only for the immediate future but for a distance in the future where young people will be able to have benefits from the Social Security they pay in from the very first day on the job. We can commit ourselves to do that by assuring the dollars that come in that are designed for Social Security are used for Social Security.

We have a priority to improve and strengthen Medicare—obviously, one of the things that affects many people. We have to deal with pharmaceuticals and with many of the things that go together to strengthen the Medicare. In terms of dealing with the future and dealing with young people, we need to deal with our national debt which, of course, is very large. I believe we have a responsibility to begin to pay that down. Some people want to pay it down immediately, which is not practical in terms of the fact that the money is invested. But over a period of 10 years under this budget, we can pay that publicly held debt off. I think that is what we ought to do. We have an obligation to do that. We have spent the money and now we should not leave the debt over to the other people.

We are committed to improve educational funding, and we need to do that, to give every school an opportunity. We always get into the argument—of course, a valid argument—about which I feel strongly, and that is whether or not dollars that go from the Federal Government out to education should be used only for purposes that are defined in Washington, which I think is wrong, or should there be an opportunity given for people in local and State levels to use the money as they determine it is most needed for their particular school. And then, finally, we have an opportunity, which I hope we will take full advantage of, to return the surplus tax overcharges to the American taxpayers. Return the money to the people who have paid.

Of course, we also have a challenge with our economy weakening. It has weakened over the past year. We have an opportunity to do something more immediate on tax changes and put more money back into the economy in the short run. I am hopeful that we will do that.

The budget the President has proposed, the budget we will be talking about, does strengthen and reform education. It provides the Education Department with the largest percentage increase of any Federal department. It triples the funding for children's reading programs.

It does protect Social Security. It preserves Social Security by locking away all of the $2.6 trillion Social Security payments that will be paid in and the surplus for Social Security.

It strengthens defense, which has to necessarily be one of our priorities. We have not, over the past several years, done what we have needed to do to keep our defense the toughest in the world, or have the oversight to make an evaluation of where we are on weapons, or to do something for the volunteer service to encourage people to be in the military, or to do something about the living conditions of our military personnel.

We need to protect the environment. Right now we are faced with a challenge, a crisis in energy, and much of that will have to be resolved by more production, by, as in my State of Wyoming, producing more resources for energy.

As we do that, we must equally be concerned about protecting the environment. We are being challenged by organizations that say: If you are going to protect the environment, you cannot have access, you cannot use those lands at all. Those are not the choices. We can, indeed, have access to public land. We can, indeed, utilize those resources and allow people to hike, hunt, produce on those lands, and, at the same time, protect the environment.

Next week is going to be one of the most challenging weeks as we deal with the budget, our priorities, and what we are going to do about the surpluses. Americans are paying the highest percentage of tax of gross national product, higher than World War II. That should not be the case, and we have an opportunity to change it.

We have an opportunity to let local people and the States be involved in the decisions rather than dictating from Washington, as we have become accustomed to over the last number of years.

We have an opportunity to do some things, and I am excited about that opportunity. It is very important we pass

a budget. If we do not do that, we will not be able to deal with tax reductions, which I think are terribly important, not only as a matter of fairness to the American people but as a matter of helping this economy and moving it forward as quickly as we can.

I yield the floor.

The PRESIDING OFFICER (Mrs. CLINTON). The Senator from Missouri.

CAMPAIGN FINANCE REFORM

Mrs. CARNAHAN. Madam President, we will have many important debates over the coming year on this Senate floor. Debates about tax cuts, spending priorities, education and defense, health care and agriculture. But none of these debates will be more important to the future of our democratic process than the debate over campaign finance reform.

From the time I sat at our kitchen table balancing the books on my husband's earliest campaign to his race for the U.S. Senate, I have witnessed the changing face of campaigns.

Last year's U.S. Senate race in Missouri shattered all previous records. The two opposing campaigns spent almost $18 million. This figure does not include spending by the state parties or outside interest groups.

For $18 million, Missouri could have done any one of the following:

built two new elementary schools;

hired 500 new teachers;

sent 3800 students to the University of Missouri;

provided day care to an additional 5000 low-income children;

put 9,000 new computers into our schools.

There is no accounting of the hours and effort that went into raising these large sums of money. It is time and energy I am sure all Senators would rather spend discussing the issues and dealing with problems affecting their constituents.

The traditional face-to-face visits with voters at the State fair, the local diner or a town hall play a much smaller role in modern political campaigns. Instead, candidates introduce themselves with costly and skillfully packaged commercials.

According to a recent study, viewers in the Kansas City area were exposed to over 22,000 campaign commercials during the 2000 election cycle. At 30 seconds apiece, that is the equivalent of 187 straight hours of campaign ads. The same study showed that the number of ads nationwide has nearly tripled since 1998. Without reform, there is no end in sight.

Not only do candidates air ads to get their own message out, they must also respond to negative attacks. More and more, our political discourse is turning away from an honest discussion of the issues affecting the average American. Personal attacks and outrageous distortions are all too common.

What are the consequences?

Today, Americans are more cynical and more disconnected from the government than ever. They read of huge contributions from special interest groups and wonder how one small voice can possibly be heard over the shouts of large donors to political campaigns.

Election day for them is not a celebration of self-government, but a finale to months of nasty, negative messages that have invaded their homes and mailboxes.

To rejuvenate our democracy, we must change the common perception and reality that our political system is dominated by big money. To wean American politics from these excesses will be costly and painful, but we must begin.

While many reforms are necessary, purging the system of unlimited donations to campaigns through so called ''soft money'' is a necessary first step.

Some would argue that passing McCain-Feingold will hurt the Democratic Party, but I say if we do not pass McCain-Feingold, we will be hurting the democratic process.

This is a time when all of us, Democrats and Republicans alike, must do what is right for our country, what is right for our democracy.

The Biblical account of Joshua and the battle of Jericho shows us the strength of a united voice. We are told that ''the people shouted with a great shout, so that the walls fell down.''

If we speak with one voice, the wall of ''soft money'' that separates ordinary citizens from their government will come down. Only then can we be confident that campaigns are decided by the power of our ideas, not by the power of our pocketbooks.

I enthusiastically support campaign finance reform and hope that we can pass legislation that reduces the influence of money in politics.

WOMEN'S HISTORY MONTH AND JACKIE STILES

Mrs. CARNAHAN. Madam President, this month we celebrate Women's History Month. It is an opportunity to reflect on the successes, advances and contributions women have made and are making in American life.

Today, I have the special privilege of honoring a woman who is not only celebrating women's history this month—she is making it.

Jackie Stiles stands 5 feet 8 inches tall, but she is a giant on and off the court. Earlier this week, she led the Lady Bears of Southwest Missouri State into victory over Washington, securing her team a spot in the NCAA Final Four. It was the latest accomplishment in the life of this remarkable young woman.

In high school, she was a 14-time state track champion and once scored 71 points in a single basketball game. Her fans would show up at nine in the morning with lounge chairs to be first in line when the gym doors opened at 4:30. They just wanted to catch a glimpse of Jackie in action. She is a hero in her home town—and in towns across America where young girls dream impossible dreams. Jackie shows them dreams can happen.

At Southwest Missouri State, Jackie Stiles has scored—as of today—3,361 points, becoming the all-time leading scorer in the NCAA. She has also become the heart of the Lady Bears. Every time she plays, she thrills the sell out crowds at the Hammons Student Center—better known as the ''House of Stiles.''

On Friday, the team will come home to Missouri for the Final Four. And with all due respect to my colleagues from the great state of Indiana, I predict a big win over Purdue for Jackie Stiles and the Lady Bears.

Jackie Stiles didn't become a star overnight. She does it the hard way—the only way she knows how. She began training at age two with her father and has pushed herself ever since. She goes to the gym and won't leave until she makes 1,000 shots.

The story of Jackie Stiles is also the story of Title IX, the landmark civil rights legislation which set out to curtail discrimination against women and girls in education and athletics. Without Title IX, we might never have heard of heroes like Jackie Stiles. In 1971, the year before Title IX, only 25,000 women competed in college sports. Today, that figure has grown to more than 135,000 women—including one very talented player who wears the number ten jersey for Southwest Missouri State.

Jackie's success is measured in more than just rebounds, lay-ups, and jump shots. She has brought attention to women's sports, and has proven that women's basketball is exciting. Most of all, she is a role model and an inspiration for thousands of girls.

If she chooses, Jackie's next stop is probably the WNBA. I have no doubt that she will become one of the league's greatest attractions. She will help not only her team but her sport and all those who appreciate and enjoy it.

Mr. President, in honor of Women's History Month, I'd like to offer my congratulations to Jackie Stiles, the Lady Bears of Southwest Missouri State, and all the other heroes who are bringing women's sports to a new high and teaching young girls to follow their dreams. May they continue to thrill, entertain, and inspire us.

EXTENSION OF MORNING BUSINESS

Mr. REID. Madam President, with the consent of my friend from Kentucky, I ask unanimous consent we extend the morning hour until 2:30, and

leave thereafter half an hour to be divided among the opponents and proponents of the two pending amendments.

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

Mr. REID. 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. WELLSTONE. Madam President, I ask unanimous consent the order for the quorum call be dispensed with.

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

HARD MONEY

Mr. WELLSTONE. Madam President, I will take a little bit of time because I think other Senators will be coming out to the floor soon to talk about where we are on the hard money changes. We had a proposal by Senator THOMPSON which basically raised the amount of money that an individual could give to a candidate from $1,000 to $2,500 per election; from $2,000 to $5,000 over a 2-year cycle; so $2,500 per election, primary, general, up to $5,000 per candidate. There are other provisions as a part of the Thompson amendment.

The other one I want to mention is raising the aggregate limit from $30,000 to $50,000, which actually per cycle means $100,000.

So what we are saying now is an individual can give up to $5,000 supporting a candidate, and in the aggregate, an individual, one individual could give as much as $100,000 to candidates.

I have recited the statistics on the floor so many times that I am boring myself. But there is the most huge disconnect between the way in which—here on the floor of the Senate and in the ante room—the way that people who come together in the lobbying coalitions are defining compromise and victory, and the way people in coffee shops think about this. One-quarter of 1 percent of the population contributes $200 or more, one-ninth of 1 percent of the population contributes $1,000 or more.

So I do not really see the benefit of injecting yet more money into politics, literally turning some of the hard money into soft money. I am sure people in the country are bewildered by hard money, soft money. Let me put it this way. I don't see how politics that becomes more dependent on big contributors, heavy hitters, people who have more money and can afford to make these contributions, is better politics. I just don't get it.

On the Thompson amendment, there was a motion to table. It was defeated. I thought, frankly, some of the moderates on the Republican side who were part of the reform camp would have voted against the Thompson amendment. They did not. Senator FEINSTEIN came out with an amendment, and her amendment basically doubles the limits. So I guess we go from $1,000 to $2,000 and then $2,000 to $4,000 and it raises the aggregate amount but not a lot.

The Feinstein amendment is certainly better than the Thompson amendment. Now there are some negotiations. Regardless of what happens in these negotiations, the point is the headlines in the newspapers in the country tomorrow for the lead story should be "U.S. Senate Votes for Reform, Votes to Put More Big Money Into Politics," because that is really what we are doing. I think this is a huge mistake. I have two children who teach.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business has expired.

CAMPAIGN REFORM ACT OF 2001—Continued

Mr. WELLSTONE. Madam President, I ask unanimous consent that I be allowed to keep the floor as we move on to the debate.

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

Mr. WELLSTONE. Madam Chair, I have two children who are teachers. I can tell you right now that neither one of them can afford to make a $1,000 contribution or a $2,000 contribution or $4,000 or $5,000 in an election cycle. I can tell you right now that neither one of them can afford to make $30,000 worth of contributions. My God, that is, frankly, the salary of a good many teachers in this country. They cannot afford to make those kinds of contributions.

On the floor of the Senate we are saying, my gosh, the reality is that we have this inflation and $1,000 isn't worth $1,000. The reality is that the vast majority of the people in the country don't make these big contributions; therefore, we don't pay as much attention to them; therefore, they have become increasingly disillusioned, and now as a part of this deal we are raising the spending limits—whatever the compromise is. It seems to me that it goes exactly in the opposite direction than we should be going.

How are ordinary citizens who can't afford to make these big contributions going to feel—that this political process is now going to be better for them when we have taken the caps off and have raised the contribution level? Now people who are running for office are going to be even more dependent on the top 1 percent of the population. How is that reform?

I haven't done the analysis. I do not know how it will add up. My guess is that while, on the one hand we are taking the soft money out, we are now going to be putting a whole lot more hard money into politics. In the election year 2000, 80 percent of the money in politics was hard money.

I am not trying to denigrate taking soft money out—the prohibition on soft money that is in McCain-Feingold. But as this legislation moves along, I am, in particular, saddened and a little bit indignant that we are now defining "reform" to raise the limits so those people who can afford to make a $1,000 contribution can now make $2,000; those who can afford over 6 months—whatever cycle—to make not $2,000 but to now make $4,000 contributions will be able to do so.

The argument that some of my colleagues make is the fact that 99 percent of the population can't afford to do this doesn't mean we shouldn't let the other 1 percent.

But I tell you what is going to happen. We are going to be even more dependent on the big givers. We are going to become even more divorced from all of those people who we serve who can't afford to make those contributions. We are going to spend even less time. There will be even less of an emphasis on the small fund raisers and less of an emphasis on grassroots politics. It is a tragedy that we are doing this.

I do not know how the bill will ultimately go. I think this is a terrible mistake. It has that sort of "made for Congress" look.

This is the sort of agreement that is a victory, Minnesotans. This victory is for all you Minnesotans who now contribute $1,000 or more. You will be able to give even more money to candidates. Minnesotans, please listen. The Senate is now pretty soon about to pass a reform measure. All of you Minnesotans who contribute $1,000 and $2,000 a year and can afford to do it will now be able to double your contributions. I am sure people in Minnesota will just feel great about this. I am sure people in Minnesota will feel that this is real reform. And I am sure 99 percent of the people in Minnesota will feel it is true.

This is a game we can't play: You pay, you play. You don't pay, you don't play.

I will finish, maybe, but just to make one other point.

I am looking at this in too personal of a way by showing more indignation than I should. People can disagree. That is the way it is. You win or lose votes.

We talk about getting rid of soft money. With what we are now about to do on these individual spending limits, there is a bunch of people who will never be able to run for this Senate. They are really not. I will tell you who those people are. They are women and men who themselves don't have a lot of money and who take positions that go against a lot of the money interests in

this country and people who have the economic resources.

I said earlier that the Chair would be interested in this because of her own history. I was talking about the Fannie Lou Hamer Project. Spencer Overton from the Fannie Lou Hamer Project was speaking yesterday at the press conference. Fannie Lou Hamer, as the Chair knows, was this great civil rights leader, daughter of a sharecropper family, large family, grew up poor, and became the leader of the Mississippi Democratic Party. She was a great leader, a poor person, a poor woman, and a great African-American leader.

He was saying yesterday that there are not any Senators who look like Fannie Lou Hamer. He was right. He went on to say that the truth is, this isn't an issue of corruption. This is an issue of representation—of whether there is inclusion or exclusion. The Fannie Lou Hamers of this country are going to be even less well represented when we become even more dependent on those fat cats who can make these huge contributions.

How is a woman such as Fannie Lou Hamer, a great woman, ever going to run? How about people who want to represent the Fannie Lou Hamers? How are they going to have a chance to run? They are going to be clobbered.

Democrats, don't get angry at me, but there are plenty of Democrats who will be able to raise the money. That is good. You will be able to get the two, or three, or four, or five, or six. I don't know what their final deal will be. You will be able to get those big contributions. But you will pay a price. Democrats, we will pay a price. We are paying that price. We will dilute our policy performance. We will trim down what we stand for. We will be more reluctant to take controversial positions on test economic issues. We will be less willing to challenge economic and political power in America today than we are already, and today we are not so willing to challenge that power.

This isn't just like statistics. And here is one proposal to raise the money, and here is another one, and now we have a compromise. This is about representation.

Spencer was right. Spencer Overton was right. Fannie Lou Hamers are not going to be well represented at all. I doubt whether hardly anybody who comes from those economic circumstances today and who take positions that are antithetical to economic and political power in America—I hate to argue conspiracy. I am just talking about the realities. Are they ever going to be able to run? I don't think they will be able to run. It is going to be very hard. If you are well known or an incumbent, you have a pretty good chance. That is good.

We get some great people here. We have the Presiding Officer. We have Senator KENNEDY. Senator DAYTON is here—people who have been well known for good reasons and who have accomplished a lot in their lives. The Chair has. People who have economic resources—Senator KENNEDY does, and Senator DAYTON does—care deeply about these issues. That is not my point.

My point is that as we rely more and more on the big contributors and the well oiled and the well heeled and the heavy hitters, all of us who are running are going to become more dependent on that money. The people who are going to have the most difficult time ever getting elected are going to be ordinary citizens, which I think means they are the best citizens. I mean that not in a pejorative way but in a positive way. They are not going to have a prayer. They are not going to have access to this money.

Let's not kid ourselves. If you believe the standard of a representative democracy is that each person should count as one, and no more than one, we have moved dangerously far away from that. I do not see how any kind of ''compromise,'' defined by the pattern of power right here in the Senate today, represents a step forward, where we now are going to say that those people who are the big givers are going to be able to give more and those people running for office are going to be more dependent on them.

I bet you, Madam Chair, that after this amendment or this compromise passes, that over 50 percent of the money that will be raised in the next election cycle—the cycle I am in—over 50 percent of the money that will be raised will be in these large contributions, raised from, again, about 1 percent of the population.

Now I ask you, how does that represent reform? How does that make this a healthier representative democracy? I think it is a huge mistake. And, I, for one, am adamantly opposed and want to express my opposition.

I am not out on the floor to launch a filibuster, so I will yield the floor.

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

The PRESIDING OFFICER (Mr. CRAPO). Without objection, it is so ordered.

Mr. MCCONNELL. Mr. President, we expect the group that has been working on a compromise on the hard money contribution limit to come back to the floor at some point in the next hour or so. Rather than sit around and churn, it is agreeable to both sides for Senator DEWINE, who will have the next amendment after we finish the disposition of the Thompson and Feinstein matter, to go on and lay his amendment down, which he can set aside when those involved in the discussions come back to the floor. He can lay down his amendment and begin the discussion. I believe that is all right with the Senator from Connecticut.

Mr. DODD. Yes. What I suggest is that this requires unanimous consent as we go along.

I ask unanimous consent that the Senator from Ohio be recognized for a half hour for the purpose of offering his amendment and speaking on his amendment, and that at the hour of 3:30, the Senate would revert to a quorum call.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Ohio is recognized until the hour of 3:30.

AMENDMENT NO. 152

Mr. DEWINE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. DEWINE], for himself, Mr. HATCH, Mr. HUTCHINSON, Mr. BROWNBACK, and Mr. ROBERTS, proposes an amendment numbered 152.

(Purpose: To strike title II, including section 204 of such title, as added by the amendment proposed by Mr. Wellstone (Amendment No. 145)

Beginning on page 12, strike line 14 and all that follows through page 31, line 8.

Mr. DEWINE. Mr. President, this is a very simple amendment, which I will explain in just a moment. I offer it on behalf of myself, Senator HATCH, Senator HUTCHINSON from Arkansas, Senator BROWNBACK, and Senator ROBERTS.

Our amendment is very simple. It is a motion to strike title II, the Wellstone-Snowe-Jeffords provision from the underlying McCain-Feingold bill.

Mr. President, this amendment is necessary because title II draws an arbitrary and capricious and unconstitutional line—a line that abridges the first amendment rights of U.S. citizens. Under title II, citizens groups—and I emphasize that this is currently in the bill and unless our amendment is adopted, it will stay in the bill—American citizens would be prohibited from discussing on television or radio a candidate's voting records and positions within 60 days before a general election or 30 days before a primary.

That is right, Mr. President, and Members of the Senate. It would be illegal for citizens of this country, at the most crucial time, when free speech matters the most, when political speech matters the most—that is, right before an election—this Congress would be saying, and the ''thought police'' would be saying, the ''political speech police'' would be saying that you cannot mention a candidate's name; you cannot criticize that candidate by name.

It silences the voices of the people. It silences them at a time when it is most important for those voices to be heard. It restricts citizens' ability to use the broadcast media to hold incumbents accountable for their voting records. It says essentially that the only people who have a right to the most effective form of political speech, the only people allowed to use television or radio to freely express an opinion or to take a stand on an issue when it counts, when it is within days of an election, are the candidates themselves and the news media. But under the way the bill is written now, not the people—just candidates and the news media. Everyone else would be silenced by this unconstitutional, arbitrary line.

Let's suppose for a minute that title II stays in the bill and it becomes law. Under this scenario, if you are a candidate running for Federal office and it is 60 days before the election, yes, you can go on the radio or the local television station and broadcast your message. If you are lucky enough to be Dan Rather, Tom Brokaw, or Peter Jennings, or the person who anchors the 6 o'clock news or 7 o'clock news in Dayton, OH; or in Steubenville, OH; or in Cleveland, you can also talk about the issues and candidates, and you can talk about them together. You can talk about the candidate's voting record.

But if you don't fall into either one of these two categories—if you are part of a citizens group wanting to enter the political debate and engage in meaningful discourse, using the most wide-sweeping medium for reaching the people which is TV, under this provision you cannot do that. You simply cannot enter the debate using television or radio as a mode of communication.

Title II of this bill makes that illegal. So if you would go in to buy an ad and say you want to criticize where the ad mentions the name of a candidate who is up for election within that 60-day period, the local broadcaster would have to turn to you and say, no, he cannot accept that. It is illegal because the U.S. Congress has said it is illegal.

Title II would make it illegal for citizens groups to take to the airwaves and even mention a political candidate by name. It would make it illegal to state something as simple as to tell the voters whether or not a candidate voted yes or no on an issue. It basically just throws the rights of citizens groups out of the political ring. It throws them right out of the ring. I believe that is wrong and I think it is also unconstitutional.

It represents a direct violation of the people's right to free political speech, the right guaranteed to us by the first amendment of the Bill of Rights in the Constitution of the United States of America.

The language in this bill picks the time when political speech is the most important and restricts who can use that political speech, and who can engage in that political speech.

Let me tell you an example from the real world. It is an example that could have involved me. I have been a proponent for something in Ohio we refer to as the Darby Refuge. It would be a wildlife refuge in central Ohio. I won't trouble or bother Members of the Senate now with the reasons why I have been a strong advocate for this, but I have been. I think it is the right thing to do.

There are also citizens in the State of Ohio who live in that area of the State who don't think it is such a good idea. They have exercised their first amendment rights time after time to explain to me and to other citizens in Ohio who are driving down the highway that it is not such a good idea, and that this proposed wildlife refuge is not the thing to do. We have seen signs up—and I think they are still up—which say ''No Darby, Dump DeWine.'' We have seen signs that say ''Get Mike DeWine Out of my Backyard.'' That was on a T-shirt. Other signs have been around also.

Obviously, I didn't particularly like the fact that these signs were there.

What was my response to people when they said, What about those signs? I tried to explain why I was for the Darby, but I also said: The first amendment is there; it is alive and well, and people are exercising their constitutional rights.

Let us suppose this citizens group—actually there are two formal citizens groups that oppose the Darby and have been very vocal about it. Let us suppose that within 60 days prior to the last November election—I was up for reelection last November —let us suppose they had put some money together, and let us suppose they went to the Columbus TV stations and the Dayton TV stations. Let us also suppose this title II was law.

Let us suppose they took their money and went to buy an ad, and what they wanted to talk about in that ad was why the refuge was a bad idea. Let us suppose also they wanted to convey another message, and that message was: Call Senator MIKE DEWINE and tell him he is wrong. Call Senator MIKE DEWINE and tell him that you oppose the refuge and you think he should as well.

I would not have liked that. It probably would have irritated me. But they have a constitutional right to do that if they want to do it.

Under the bill as now written, they could not do that. The TV station in Dayton or the TV station in Columbus would have had to turn to them and say: Oh, no, you cannot say that; there are only certain things you can say. You can talk about the refuge being a bad idea, but you cannot mention MIKE DEWINE'S name.

That is when it would become apparent to these citizens that their first amendment rights were being abridged, and the person who ran the TV station, the general manager, would have had to tell them: Congress said you cannot run this type of ad. I submit that is wrong.

As much as those of us who have been in public office and who have faced tough elections do not like criticism, as much as sometimes we think political ads that attack us are unfair, as much as we sometimes think they distort, as much as sometimes we think they only tell half the story, that is just part of the political process. That is what the first amendment is all about.

The fact is that today in a State such as Ohio, my home State, if you want to reach the people of the State, there is really only one way to effectively do it, and that is the use of television. You have to be on the air, and you have to get your message across. That is true whether you are running for office and you are the candidate or whether you are a group of citizens who decide they want to convey a message, they feel strongly about an issue and want to link that issue with a person who is running for office. Today they can do that. The way the bill is now written, they cannot.

The fact is, given today's national political discourse in the modern age of technology, television and radio play the primary, if not the key, role in the spreading of political messages. The whole reason we use the names of candidates in political speech on television is to emphasize policy positions and alternative policy options. Doing so enables people to evaluate and support or criticize incumbents' voting records and their positions on issues. That is the basis, the very essence, of political speech and debate.

Messages about the candidates, about their voting records and their positions on the issues, speak louder and have a greater impact on voters than just generic issue ads about Social Security or about Medicare, tax cuts, or whatever is the issue of the day.

Constitutionally, we cannot deny citizens groups access to the most effective means of reaching the largest number of people for the least amount of money, and that is TV and radio. We cannot deny them the ability to communicate through television and radio during the time period most vital to deciding the outcome of an election, the time when they can have the most impact. We should not deny them a voice in the political debate, but, unfortunately, title II effectively does just that.

Ultimately, political speech is directly tied to electoral speech. We cannot escape that. We cannot escape, nor should we try to escape, the fact that our Constitution protects the rights of people to support or to criticize their Government or the people running for

Federal office. The founders of this country recognized that. They knew from their own personal experience in forming this Nation that political speech is of the highest value, particularly during the election season, and it must be protected.

Given that, the last thing we should be doing is restricting 60 days before an election the people's right to get the word out to voters about the issues and about the candidates. Such a restriction is absurd. Such a restriction is wrong. Such a restriction is blatantly, certifiably unconstitutional.

I realize that criticism, very often part of political speech, makes incumbents uncomfortable. It makes us all uncomfortable. I know this. I have been there. Do I like to be criticized? No. Does anyone like to be criticized? No. Do we like to see our voting record picked apart? No.

The fact remains that no matter how much those in public office do not like to hear negative political speech, our Constitution protects that very speech. Federally elected officials are here to serve the people, and the people deserve the right to cheer us or to chastise us, particularly during an election campaign.

Are we, as Members of this body, becoming the political speech police? Are we becoming the guardians of incumbent protection? Are we so worried about tough criticism from outside groups, American citizens? Are we so concerned about what we consider to be unfairness and the potentially misleading nature of their message that we are willing to curtail their basic, constitutional, first amendment rights?

I hope not, and I hope we adopt this amendment and pull back from this infringement on people's constitutional rights. We all should be offended by the attempt to do that.

The fact is that the limits imposed by title II on political speech, limits on legitimate political discourse, debate, and discussion will hurt voters. The voters will have less opportunity to make informed choices in elections. It is the voters and the public who ultimately will lose.

Allow me to read directly from the Bill of Rights—and we are all familiar with it—amendment I:

> Congress shall make no law respecting the establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

I repeat, ''Congress shall make no law . . . abridging the freedom of speech. . . .''

These are very simple words, but they are some of the most powerful and certainly most important words in the Bill of Rights and in our Constitution.

I am certain that my colleagues in the Senate all realize our Founding Fathers, when crafting our Bill of Rights and our first amendment protections, had political speech—political speech specifically—in mind. They knew how important and vital and necessary free speech is to our political process and to the preservation of our democracy. They knew that democracy is stifled by muzzles and gags. They knew that free speech was necessary for our political system—our open, free political system—to function and, yes, to flourish. They knew that liberty without free speech is really not liberty at all.

We all understand that none of our rights is absolute. In fact, there are constitutionally acceptable limits on political speech. For example, the Supreme Court has ruled that the government has an interest in regulating political speech when there is a clear and present danger that the speech will result in the imminent likelihood of violence. Also, the Court has said that defamation laws apply to political candidates, so as to protect them from statements that are knowingly false. In such situations, the government has a compelling interest in restricting the speech. I ask my colleagues: What is the government's overriding and compelling interest in restricting core political speech 60 days or less from an election—at the time most crucial to the public's interest in hearing and learning about candidates and their positions and incumbents and their voting records? How will restricting the most important speech at the most important time further our election process and political system? It clearly will not.

The bottom line, Mr. President, is that core political speech is different from other forms of speech. It lies at the heart of the first amendment and deserves the highest—the utmost—level of protection. To that extent, I agree with Justice Thomas who said that political speech is the very speech that our founding fathers had in mind when actually drafting our Bill of Rights and our first amendment protection. Justice Thomas further argued that the key time for political speech is during campaigns. He wrote:

> The Founders sought to protect the rights of individuals to engage in political speech because a self-governing people depend upon the free exchange of political information. And that free exchange should receive the most protection when it matters the most—during campaigns for electrive office.

The Supreme Court, in Buckley v. Valeo, emphasized the importance of protecting political speech. The Court wrote:

> The First Amendment denies government the power to determine that spending to promote one's political views is wasteful, excessive, or unwise. In the free society ordained by our Constitution, it is not the government, but the people—individually, as citizens and candidates, and collectively, as associations and political committees—who must retain control over the quality and range of debate on public issues in a political campaign.

The Court was telling Congress, essentially, to stay out. It was saying don't diminish the first amendment rights of citizens and organizations to participate in political debate. Don't restrict the means by which the people of this nation make informed decisions about candidates running for federal office.

The fact is, Mr. President, in order to embrace the freedoms guaranteed by the first amendment, we must allow others to exercise those freedoms. Title II runs counter to that, and in the process, violates our Constitution.

Title II hugely undercuts the McCain-Feingold campaign finance reform bill. It has turned the campaign finance debate on its head. It has turned the debate into a clear struggle over the soul of the first amendment, and ultimately, the preservation of our democracy.

If we are to protect and preserve our democracy, we must allow the people to be heard. Voters cannot make informed decisions about candidates when political speech—when ideas and information about candidates—is restricted at the most pressing time. As voters, we make better decisions when there are more voices, more information, and more ideas on the table. Ideas competing with one another. That is the essence of democracy.

That is the basis for political debate and challenges to public policy.

That is the basis for how we make changes in our society—for how we make the world a better place. With all of the complexities of today's election laws and competing campaign finance reform plans, I think that Ralph Winter, the respected judge and former law professor, said it best when he noted that the greatest election reform ever conceived was the first amendment. He was right. Unfortunately, title II strikes at the first amendment by restricting the dissemination of information to voters and the open exchange of ideas that we so much treasure.

The exchange of those ideas, Mr. President—through core political speech, whether it's two years, two months, two weeks, or two days before an election—is a prerequisite for democratic governance. That is the basis of our Constitution. We in Congress have an obligation to protect that Constitution—to protect our first amendment and the free flow of ideas. That, after all, is the spirit—the essence—the foundation of our democracy.

What all of this means is simply this: If you are a citizens group, you are an American citizen, and you don't like what I am saying today or what this amendment does, or what my vote will be on final passage of this bill, under this bill, as currently written, you could not talk about any of this if it were right before a Federal election.

You could not use the airways and the TV and radio to criticize me or to talk about this vote and to talk about this amendment. If we accept this, it will silence a citizen's ability to tell the public about our voting records.

What this language says is that we are afraid to let people tell the outside world what we do in the Senate. We can't do that. Rather, I believe we must protect the rights of the people. We must preserve our Constitution. We must not let that great Constitution, that great Bill of Rights, that first amendment be chipped away by efforts clearly aimed at protecting the self-interests of the incumbent political candidates. To do any less, as we change this, as we amend it, to do any less would fly in the face of our democracy and the American people whom we are here to serve.

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. DOMENICI. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

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

Mr. DOMENICI. I ask unanimous consent I may proceed as in morning business for 2 minutes.

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

The Senator from New Mexico is recognized.

Mr. DOMENICI. I thank the Chair.

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 638 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. DODD. Mr. President, 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. DODD. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

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

Mr. DODD. Mr. President, I now suggest a period of, say, 15 minutes for general discussion on an agreement that has been reached between Senator THOMPSON and Senator FEINSTEIN. On the purpose of that discussion, why don't I yield to Senator THOMPSON of Tennessee to begin the discussion and then Senator FEINSTEIN as time permits, as far as this agreement, or others who may want to talk about it. My hope would then be we would have legislative language which would include this compromise which we would be able to offer as a modification of the Thompson amendment, and a vote to occur thereon shortly after the debate is concluded.

The PRESIDING OFFICER. Does the Senator have a unanimous consent request?

Mr. DODD. No. We are just going to proceed in this regard.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. THOMPSON. Mr. President, I think the Senator from Connecticut is correct. Senator FEINSTEIN and others and I have been meeting, talking about how we might come together for a unified modification of my amendment. As this body knows, my amendment was not tabled. Senator FEINSTEIN's amendment was not tabled. That was the basis for our discussion.

We acknowledge readily that it was certainly appropriate to increase the hard money limits in certain important categories.

We had a full discussion of those categories of concerns and desires on either side.

Pending the language and subject to comments of my distinguished colleague from California, I would like to basically outline the highlights of the crucial elements of this modification.

The individual limitation to candidates, which now stands at $1,000, will be increased to $2,000 and indexed. The PAC limitation of $5,000 under current law stays at $5,000. The State local party committees, which is now $5,000 a calendar year under current law, will go to $10,000 per year. The contribution to national parties, which under current law is limited to $20,000 a year, will go to $25,000 a year and be indexed at the base.

The aggregate limit, which is now $25,000 per calendar year under current law, will go to $37,500 a year and be similarly indexed.

We will double the amount that national party committees can give to candidates from $17,500 to $35,000 and be similarly indexed.

A part of our agreement also has to do with the amendment originally from Senator SCHUMER, that was later incorporated into the Feinstein amendment, having to do with the 441 situation he described pending the Supreme Court decision in the Colorado case; that we expect a part of our agreement with regard to this modification is that it will not be a part of this Thompson-Feinstein modification but will get a vote separately shortly after the vote on this.

I believe that basically outlines the major provisions of the agreement.

I relinquish the floor and ask my distinguished colleague from California to make any statement she cares to.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Thank you very much, Mr. President. I thank the Senator from Tennessee, the Senator from Wisconsin, the Senator from Arizona, the Senator from Connecticut, the senior Senator from Mississippi, as well as the senior Senator from New York—all who participated in this negotiation.

Essentially the question was around whether we could bring enough people together to settle what is a question that has become a major problem; that is, how do we account for inflation in hard money because it is likely we will not address this issue for another 20 or 30 or 40 years. Therefore, this is a bill that has to stand the test of time.

Many of us are deeply concerned that once you restrict soft money in campaigns and in parties, you create an opportunity for this soft money to go into the issue of advocacy of independent campaigns. It is undisclosed. It is unregulated. So what we want to try to avoid as much as we can is a transfer of millions of dollars of soft money from campaigns into millions of dollars of soft money into independent campaigns.

The way we do this is by trying to find a modest vehicle by which we can come together and agree on how much an individual contribution limit should be raised. I am very pleased to say that contribution limit in the bipartisan agreement is $2,000. That $2,000 would be indexed, as will the other indexes I will speak about in a moment, for inflation from a baseline that is provided for in the statute.

We came to agreement on the PACs—that PACs should remain the same; they should not be increased in amounts; they should remain at $5,000 a calendar year.

We came to agreement on continuing State and local parties at the same amount as McCain-Feingold—$10,000. That was clear in the Thompson amendment, the Feinstein amendment, as well as the McCain-Feingold bill.

Also, where we had the major discussion—I say a difference of viewpoint—was on the aggregate limit and the national party committees.

The people who were negotiating are people who wanted to see a bill. And it was very difficult because each of our proposals was at the outer limits of our own political party. So it was very difficult to find a way to move forward.

We did, however, in the Thompson amendment, which had $50,000 per calendar year for the aggregate limit, and it was agreed that we would drop that to $37,500 per year for the aggregate limit and that we would drop out of that the split I had proposed earlier in my statement.

With respect to national parties, that would go from $20,000—just by $5,000 a year—to $25,000.

Additionally, there are four things in this bill that are indexed. Again, the indexing is not compounded. It goes to the baseline in the statute for the candidate, for the national party per year amount, and for the aggregate amount.

Also, there is a provision in Thompson we agreed to which would double the amount that national parties can give to candidates from $17,500 to $35,000. That would be indexed on the same baseline formula as the other items.

In my view, and I hope in Senator THOMPSON's view, this gives us an opportunity to meet the future and to see that there is a modest increase. It is not a tripling of the individual limit. It is simply increasing it from $1,000 to $2,000 and then indexing it to inflation, but that there is a the basis now, we hope, where both sides can come together and vote for this bill.

I, for one, happen to think the indexing is healthy. I think it gives us an opportunity that we don't come back again, to reopen the bill, but that we live by the bill as it is finally adopted.

I really thank the Senator from Mississippi who began this fight with me. I thank the Senator from Tennessee for our ability to sit down together and have a turkey sandwich and also come to this agreement. I think it is a very important step forward for the bill.

I thank the Senators from Wisconsin and Arizona for their persistence in moving this bill along.

I yield the floor.

May I ask if the modification is available?

Mr. DODD. As my colleague spoke, an angel brought it. The modification has arrived.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. COCHRAN). Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT

Mr. MCCONNELL. Mr. President, under the provisions of the consent agreement, with the concurrence of Senator FEINSTEIN, myself, and Senator DODD, Senator THOMPSON will now send a modification to the desk.

In addition, I ask unanimous consent that the Feinstein amendment be withdrawn and there now be 30 minutes of debate equally divided in the usual form prior to the vote on the Thompson amendment, as modified, with no amendments in order to the amendment. I further ask consent that following the vote, the pending DeWine amendment be set aside, Senator SCHUMER be recognized to offer an amendment, and there be 60 minutes equally divided in the usual form. Finally, I ask consent that following the use or yielding back of the time, the Senate proceed to a vote on the Schumer amendment, with no amendments in order to the amendment.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

The amendment (No. 151), as modified, was withdrawn.

Mr. THOMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. THOMPSON. Mr. President, it is my intention to send a modification to the desk very shortly. It might take a couple moments.

Mr. DODD. To save a little time, if my colleague would yield, Mr. President, I have been looking at a couple drafting notes from legislative counsel. I have spoken on numerous occasions over the last several days of my concerns of raising the hard dollar limits that individuals may contribute on the theory that I do not think there is too little money in politics, on the contrary, I think there is too much money. We are shutting down the door of soft money. Fine, as it should be. However, my concern is that we are also banging open the back door with hard dollars amounts. To the average citizen in this country, there is no distinction between hard and soft money. We make the distinction for the reasons we are all aware of. What I believe is people are sort of disgusted with the volume and amount of money in politics. This agreement is one I am going to support. I do so reluctantly. However, I support the underlying McCain-Feingold bill. I think it is very important that we take steps forward to change the present campaign finance system. I regret we are adding to the hard dollar limits on contributions that individuals can make to candidates, national political parties, and overall aggregate annual limit.

I come from a small State. I represent a State of 3.5 million people. My colleague from California represents a State 10 times that size. I recognize that there are distinctions between these States. For example, campaigning is far more costly in California than it is in a State such as my own. I accept there needs to be some increase.

The modification Senator THOMPSON graciously worked out with Senator FEINSTEIN exceeds what I would do. It is certainly less than what was offered by our colleague from Nebraska, Senator HAGEL. It was less than what others wanted as well. It reduces substantially the aggregate amounts that were originally being offered at $75,000 per year or $150,000 a couple, down to $37,500 per calendar year. That still is too much, in my view, but it is a lot less than it otherwise could have been.

There are some other changes dealing with individual contributions to State and local party committees and the national parties. However, the PAC limits remained the same. We provided indexing for inflation. Again, this is something I have reservations about. I recognize that in any legislative body, if you are trying to put together a bill where 100 different people have something to say about it, and you have to produce 51 votes, then you are going to have to give up something if you are going to accomplish the overall goal.

My overall goal has been for years to get McCain-Feingold adopted into law. However, it was not a goal I was going to accept regardless of what was in the bill. Had we gone beyond these individual contribution limits we had agreed to in these modifications, I would have had a very difficult time supporting the McCain-Feingold bill.

I will support McCain-Feingold. I urge my colleagues to do so. We have other amendments to address on both sides. The Members have ideas they want to add to this bill. In my view, this is a worthwhile effort. I commend my colleague from Tennessee—he is a noble warrior, a good fighter and debater, and a good negotiator—and our colleague from California who likewise has championed a good cause. I thank RUSS FEINGOLD and JOHN MCCAIN. I know this goes beyond even what they would like to do. We recognize we can't do everything exactly as we would like to do it. I believe this modification still is within the realm of the McCain-Feingold restrictions. For those reasons, I will support the bill.

AMENDMENT NO. 149, AS MODIFIED

The PRESIDING OFFICER (Mr. BROWNBACK). Under the previous order, the Senator from Tennessee has the floor to send the modification to the desk.

Mr. THOMPSON. Mr. President, the modification has been sent to the desk.

The PRESIDING OFFICER. Under the previous order and without objection, the amendment is so modified.

The amendment, as modified, is as follows:

On page 37, after line 14, insert the following:

SEC. . MODIFICATION OF CONTRIBUTION LIMITS.

(a) INCREASE IN INDIVIDUAL LIMITS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (A), by striking ''$1,000'' and inserting ''$2,000''; and

(2) in subparagraph (B), by striking ''$20,000'' and inserting ''$25,000''.

(b) INCREASE IN AGGREGATE INDIVIDUAL LIMIT.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)), as amended by section 102(b), is amended by striking ''$30,000'' and inserting ''$37,500''.

(c) INCREASE IN SENATORIAL CAMPAIGN COMMITTEE LIMIT.—Section 315(h) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(h)) is amended by striking ''$17,500'' and inserting ''$35,000''.

(d) INDEXING OF CONTRIBUTION LIMITS.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting ''(A)'' before ''At the beginning''; and

(C) by adding at the end the following:

''(B) Except as provided in subparagraph (C), in any calendar year after 2002—

''(i) a limitation established by subsections (a)(1)(A), (a)(1)(B), (a)(3), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

''(ii) each amount so increased shall remain in effect for the calendar year; and

''(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

''(C) In the case of limitations under subsections (a)(1)(A), (a)(1)(B), (a)(3), and (h) increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.''; and

(2) in paragraph (2)(B), by striking ''means the calendar year 1974'' and inserting ''means—

''(i) for purposes of subsections (b) and (d), calendar year 1974; and

''(ii) for purposes of subsections (a)(1)(A), (a)(1)(B), (a)(3), and (h) calendar year 2001''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after the date of enactment of this Act.

Mr. THOMPSON. I yield 5 minutes to the Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I, too, commend the Senator from Tennessee. I would love to have gone further to really provide full indexation for the limits that were established in 1974, 26 years ago, and were thought to be appropriate at that time. But any increase in hard money limits is a step in the right direction.

To give you an idea of what the world without soft money is going to look like for our national parties, we took a look at the 2000 cycle, the cycle just completed, and made an assumption that the party committees would have had to operate in 100 percent hard dollars, which is the way they will have to operate 30 days after this bill becomes law. The Republican National Committee would have had 37 million net hard dollars to spend had we converted the last cycle to 100 percent hard dollars. Under the current system, they had 75 million net hard dollars to spend. So the Republican National Committee would go from 75 million net hard dollars that it had to spend last cycle down to $37 million.

The Democratic National Committee, in a 100-percent hard money world, last cycle, would have had 20 million net hard dollars to spend on candidates. In fact, it had $48 million under the current system. So the Democratic National Committee would go from 48 million net hard dollars down to 20 million net hard dollars, if you convert the last cycle into a 100-percent hard money world.

Finally, let me take a look at the two senatorial committees. The Republican Senatorial Committee last cycle under the current system had 14 million net hard dollars to spend on behalf of candidates. In a 100-percent hard money world, they would have had about 1.2 million net hard dollars to spend for candidates. Our colleagues on the other side of the aisle, the Democratic Senatorial Committee, in the current system had 6 million net hard dollars to spend on their candidates. In a 100-percent hard money world, they would have had 800,000 hard dollars to have spent on all of their 33 candidates.

The one thing that is not in debate, there is no discussion about it, this is going to create a remarkable, a huge shortage of dollars for the party committees. At least the Senator from Tennessee is trying, through negotiating an increase in the hard money limits for parties and providing indexation, to help compensate for some of this dramatic loss of funds that all of the party committees are going to experience 30 days after this bill becomes law.

I thank the Senator from Tennessee for the effort he made. I wish we could have done more. I hear there are plenty on the other side who wish we would have done less. This is at least a step in the right direction.

We are going to have a massive shortage of funds in all of the national party committees to help our candidates. It is going to be a real scramble. Hopefully, this will help a bit make up at least a fraction of what is going to be lost on both sides that will be available for candidate support.

I intend to support the amendment of the Senator from Tennessee.

Mr. THOMPSON. Mr. President, do I control the time?

The PRESIDING OFFICER. The Senator controls 11½ minutes.

Mr. THOMPSON. I ask the Senator from Arizona if he wishes to be heard at this time.

Mr. MCCAIN. One minute.

Mr. THOMPSON. I yield 1 minute to the Senator from Arizona.

Mr. MCCAIN. Mr. President, I want to take a minute to thank Senator FEINSTEIN and Senator THOMPSON. I have been privileged to see negotiations and discussions between people of good faith and a common purpose. I was privileged to observe that in the case of Senator THOMPSON and Senator FEINSTEIN. The Senator from Oklahoma, Mr. NICKLES, was very important, as was the Senator from Michigan, Mr. LEVIN, as well as Senator HAGEL of Nebraska and others, as well as the Senator from New York, Mr. SCHUMER. I know I am forgetting someone in this depiction.

I am proud that people compromised without betraying principle to come to a common ground so we can advance the cause of this effort. I express my deep and sincere appreciation to those Senators who made this happen, as well as our loyal staffs.

Mr. THOMPSON. Mr. President, I yield 2 minutes to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I thank the Senators who took the lead in the negotiations, especially the Senator from Tennessee who, again, has had so much to do with this reform, and the Senator from California. They were extremely skilled at bringing us together. I thank Senator MCCAIN, Senator COCHRAN, who was part of the effort, Senator FEINSTEIN, Senators DODD, LEVIN, SCHUMER, of course, Senators REID and DASCHLE, Senators NICKLES and HAGEL, who were all involved.

I join in the remarks of the Senator from Connecticut. This particular amendment doesn't move in the direction that fits my philosophy. I believe we should stay where the levels are, as do many of my Democratic colleagues. I very regretfully came to the conclusion that we had to do it. I realized if we are going to get at the No. 1 problem in our system today, the loophole that has swallowed the whole system, as Senator THOMPSON has said, we had to make this move.

I am grateful that we were able to keep the individual limit increase to a reasonable level. Although I would prefer that it not be indexed, I will note, at least we won't have to hear anymore that it isn't indexed for inflation because it is. So the next time Senators have to deal with this issue 20 years from now or 30 years from now, at least that very troubling and persistent argument will not be there.

I thank all my colleagues and look forward to the vote on the amendment.

Mr. THOMPSON. How much time is remaining?

The PRESIDING OFFICER. The Senator from Tennessee controls 8 minutes 45 seconds. The Senator from Connecticut controls 11 minutes 30 seconds.

Mr. DODD. Mr. President, I don't know of any other requests to speak. I think people are familiar with this issue. Does my colleague from California wish to be heard?

Mrs. FEINSTEIN. I think I have said what I needed to say. Maybe we can concede the rest of our time and have a vote.

Mr. DODD. I am prepared to yield back our time and go to a vote. We have other amendments on this side. There are several over there. We have to keep things going.

Mr. THOMPSON. I am prepared to yield back our time.

Mr. DODD. We yield back our time.

Mr. THOMPSON. Have the yeas and nays been ordered?

The PRESIDING OFFICER. Yes, the yeas and nays have been ordered.

Mr. THOMPSON. I suggest that we proceed to a vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee, Mr. THOMPSON, No. 149 as modified.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER (Mr. BROWNBACK). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 84, nays 16, as follows:

[Rollcall Vote No. 55 Leg.]

YEAS—84

Akaka	Domenici	Lincoln
Allard	Durbin	Lott
Allen	Edwards	Lugar
Bayh	Ensign	McCain
Bennett	Enzi	McConnell
Bingaman	Feingold	Mikulski
Bond	Feinstein	Murkowski
Breaux	Fitzgerald	Nelson (FL)
Brownback	Frist	Nelson (NE)
Bunning	Graham	Nickles
Burns	Gramm	Reid
Byrd	Grassley	Roberts
Campbell	Gregg	Rockefeller
Cantwell	Hagel	Santorum
Carnahan	Hatch	Schumer
Carper	Helms	Sessions
Chafee	Hutchinson	Shelby
Cleland	Hutchison	Smith (NH)
Clinton	Inhofe	Smith (OR)
Cochran	Inouye	Snowe
Collins	Jeffords	Specter
Corzine	Kennedy	Stevens
Craig	Kohl	Thomas
Crapo	Kyl	Thompson
Daschle	Landrieu	Thurmond
Dayton	Leahy	Torricelli
DeWine	Levin	Voinovich
Dodd	Lieberman	Warner

NAYS—16

Baucus	Hollings	Sarbanes
Biden	Johnson	Stabenow
Boxer	Kerry	Wellstone
Conrad	Miller	Wyden
Dorgan	Murray	
Harkin	Reed	

The amendment (No. 149), as modified, was agreed to.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, again on the wings of angels, the Senator from New York has arrived.

The PRESIDING OFFICER. The Senator from New York is recognized to offer an amendment.

AMENDMENT NO. 135

Mr. SCHUMER. Mr. President, I have an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New York [Mr. SCHUMER] proposes an amendment numbered 135.

Mr. SCHUMER. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To express the sense of the Senate regarding the need for Congress to consider and enact legislation during the 1st session of the 107th Congress to study matters related to voting in and administering Federal elections and to provide resources to States and localities to improve their administration of elections)

On page 37, between lines 14 and 15, insert the following:

SEC. 305. SENSE OF THE SENATE.

(a) FINDINGS.—The Senate finds that—

(1) the right to vote is fundamental under the United States Constitution;

(2) all Americans should be able to vote unimpeded by antiquated technology, administrative difficulties, or other undue barriers;

(3) States and localities have shown great interest in modernizing their voting and election systems, but require financial assistance from the Federal Government;

(4) more than one Standing Committee of the Senate is in the course of holding hearings on the subject of election reform; and

(5) election reform is not ready for consideration in the context of the current debate concerning campaign finance reform, but requires additional attention from committees before consideration by the full Senate.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Senate should schedule election reform legislation for floor debate not later than June 29, 2001.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. SCHUMER. How much time do I have, Mr. President?

The PRESIDING OFFICER. Under the previous order, the two sides have 30 minutes each to debate the amendment.

Mr. SCHUMER. Mr. President, I am here to urge my colleagues to support an amendment that is of great importance to the future of McCain-Feingold and to the bill in general that we are debating, particularly in light of the fact we have just raised hard money limits. Let me explain to my colleagues what this is all about.

Mr. President, may we have order.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from New York.

Mr. SCHUMER. Mr. President, can I suspend for a minute? I believe they have read the wrong amendment at the desk.

I ask unanimous consent the previous amendment be withdrawn.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

The amendment (No. 135) was withdrawn.

AMENDMENT NO. 153

Mr. SCHUMER. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from New York [Mr. SCHUMER] proposes an amendment numbered 153.

Mr. SCHUMER. Mr. President, I ask unanimous consent the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To condition the availability of television media rates for national committees of political parties on the adherence of those committees to existing coordinated spending limits)

On page 37, between lines 14 and 15, insert the following:

SEC. ____. TELEVISION MEDIA RATES FOR NATIONAL PARTIES CONDITIONED ON ADHERENCE TO EXISTING COORDINATED SPENDING LIMITS.

(a) AVAILABILITY OF TELEVISION MEDIA RATES.—Section 315(b)(2) of the Communications Act of 1934 (47 U.S.C. 315(b)(2)), as amended by this Act, is amended—

(1) by striking ''TELEVISION.—The charges'' and inserting ''TELEVISION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the charges''; and

(2) by adding at the end the following:

''(B) LIMITATIONS ON AVAILABILITY FOR NATIONAL COMMITTEES OF POLITICAL PARTIES.—

''(i) RATE CONDITIONED ON VOLUNTARY ADHERENCE TO EXPENDITURE LIMITS.—If the limits on expenditures under section 315(d)(3) of the Federal Election Campaign Act of 1971 are held to be invalid by the Supreme Court of the United States, then no television broadcast station, or provider of cable or satellite television service, shall be required to charge a national committee of a political party the lowest charge of the station described in paragraph (1) after the date of the Supreme Court holding unless the national committee of a political party certifies to the Federal Election Commission that the committee, and each State committee of that political party of each State in which the advertisement is televised, will adhere to the expenditure limits, for the calendar year in which the general election to which the expenditure relates occurs, that would apply under such section as in effect on January 1, 2001.

''(ii) RATE NOT AVAILABLE FOR INDEPENDENT EXPENDITURES.—If the limits on expenditures under section 315(d)(3) of the Federal Election Campaign Act of 1971 are held to be invalid by the Supreme Court of the United States, then no television broadcast station, or provider of cable or satellite television service, shall be required to charge a national or State committee of a political party the lowest charge of the station described in paragraph (1) with respect to any independent expenditure (as defined in section 301 of the Federal Election Campaign Act of 1971).''.

(b) FEDERAL ELECTION COMMISSION RULEMAKING.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following:

''(4) If the limits on expenditures under paragraph (3) are held to be invalid by the Supreme Court of the United States, the Commission shall prescribe rules to ensure that each national committee of political party that submits a certification under section 315(b)(2)(B) of the Communications Act of 1934, and each State committee of that political party described in such section, complies with such certification.''.

(c) SEVERABILITY.—If this section is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendments to any person or circumstance, shall not be affected by the holding.

Mr. SCHUMER. Mr. President, this amendment is vital to the effectiveness of McCain-Feingold, particularly in light of the increase in hard money limits which we have passed by a large margin in the Thompson-Feinstein amendment. It is necessary because of an impending Court decision. The Supreme Court has already heard the case and is about to issue a decision related to the 441(a)(d) limits.

Let me first explain what the 441(a)(d) limits are, what the Court case is, what it does, and why it is so important. As we all know, there are 441(a)(d) limits, whereby a national party—in this case the Democratic

Senatorial Campaign Committee or the National Republican Senatorial Committee—can contribute a certain amount of money directly to a candidate. There is complete coordination allowed between the party and the candidate by the recent Supreme Court decision. That amount of money is limited by the amount of voters in the State. It is 2 cents a voter, so it runs from a high of over $2 million in California, $1.8 million in my State of New York, down to a low in the State of Wyoming and places such as that, probably no more than a couple of hundred thousand dollars.

The case before the Supreme Court, which is called FEC v. Colorado Republican Federal Campaign Committee, has been argued. There it has been argued that those limits should be lifted, that there should be no limit as to the amount of money a national party organization can give to a candidate for the Senate or for the House.

What this would do, if the Court should rule favorably and uphold the lower court, is very simple. It would allow parties to go around and raise money in large, large amounts. After the Feinstein amendment that has passed, that would be $25,000 a year or $150,000 per 6-year Senate cycle. And then with complete coordination, the party could give that money to any particular candidate.

The consequences are obvious. The $1,000 or $2,000 limit that we now have would become much less important and large donors could contribute, through the national parties, obscenely large amounts of money to candidates. In effect, the Court decision would, if the 441(a)(d) limits were lifted, pull the rug out from under McCain-Feingold, all the more so because of the increase we have made in hard money limits.

You can call it hard, you can call it soft—it is large. The whole purpose of getting rid of soft money was not that it was soft, per se, but rather it was so large that it was unlimited. Imagine, after passing McCain-Feingold and having it signed into law—which I hope will happen—that the Supreme Court could make that ruling and then we basically go right back to the old days, where large contributions governed. That, in my judgment, would be a serious error on our part. That, in my judgment, would so undermine McCain-Feingold that we would have to be back here next year changing the law again.

I have heard colleague after colleague say we will not come back for 20 years. If the Court rules in favor of Colorado Republican Federal Campaign Committee, which most of those who have looked at the case believe they will, we will not be back here in 20 years; we may be back here in 20 months.

The amendment I have offered tries to ameliorate these conditions. In all candor, it does not eliminate them, but it does make them better. It does it very simply by saying, if a candidate should wish to go above the 441(a)(d) limit, the 2 cents per voter in his or her State, they cannot take advantage of the low-rate television time that is now offered in McCain-Feingold.

It is an incentive as many other incentives—to have candidates abide by limits. Again, could a candidate still violate those limits? Yes. They would just pay a lot more for their television advertising, which of course is the No. 1 expenditure in just about every hotly contested race.

Some have brought up the issue of constitutionality. Others have asked: Why are we legislating this at the time when we do not even know how the Court will rule? In answer to the second question, this amendment has no effect if the Court rules to keep the 441(a)(d) limits. No one can go over them and the mandatory limit will be held as constitutional. That is just fine. This amendment is designed to deal with the advent, the likely advent that the Supreme Court does rule. If we should fail to pass this amendment, which I know is subject to heated debate—the parties feel quite differently about this and I expect the vote will be very close, but if we should fail to pass it, I would say on the individual side, not on the corporate and labor side, 80 percent, 90 percent of McCain-Feingold will be undone.

It will allow a couple to give, through the party, $300,000 to a Senate candidate. It is true, of course, that the party cannot solicit them and say that we will, for sure, contractually almost, give the money to that candidate. But they can do virtually everything but. It would also allow a party to go to someone and say: Give us $100,000 over the next few years and we will give $25,000 to our four toughest races.

The whole idea of McCain-Feingold to stick to the $1,000 and the $2,000, or now the $2,000 and $4,000 limits, would be undone, again constitutionality, which seems to be the major argument against this.

In the amendment is the severability clause, and in that severability clause we say, of course, if this is thrown out, it will not affect the rest of the McCain-Feingold bill. Some say that is not necessary. But we put it in there just to deal with anyone who was not satisfied with the general language in the bill.

Second, on constitutionality, the courts have ruled repeatedly that voluntary limits may be placed on speech to further other goals.

The underlying case is Buckley v. Valeo which said that a government benefit can be conditioned on a candidate's voluntary agreement to forego other sources of funding. The $1,000 limit on Buckley v. Valeo is very simple. It has been in existence and upheld and would apply in this case.

Another case in 1979 where the Presidential limits were challenged is also applicable. It is called RNC, the Republican National Committee, versus the FEC. I believe it is a 1979 case before the Supreme Court. There again it was stated that in return for limits on campaign contributions—in this case, the Presidential limits, which every Presidential candidate until George Bush of this year abided by—the government could confer benefit, in this case money.

The only difference with what we are doing is instead of providing money to benefit, they are providing low television rates, which is in a sense money.

It is perfectly clear, and it has been repeated by the courts, that a voluntary limit on speech in exchange for another benefit that helps further that same goal is constitutional.

I know some have seen the Colorado case. If they bring it up, I will rebut it.

But I want to conclude before I yield my time by pleading with my colleagues to support this amendment. I salute all those of us who have worked on McCain-Feingold. I salute both the Senator from Arizona and the Senator from Wisconsin for their leadership, the Senator from Kentucky, and the Senator from Connecticut for conducting this debate in a fair, admirable, and open fashion, and all the others who have worked on this issue.

Everyone sort of had a vested interest in seeing that this amendment passes. I would like to see it pass. But it would be a shame if we pass the amendment only to see it undone in large part 3 months from now. It would increase the cynicism of the public. It would increase for thousands of us who believe in reform the view that nothing could be done, and it would make it harder to continue reform. It would be close to a tragedy.

After all the work done by so many, if the 441(a)(d) limits were lifted and hard money could cascade into candidacies just the way soft money does now, we would be making a major mistake.

I urge my colleagues to support this amendment. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. MCCONNELL. Mr. President, last week Senator SCHUMER stated that the Supreme Court's decision in FEC v. Colorado Republican Federal Campaign Committee could deluge the system with unlimited amounts of money raised in enormous amounts through the national parties for specified campaigns.

This statement was false.

As Senator SCHUMER recognized, the Colorado case is about coordinated party expenditures by the national committees on behalf of House and Senate candidates.

The FECA has a formula to calculate these limits based on the size of the

state which ranged from $135,000 in Montana to $3,200,000 in California in 2000.

Senator SCHUMER'S attempt to portray these expenditures as soft dollar contributions is false. Coordinated party expenditure always have been, and always will be 100 percent hard money.

The hard money limits to the national committees which were set in 1974 are $20,000 per year for an individual and $15,000 per year from a PAC.

The coordinated party limits at issue in the Colorado case are the last vestige of spending limits in FECA.

In 1976 the Supreme Court in Buckley struck down expenditure limits on candidates and their committees and limits on independent expenditures.

In 1996 the Supreme Court in Colorado I ruled that party committee's can make independent expenditures, in addition to coordinated expenditures. (See sec. 213 of S. 27) The Court remanded the question of the coordinated limits back to the district court which became the Colorado case pending before the court today.

If the Supreme Court strikes down the coordinated party limits in the Colorado case, the only impact is that national parties will be able to spend unlimited amounts on behalf of their candidates.

However, these expenditures must still be all hard dollars, raised under the limits of FECA.

As for concern that striking these limits will lead to enormous amounts of party money going into the system, I would point out that in the 2000 cycle, Republican parties spent $28,000,000 on all coordinated expenditures and Democratic parties spent $20,000,000. This is the total for all races—Presidential, Senatorial and Congressional—470 races nation-wide.

Senator SCHUMER also presented a scenario where national parties are a mere pass-through for candidates.

This is false for soft dollars.

For hard dollars it is called earmarking.

Current law permits donors to earmark contributions through national party committees directly to be used on a specific candidate's behalf. However, it is subject to the $1,000 contribution limit.

For example, if a donor gives $1,000 to the RNC and directs it to a specific candidate, the $1,000 is a contribution to the candidate.

However, if a donor gives $20,000 to the DSCC and directs it to be spent on behalf of a specific candidate, it is a $20,000 contribution to that candidate—a violation of the contribution limits under FECA.

This has been tried before and squarely rejected.

In 1995 the DSCC paid the largest civil fine ever by a national committee for engaging in this type of activity.

In that case the DSCC and democratic Senate candidates were raising large amounts of money into the DSCC to be ''tallied'' for use on that candidate's behalf. These contributions were earmarks and exceeded the contribution limits to candidates.

The DSCC was fined $75,000, forced to end that tally program and was and is required to include specific language on all solicitations clarifying that money raised into the DSCC is spent ''as the Committee determines within its sole discretion.''

To be clear, coordinated expenditures are made with all hard dollars given to the party committees and cannot be restricted for use on specific candidates.

So there is simply no legal way to circumvent that law. The constitutional problem with the Schumer amendment is that if the Supreme Court strikes down the coordinated limit as unconstitutional, then the Schumer provision will require parties to continue to abide by an unconstitutional limit in order to get the lowest unit rate.

This is a classic unconstitutional condition and would make the whole bill further subject to problems in Court.

I hope the Schumer amendment will not be approved.

It is my understanding that there is a desire on both sides to have a quick vote. Is that correct?

Mr. DODD. Yes. If I may, Mr. President, let me respond to my colleague from Kentucky by saying that this amendment has been debated and discussed. The Senator from New York has, I know, at on least three different occasions explained this amendment and the value of it.

I think we have had a pretty good debate. I recommend to my friend and colleague from Kentucky that we have a vote on or in relationship to the Schumer amendment at 5:20.

I believe there is a meeting for some of our colleagues at the White House at around 5:30. My hope would be we might have this vote before that meeting occurred. That would give those who would like to be heard on this amendment some time to come to the floor and to express their views on this.

Mr. MCCONNELL. I say to my colleague from Connecticut, it would be helpful if it were even a little bit earlier, at 5:10 or 5:15.

Mr. DODD. We can do that. I will try to accommodate you on that. The message has gone out. Why don't I take a few minutes myself. Certainly my colleague from New York should have 5 minutes or so to respond to some of the arguments made.

Let me say in relation to this amendment, the Senator from New York, as he has done characteristically throughout his public career—certainly as long as I have known him as a Member of the other body and as a new Member of this body—has literally discovered, in a sense, what could be the new soft money loophole if we do not deal with this.

I say to my colleagues, for those who care about McCain-Feingold, care about what we are trying to do on soft money, as almost every legal expert in the country who is knowledgeable about campaign finance laws has predicted will be the Supreme Court decision in the Colorado case II. The section 441(a)(d) coordinated expenditure limits will be held unconstitutional by a majority of the Supreme Court in the Colorado II case. The practical results is that when spending limits on the national parties are removed from the hard dollar cap, then the parties can contribute to Federal candidates, directly or indirectly, with unlimited sums of money. If I have misspoken here, my colleague from New York will correct me. I believe this summarizes the sum and substance we believe is about to happen. If, of course, the Supreme Court goes the other way and rule the section 441(a)(d) limits constitutional, then this amendment has no effect. But if the coordinated spending limits are overturned, as the Senator from New York has predicted, and as others have suggested, we will not be obligated to return to this subject matter. Knowing how painful it is to spend as many days as we have already talking about campaign finance issues, it could well be another 25 years before we would come back to this subject matter.

In the meantime, we could have a Supreme Court decision that would blow open the doors for hard money, or the new soft money loophole, having spent all these days working to shut down the existing soft money loophole and limiting the hard dollar contributions in order to slow down the money chase.

Let me quickly add, again, I voted for the Thompson modified amendment. I did so reluctantly. I disagree with the notion that we had to increase these hard dollar limits of individual contributors by as much as the Thompson modification allowed.

Now to reject the Schumer amendment, and by doing so allow unlimited hard dollar contributions would fly right in the face of everything a majority of us have spent the last 10 days working to accomplish. We have improved, in my view, the McCain-Feingold bill. It is a better bill in many ways than it was when it came to the floor a week and a half ago.

If we now reject this amendment, in light of what is clearly going to happen in the court, we will undo much of what we have done, not only over this past week and a half, but what Senator MCCAIN and Senator FEINGOLD have achieved, along with those of us who have sponsored or cosponsored their efforts over the past several years.

So I urge my colleagues to take a close look at this. Try to understand

what the Senator from New York is saying here. He is saying if, in fact, the coordinated party expenditure limits are ruled unconstitutional, then we need to provide a voluntary mechanism for how such limitations may be dealt with. He does it in a way that tracks the two Supreme Court decisions in the Colorado Republican cases and on first amendment issues very successfully. Having read these decisions carefully, he has now crafted a proposal that is directly in sync with these decisions, including the projected decision in Colorado II, where nexus has to occur between the activities and there is no mandatory requirement attached.

While I am not an expert in this area of the constitution, but based on what I have read, if you meet the two criteria I suggested, then your proposal can pass constitutional muster. I think it is our collective judgment to move forward in this area.

Last week we passed an amendment that would prohibit millionaires from running against us incumbents. We allowed the hard dollar contributions to immediately go up if someone out there challenges us. If the challenger suggests he or she might spend half a million dollars of their own money against us, then the trigger threshold comes into play. I voted against it because I thought it was a ludicrous amendment. But, if you felt comfortable that amendment was adopted and you are protected from the personal wealth of challengers, then don't start breathing a sigh of relief now. The millionaire amendment is here. I would pause before I would enjoy the sense of security. If this amendment is rejected, then you could face million-dollar contributions going to your opponent if, in fact, the Supreme Court does what many think it will do, and strike down the spending limits.

So, again, whether you are a proponent or opponent of McCain-Feingold, I think you ought to support this amendment. None of us here—nor any challenger—should face the possibility of watching almost unlimited contributions come through national or State parties to fund these races without any restrictions at all. Particularly after a majority of us—a significant majority of us—believe there should be some limitations, some slowing down of a process here the amount of money is getting out of hand.

With that, Mr. President, I see my colleague from Michigan who has been eloquent on this subject matter and understands it almost as well as the Senator from New York and certainly far more than the Senator from Connecticut. So I would be happy to yield to him 2 or 3 minutes to correct any mistakes I may have made in describing what this amendment does and how it works.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from Michigan.

Mr. LEVIN. Mr. President, I thank my good friend from Connecticut. I wish I could come close to him in terms of knowledge of this subject, or my friend from New York.

I just want to very briefly say one thing. We have been guided so far, a majority of us, by a principle; and that principle is, there should be limits. That is what this debate is all about. We have limits on individual contributions. We have now decided what those limits would be. We have limits on PAC contributions, limits to PACs, limits to State and party committees, limits on national party committees, and aggregate limits.

What this debate is about is restoring limits to campaign contributions. Without McCain-Feingold, or a variant thereof, we have the status quo: Unlimited contributions to campaigns. Despite the fact that our law—our law—says there should be limits, there has been a loophole created which has destroyed that law—destroyed the limits—and we have seen the result.

There is one potential loophole left. That is the loophole which the Senator from New York and the Senator from Connecticut have identified. That loophole is, assuming the Supreme Court finds as many think is likely they will find, the amount of money which could be contributed to a candidate by a political party would be unlimited. Without this kind of an effort to set some kind of limit on those contributions, it seems to me we would be violating the very principle that has guided the majority of us in this debate so far.

So I hope we will not give up on that principle. I hope we will be guided by that principle—the principle of the restoration of limits, the preservation of limits, the protection of some limits—because the unlimited amounts of money which have come into these campaigns, it seems to me, have degraded the process, and degraded all of us in the process.

So I commend our good friend from New York for identifying this problem. I hope this will be a bipartisan vote of support, to basically do what the law already intends to do, to set limits on the contributions of parties to candidates. That is in the current law. There is a formula that we are simply trying to protect in the event that the Supreme Court says that process does not pass constitutional muster.

We knew 25 years ago—and we know now—that limits are important, that unlimited, excessive contributions can create a problem in terms of public confidence. This is the one area left which is critical to the principle in McCain-Feingold.

I hope that the amendment of the Senator from New York is adopted, and that it is adopted with a bipartisan vote, because it is so key to this bill accomplishing what it set out to do: Restoration, preservation, protection, of some limits on contributions.

I thank the Chair.

Mr. DODD. Does my colleague from Kentucky wish to be heard?

Mr. MCCONNELL. I tell my friend from Connecticut, I think we are ready to vote.

Mr. DODD. I think the Senator from New York wants 2 minutes to wrap up before the vote.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, I thank the Senator from Connecticut for his leadership and his cogent explanation. With my lack of articulateness, it has taken a few days for me to convince the Chamber that this issue is important, and within 5 minutes the Senator from Connecticut and the Senator from Michigan have summed it up well.

We are here now because we realize how important this issue is. It was said exactly right, in answer to the Senator from Kentucky; some things that are unconstitutional when mandatory are perfectly constitutional when voluntary. This is the case now.

I find it interesting that my friend from Kentucky is talking about the unconstitutionality of this provision when yesterday he voted for one and said: I knew it was unconstitutional, but it will help bring the bill down. Maybe he wants to do the same on this amendment.

Mr. MCCONNELL. If the Senator will yield.

Mr. SCHUMER. I am happy to yield.

Mr. MCCONNELL. I will change my position, if he keeps talking.

Mr. SCHUMER. I want him to change his position. I want to reiterate to my colleagues, this is a crucial amendment. If we don't pass it, we will come back 6 months from now and say, why didn't we do it, because all the work on McCain-Feingold, much of the work on McCain-Feingold—not all of it but certainly much of it—will be undone.

As my friend from Michigan said, limits are the theme of this bill. To say that we want to limit soft money but put no limits on hard money makes no sense. They are both greenbacks. Too much of one and too much of the other is not a good thing in our political financing system. That is all our amendment seeks to undo. It is reasonable. It is completely within the theme of McCain-Feingold.

I fear that if it is not passed, we will have trouble passing the bill as a whole, and, worse than that, we will have undone a good portion of what we tried to do with McCain-Feingold.

Mr. DODD. Mr. President, the proponents of the amendment are prepared to yield back the remainder of our time.

Mr. MCCONNELL. Mr. President, I yield back such time as may remain on this side.

Mr. DODD. Mr. President, I ask for the yeas and nays on the Schumer amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the Schumer amendment No. 153. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 52, nays 48, as follows:

[Rollcall Vote No. 56 Leg.]

YEAS—52

Akaka	Dorgan	Lincoln
Baucus	Durbin	McCain
Bayh	Edwards	Mikulski
Biden	Feingold	Miller
Bingaman	Feinstein	Murray
Boxer	Graham	Nelson (FL)
Breaux	Harkin	Nelson (NE)
Byrd	Hollings	Reed
Cantwell	Inouye	Reid
Carnahan	Jeffords	Rockefeller
Carper	Johnson	Sarbanes
Cleland	Kennedy	Schumer
Clinton	Kerry	Stabenow
Conrad	Kohl	Torricelli
Corzine	Landrieu	Wellstone
Daschle	Leahy	Wyden
Dayton	Levin	
Dodd	Lieberman	

NAYS—48

Allard	Enzi	Murkowski
Allen	Fitzgerald	Nickles
Bennett	Frist	Roberts
Bond	Gramm	Santorum
Brownback	Grassley	Sessions
Bunning	Gregg	Shelby
Burns	Hagel	Smith (NH)
Campbell	Hatch	Smith (OR)
Chafee	Helms	Snowe
Cochran	Hutchinson	Specter
Collins	Hutchison	Stevens
Craig	Inhofe	Thomas
Crapo	Kyl	Thompson
DeWine	Lott	Thurmond
Domenici	Lugar	Voinovich
Ensign	McConnell	Warner

The amemdment (No. 153) was agreed to.

Mr. DODD. I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Connecticut.

AMENDMENT NO. 152

Mr. DODD. What is the pending business?

The PRESIDING OFFICER. The pending business is the amendment of the Senator from Ohio, Mr. DEWINE.

Mr. DODD. On our side, I know the opponents have a request for about 20 minutes. I don't know if the Senator from Ohio is prepared to accept a time agreement so we know when the next amendment might occur.

Mr. DEWINE. I am not prepared to enter into a time agreement. I will tell my colleague that I don't anticipate it will be very long. We have a couple of speakers and we will be done. I don't want to enter into a time agreement, but I think the projection we see of votes at 6:30, I certainly think we will make that.

Mr. MCCONNELL. Mr. President, for the information of our colleagues, on this side of the aisle, I am aware of about eight amendments, some of which I hope will disappear. I hope by announcing this I do not encourage the proliferation of more. Also, it is my understanding that a discussion is underway to water down or mitigate the coordination language in the underlying bill at the request of organized labor. I assume we will see that amendment at some point during the process. I don't know whether Senator DODD has any idea how many amendments may be left on his side.

Mr. DODD. Mr. President, in response to my friends and colleague from Kentucky, I have 21 amendments. Now, we all have been down this road in the past. How many of those will actually be offered—I know around 12 at this juncture. I have asked the authors of these amendments how serious they are, and I would say around 12 or 13 feel very adamant. They may not need much time. We don't necessarily need 3 hours as the bill requires or allows.

We are constantly working, trying to see if we can't get this number down. We have a list. We are prepared to go with several amendments. I have Senator BINGAMAN with amendments ready; Senator DURBIN has amendments ready; Senator HARKIN has amendments ready. We are prepared to move along based on the schedule the leadership wants to endorse.

Mr. MCCONNELL. It is my understanding the desire of the leadership is to finish up the debate on the DeWine amendment tonight. I understand the Senator from Ohio is not interested in a time agreement at this point but to have the vote in the morning.

In the meantime, I say to my colleague from Connecticut and others, with regard to any amendment that might be offered to reduce the opposition of the AFL-CIO to the bill by massaging the coordination language, we would like to see that when it is ready. That is the amendment I have been predicting for a week and a half, that there would be at some point an effort to water down the coordination language in the underlying McCain-Feingold bill in order to placate the AFL-CIO. We are anxious to see that language. I am sure it will pass, once offered, but we are anxious to take a look and make sure all Members of the Senate are aware of the substance of it.

It looks as though I may have fewer amendments to deal with than Senator DODD. I suspect the sooner we shut up, the Senator from Ohio can continue his discussion of his amendment.

Mr. DODD. I am for that.

Mr. MCCONNELL. I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. Mr. President, I have used about 30 minutes of my time and I think at this point I yield the opponents some of their time.

For the information of Members of the Senate, we have one or two speakers who will not speak very long, and we will be prepared to vote.

Mr. DODD. Mr. President, I yield 6 or 7 minutes to my colleague from Vermont in opposition to the DeWine amendment.

Mr. JEFFORDS. Mr. President, I rise today to once again discuss the Snowe-Jeffords provisions in the Bipartisan Campaign Reform Act. My focus today will be rassuring you that the Snowe-Jeffords provisions are constitutional.

We took great care in crafting our language to avoid violating the important prrinciples in the first amendment of our Constitution. In reviewing the cases, limiting corporate and union spending and requiring disclosure have been areas that the Supreme Court has been most tolerant of regulation.

Since 1907, federal law has banned corporations from engaging in electioneering. In 1947, that ban was extended to prohibit unions from electioneering as well. The Supreme Court has upheld these restrictions in order to avoid the corrupting influences on federal elections resulting from the use of money by those who exercise control over a large amount of capital. By treating both corporations and unions similarly we extend current regulation cautiously and fairly.

We also worked to make our requirements sufficiently clear and narrow to overcome unconstitutional claims of vagueness and overbreadth. This required us to review the seminal cases in this area, including Buckley v. Valeo. I have heard some of my colleagues argue that Buckley clearly shows that the Snowe-Jeffords provisions are unconstitutional. I must disagree most strongly with that reading.

In fact, the language of the case should—must be read to show that the Snowe-Jeffords provisions are constitutional. In Buckley the court limited spending that was ''for the purpose of influencing an election.'' As I noted in my speech last Friday, 80 percent of the voters, an overwhelming majority, see these sham issue ads as trying to influence their vote and the outcome of the election.

Buckley also allowed disclosure of all spending, ''in connection with an election.'' As I discussed last Friday, 96 percent of the public sees these ads as connected with an election. In addition, the chart my colleague Senator SNOWE presented on the Senate floor last Monday clearly demonstrates that these ads are run in lock step with the candidate's own ads. This makes sense this clearly proves that these sham issue ads are well connected with the election.

A final point concerning the Buckley decision. The Supreme Court was concerned about both deterring corruption and the appearance of corruption, plus ensuring that the voters were properly

informed. The Snowe-Jeffords provision satisfies the Court's concerns. We deter the appearance of corruption by shining sunlight on the undisclosed expenditures for sham issue advertisements. Corruption will be deterred when the public and the media are able to see clearly who is trying to influence the election. In addition our provisions will inform the voting public of who is sponsoring and paying for an electioneering communication. Unlike what our opponents may say, the Supreme Court using the standards articulated in the Buckley decision would uphold the Snowe-Jeffords provision as constitutional.

Our opponents also point to the Supreme Court decision in Massachusetts Citizens For Life as demonstrating that the Snowe-Jeffords provisions are unconstitutional. I would agree with my opponents that the MCFL decision seems to reaffirm the express advocacy test articulated in Buckley, but I would argue in upholding this test that the Court actually made it even more likely that the Snowe-Jeffords provisions would be upheld as constitutional. The MCFL decision broadens the standard articulated in Buckley by analyzing the context of a communication and divining its ''essential nature.'' As the results from the BYU Center for the Study of Elections and Democracy study I discussed earlier show, the esential nature of these sham issue-ads is to influence the outcome of an election. Presented with all of the facts provided by myself and Senator SNOWE, the Supreme Court would be consistent only in finding our provisions constitutional under the standards laid out in Buckley and MCFL. So rather than strengthening their case, the MCFL decision shows that the Court is willing to examine the issue closely and look beyond a strict interpretation of the magic words test that some have said the Buckley decision created.

A final court decision my opponents point to as supporting their position that the Snowe-Jeffords provisions are unconstitutional is the recent Vermont Right to Life decision in the second circuit. I must first point out that as a circuit court opinion it is not the law of the land. That can only come from the decisions of the Supreme Court, on which the provisions of the Snowe-Jeffords provisions are built.

Additionally, the facts that faced the second circuit in the Vermont Right to Life case are clearly distinguishable from the Snowe-Jeffords provisions. Unlike the Vermont statute that was vague and overbroad, our provisions are narrowly tailored to avoid overbreadth, and create clear standards about what is allowed or required by our provisions, thus avoiding the vagueness in the Vermont statute. In addition, the court focused much of its discussion in declaring the Vermont statute unconstitutional on the effects of the provision on modes of communication not covered by Snowe-Jeffords. As the Snowe-Jeffords provisions do not cover these types of communication, our language is distinguishable from the facts faced by the second circuit. So, don't be fooled when the opponents of our provision say that the Vermont Right to Life case clearly shows that the Snowe-Jeffords provisions are unconstitutional. They are comparing apples with oranges, and such a conclusion in inappropriate.

In conclusion, James Madison once said,

> A popular government without popular information is but a prologue to a tragedy or a farce or perhaps both. Knowledge will forever govern ignorance and a people who mean to be their own governors must arm themselves with the power which knowledge gives.

The Snowe-Jeffords provisions will give the voters the knowledge they need. I ask for my colleagues continued support in this vital effort to restore faith in our campaign finance laws.

It is time to restore the public's confidence in our political system.

It is time to increase disclosure requirements and ban soft money.

It is time to pass the McCain-Feingold campaign finance reform bill. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, my colleague from the State of Maine wishes 10 minutes. I am happy to yield 10 minutes to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. SNOWE. Mr. President, I thank the Senator from Connecticut for yielding me some time to address some of the issues that have been raised by the amendment and the motion to strike by our colleague from Ohio, Senator DEWINE.

I urge this body to oppose that motion to strike the provisions known as the Snowe-Jeffords provision. A vote to strike these provisions is essentially a vote against comprehensive reform. A vote against this provision is a vote against balanced reform. A vote against this provision is a statement that we are only willing to tackle part—albeit a vital part—of the problem that is confronting the political system of today.

The other part of the problem that we seek to address through these provisions is the glut of advertisements in elections—close to election time, close to election day—that seek to influence the outcome of Federal elections. So there is no disclosure. We have no disclosure. We do not know who is behind those advertisements. Yet they are very definitively influencing the outcome of Federal elections.

To illustrate the amount of advertising, you only have to look at what has happened since 1995–1999, when $135 million to $150 million was spent on these types of commercials. Now in the election of 2000, over $500 million was spent.

Is everybody saying it does not matter? That we should not know who is behind these types of commercials that are run 60 days before the election, 30 days before a primary, whose donors contribute more than $1,000? Are we saying it does not matter to the election process? Are we saying we do not care?

I know the Senator from Ohio is saying these provisions are unconstitutional. I would like to make sure my colleagues understand that this provision was not developed in a vacuum. It was developed with more than 70 constitutional experts, along with Norm Ornstein, a reputable scholar associated with the American Enterprise Institute. They looked at the constitutional and judicial implications of the Buckley v. Valeo decision back in 1976. They crafted this type of approach, which carefully and deliberately avoids the constitutional questions that my colleague, the Senator from Ohio, suggests may be raised.

First of all, we designed a provision to address the concerns that were raised in the 1976 Buckley decision about overbroad, vague types of restrictions on the first amendment. So what we said was that we have a right to know who is running these ads 60 days before a general election when the group has spent more than $10,000 in a year and whose donors have contributed more than $1,000 to finance these election ads—over $550 million of which were run in the election of 2000, more than three times the amount that was spent in the election of 1996.

We also went on to say that unions and corporations would be banned from using their treasury money financing these ads when they mention a candidate 60 days before a general election or 30 days before a primary. Again, there is a basis in law extending back to 1907, when we had the Tillman Act passed by Congress that banned the participation of corporations in elections and, in 1947, the Taft-Hartley Act that prohibited unions from participating directly in Federal elections. This amendment and provision is building upon those decisions that were made by Congress that have been upheld by the Court. In fact, the most recent decision of 1990, Austin v. Chamber of Commerce, is again upholding those decisions in the prohibition of the use of corporations participating in Federal elections.

That is what we have done. That is what we sought to do when designing this amendment.

Are we saying these ads do not make a difference? We have seen and examined a number of studies over the last few years that talk about the influence

of these ads on elections. What have we determined? No. 1, and I guess it is not going to come as a surprise to this audience which has participated in election after election and have seen these ads, but more than 95 percent of the ads that are run in the last 2 months, the last 60 days of the election, mention a candidate; 94 percent of those ads are seen as attempting to influence the outcome of an election. They mention a candidate's name. Virtually all the ads that are run in the last 60 days mention a candidate's name. Don't we have the right to know who is running those ads, who is supporting those ads, who is financing those ads? Yes. The Supreme Court has said it is permissible for Congress to have this requirement. It is in our interest. We have the right. It is not just the right to free speech. It is similar to other restrictions that have been incorporated in Federal election laws.

Ninety-five percent of the ads that are run for the final 2 months of an election mention a candidate. The worst thing when organizations run these types of ads is that they mention a candidate by name 60 days before an election. We have the right to know who the $1,000 donors are.

We are also saying that unions and corporations would be banned from running those types of ads using their treasury money when they are mentioning a Federal candidate the last 60 days because of preexisting law that has stood for almost a century and has been upheld by the Federal court.

The next chart shows that, again, 94 percent have spots during the 2 months before the election making a case for a candidate.

Again, we are entitled to know who is behind those types of advertisements. We have the right to know. The public has the right to know because they are playing a key role.

We had a number of studies that examined the impact of these ads.

First of all, it wouldn't come as a surprise to this audience once again that 84 percent of the ads that were aired in the last 2 months of a Federal election were attack ads. They were negative. And they mentioned a candidate's name.

Again, we are saying we have the right to know. The Supreme Court will uphold our right to know and the public's right to know. This is sunlight; it is not censorship.

In this next chart, only 1 percent of the ads were true issue advocacy ads.

In the final 2 months of an election, 99 percent identified a candidate by name. They were attack ads. Only 1 percent would be construed as being legitimate issue advocacy ads.

For example, on an ad that would say, ''Call your Senator on an issue that is before Congress,'' they would still have that right. If they identified a candidate by name, however, they would be required to disclose.

On this chart we see the relationship between TV ads and the congressional agenda.

We are trying to make distinctions between true issue advocacy ads and election ads. That is what this Snowe-Jeffords provision does. It is carefully crafted to make sure we have a narrow provision identifying the time period of 60 days and 30 days. We ban only union and corporation money. So the entities know which provisions affect them in the election.

Then we also require disclosure of those donors who contribute more than $1,000 to organizations that run ads that mention a candidate in the 60-day window.

Again, groups or individuals will know exactly what is permissible and what is not and whether or not they would be running afoul of the law. That is what the Supreme Court said—that it not result in an overly broad or vague provision to ultimately have a chilling effect on the constitutional right of freedom of speech. That is why this provision was so narrowly and carefully drawn, with constitutional experts examining each and every provision.

Look at the relationship between TV ads and congressional agenda. In the last 60 days we do a lot here in Congress before an election. So you are going to affect organizations' abilities to talk about those issues in their ads. Guess what. All the ads, virtually speaking, run by these organizations that mention or identify a candidate in that 60-day window parallel the ads that are run by the candidates themselves.

In the lower line at the bottom, which is the line that reflects the issues being debated in Congress, you can see that there is virtually no parallel between what we are discussing in Congress and the ads that are being run by organizations in that 60-day window. They parallel the ads with a candidate's ad, which again reflects one thing—that these ads are designed to influence the outcome of an election.

There was a study of just 735 media markets in this last election. Guess what. One hundred million dollars was spent in the last 2 weeks of the election on advertisements that identified a Federal candidate by name in that 60-day period—in fact, in that 2-week period.

I think the public deserves the right to know who is financing those ads and who is attempting to affect the outcome of an election given the amount of money that has been invested in these types of commercials. As I said, it was three times the amount in the last election compared to the 1996 election. They are ultimately engulfing the political process. In some cases, these organizations, whether they exist in the State in which they are running these ads or not, are having a greater impact than the ads the candidates run themselves.

It may come as a surprise to you that in the focus group that examined the Snowe-Jeffords provision and looked at the ads that were run in that 60-day period—guess what—they didn't even see the candidate's ads being the ones that influenced the outcome of a Federal election. They saw these so-called sham ads as the ones that influenced the outcome of a Federal election.

I think we need to take this step. It is a limited step; it is not a far-reaching step.

The PRESIDING OFFICER. The Senator's 10 minutes has expired.

Ms. SNOWE. May I have an additional 2 minutes?

Mr. LOTT. Mr. President, if the Senator will yield, we have a consent request with regard to how to proceed for the rest of the night and tomorrow.

UNANIMOUS CONSENT AGREEMENT

Mr. President, I ask unanimous consent that time on the DeWine amendment be used during tonight's session and, following that time, the Senate proceed to morning business. I further ask unanimous consent that the Senate resume consideration of the bill at 9:30 a.m. and there be 15 minutes for closing remarks on the amendment, to be equally divided, and the Senate then proceed to a vote in relation to the DeWine amendment. I further ask unanimous consent that following that vote the Senate proceed to the Harkin amendment for 2 hours equally divided in the usual form, and following that time the Senate proceed to vote on or in relation to the Harkin amendment.

Let me note that I didn't get a chance to clear this with Senator REID. But I understand Senator WARNER has an amendment he wants to offer.

Mr. WARNER. Mr. President, I thank the distinguished leader. I should like to offer it, and I shall withdraw it. I will require no more than 10 minutes of time at the most convenient point this evening before we complete our work on this bill.

Mr. LOTT. I modify the request to say, as I have already read it, except that after the DeWine amendment the time be used tonight and then go to the Warner amendment at that point. Following that, we would go to morning business.

Mr. REID. Mr. President, reserving the right to object—I will not—I hope leadership will recognize the great work done today on this bill. I don't know how great it has been, but certainly it has been a lot of work. Senators DODD and MCCONNELL have done an outstanding job moving this matter along. It has been very tedious today. I would like for the leader and Senator DASCHLE to recognize what good work they have done.

Mr. LOTT. Mr. President, I certainly agree with that. These two managers of this bill have worked together very

closely—Senators MCCONNELL and DODD. Their job has been particularly difficult this time because they are trying to accommodate everyone on all sides of this issue on both sides of the aisle and are trying to also accommodate the wishes of the two leaders on both sides as well as the principal sponsors of this bill. They have worked hard to make good progress. Without commenting on the work product result, I think they certainly deserve a lot of credit for their yeomen efforts to try to keep it calm and moving forward.

Mr. REID. Senator WARNER will withdraw his amendment tonight?

Mr. LOTT. He will.

The PRESIDING OFFICER (Mr. BENNETT). Is there objection?

Without objection, it is so ordered.

Mr. LOTT. In light of this agreement, there will be no further votes tonight. The next vote will occur at approximately 9:45 a.m. Thursday. Also, the managers intend to complete this bill by the close of business tomorrow, so that is going to mean a lot more work. There are a number of amendments that are still pending. But if Senators expect to complete our work tomorrow, we are going to have to put our nose to the grindstone and just make it happen. So we should expect numerous votes tomorrow. And we would hope to finish at a reasonable hour early in the evening or late in the afternoon.

I yield the floor.

Mr. MCCAIN. Could I be yielded about 4 minutes to speak on the amendment?

Mr. LOTT. Mr. President, I believe Senator SNOWE had gotten consent for 2 additional minutes.

The PRESIDING OFFICER. Does the Senator from Maine ask for additional time? The consent was not given because of the interruption of the majority leader.

Mr. LOTT. I do not believe there would be any objection.

Ms. SNOWE. The time is controlled by whom?

The PRESIDING OFFICER. The time is controlled by the Senator from Ohio and the Senator from Nevada.

Mr. REID. The Senator from Maine is given 3 minutes.

Ms. SNOWE. I will yield to the Senator from Arizona. He needs 4 minutes. Can we have 10 minutes?

Mr. REID. Following the Senator from Maine, the Senator from Arizona is yielded 5 minutes.

Mr. MCCAIN. Could we have a total of 10 minutes?

Mr. REID. Yes.

Ms. SNOWE. I yield to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I thank the Senator from Nevada. Again, I thank Senator MCCONNELL for the level and tenor of this debate. I understand his concerns about one additional amendment we will have tomorrow concerning coordination, and I have given him the language. We want to work with him on that particular amendment.

I also know a lot of time and attention is going to be devoted to the issue of severability. I thank the Senator from Maine for a very important presentation. I find myself between two of my dearest friends on this amendment. I, obviously, am strongly in favor of the Snowe-Jeffords amendment which the Senator from Maine and the Senator from Vermont have worked on for literally years together. This Snowe-Jeffords amendment, unlike some of the business we do around here, was not hastily thrown together. It was crafted after careful consultation with constitutional experts all over America. It clearly addresses a growing problem in American politics.

I believe that the Snowe-Jeffords amendment, if removed, would open up another huge channel for the use of soft money into so-called independent campaigns.

I also listened with great attention to my friend from Ohio, Senator DEWINE. I understand his concerns, and I appreciate them. He makes a very strong case. But I would like to say why we think Snowe-Jeffords is constitutional and why we are convinced of it.

First, it avoids the vagueness problem outlined in Buckley by instituting a bright-line test for what constitutes express advocacy versus issue advocacy. People will know if their ads are covered by this statute. They will know whether it is covered by Snowe-Jeffords.

Second, the main constitutional problem with bright-line tests is that they eliminate vagueness at a cost of overbreadth—a situation in which constitutionally protected speech such as issue advocacy is unintentionally swept in by the statute. Specifically, the Supreme Court is concerned whether there is ''substantial overbreadth'' as far as the statute is concerned.

Snowe-Jeffords minimizes the overbreadth concern. It only covers broadcast ads run immediately before an election that mention a specific Federal candidate. Studies show that only a minuscule number of these types of ads in this time period are strictly issue ads. Anyone who observed the last couple campaigns would attest to that.

Besides, we all know that Buckley's ''magic words'' are not necessary to make a campaign ad. In fact, a Brennan Center for Justice analysis of the last congressional election showed that only 1 percent of candidates' own campaign advertising used express advocacy language—in other words, magic words—to promote the candidate.

In sum, Buckley left the door open for Congress to define express advocacy. That is what Snowe-Jeffords seeks to do, in keeping with the Supreme Court's concern about protecting free speech guaranteed by the first amendment. In addition, we can demonstrate that the Court's definition of ''express advocacy''—magic words—has no real bearing in today's world of campaign ads.

You never see an ad anymore that says ''vote for'' or ''vote against.'' You see plenty of them that say: Call that scoundrel, that no-good Representative of yours or Senator of yours, who is guilty of every crime known to man. Call him. Tell your Senator that you want thus and such and thus and such.

We have seen it all develop to a fine art. I believe Snowe-Jeffords is a very vital part of this bill. If it were removed, it would have a very significantly damaging effect on our desire to try to enact real and meaningful campaign finance reform.

I thank my friend from Ohio for his impassioned advocacy of the other side. I believe this is really what this debate has been all about: What we have just seen between Senator DEWINE and Senator SNOWE, an open and honest and informed ventilation of a very important issue to the American people. I am very proud of the performance of both because I think the American people have learned a lot from this debate, especially on this very important amendment.

Mr. President, I yield back the remainder of my time.

Ms. SNOWE. Mr. President, I thank Senator MCCAIN for his words regarding these provisions and for underscoring the importance and the significance and the meaning of the Snowe-Jeffords provision as outlined in the McCain-Feingold legislation.

The preponderance of these ads in the political process has to be disturbing to each and every one of us, not to mention the American people. That is what it is all about and what we need to address.

How can we say we are going to allow these so-called sham ads to go unchecked? How are we going to say to the American people that somehow they or we do not have a right to know who is financing these ads?

As Senator MCCAIN indicated, even candidates now, who already come under the Federal election laws, do not use the magic words ''vote for'' or ''against'' because what has become most effective is not using those magic words to get the point across. That is why all of these organizations have taken to running ads because they know what is more effective and more influential.

In every focus group and study group that has been conducted over the last few months, to take the Snowe-Jeffords provisions and use them in a focus group, to see what the response was of the individuals included in that

group—guess what—they were most influenced by those organizational ads that mention a candidate by name but do not use those magic words. The Supreme Court said there isn't one single permissible route to getting where we are going in terms of restrictions and changes in election laws. And the fact is, since 1976, Congress has not passed a law concerning campaign financing, has not sent any law to the Court because we have not passed anything in the last quarter of a century. So it has no guidepost. But the Court was addressing in 1976 what was happening in 1976. We well know what has changed and transpired in over a quarter century. We have seen the kind of development and evolution of these ads that has taken a very disturbing trend and change in the election process.

I hope we defeat the motion to strike by my colleague, the Senator from Ohio, because truly we are getting at a very serious problem that has characterized the political process in a way that does not engender confidence in the American people.

These ads are intended to affect an election. They are overwhelmingly negative. Ninety-nine percent mention a candidate in that 60-day window. Are we saying that we should allow them to go unchecked? I say no.

I know the Supreme Court will uphold this provision because in analyzing every decision since and in analyzing what the Court had said even previously, this is not treading on the constitutional rights of those who are willing to express themselves.

This is a monstrosity that has evolved in terms of the so-called sham ads that are having a true impact on our election process in a way that I do not think the Supreme Court could foresee back in 1976, and we, as candidates, could not possibly envision. I ran for Congress in 1978. No one heard of these ads. Independent expenditures were even rare at that moment in time. What has happened in the election process has taken place in the last few years. Those expenditures have tripled in these types of advertisements that are having a true impact on elections.

That is what we are talking about. I have a chart that shows the degree to which the ads were intended to influence your vote. The candidates' ads are less influential than these ads to which we are referring in the Snowe-Jeffords amendment. They have more influence in the overall election than the candidates' ads.

We do have a right to know. We are talking about disclosure. The Supreme Court will uphold that view that, yes, the public does have a right to know. These provisions are not chilling first amendment rights. People will have very defined guidance under these provisions that would inform any group, any individual who has an intention of running these types of advertisements.

Norman Ornstein, who was instrumental in developing this provision, along with numerous constitutional experts, spoke in a column recently. I ask unanimous consent that it be printed in the RECORD.

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

[From Congress Inside Out]

LIMITS ON SO-CALLED ''ISSUE ADVOCACY'' WILL PASS CONSTITUTIONAL TEST

(By Norman J. Ornstein)

Is McCain-Feingold unconstitutional? When campaign finance reform is debated in the Senate this week, the answer to this question will be a key one. There will no doubt be questions raised about banning soft money, but despite the bleating of reform opponents, that proposal seems to be on sound constitutional footing. Soft money, after all, was neither a natural development nor a court-generated phenomenon; rather it was created in 1978 by a bureaucratic decision of the Federal Election Commission. If a regulatory commission could invent soft money, Congress can uninvent it.

More problematic is the campaign reform measure's provision on so-called issue advocacy, an amendment known as Snowe-Jeffords. Would it pass Supreme Court muster? No doubt some Senators opposed to reform will offer elaborate smoke screens to scare their colleagues. But there is legitimate concern about the constitutionality of the proposal, even among many sympathetic to it.

Changes in the rules surrounding anything close to issue advocacy, as opposed to express advocacy to elect or defeat candidates, are delicate and tricky. This area is at the heart of the First Amendment and cannot be reformed lightly. Still, when Senators take a careful look at Snowe-Jeffords and the reasoning behind it, their concerns should be assuaged. There is every reason to believe that this measure will withstand constitutional scrutiny.

The challenge here starts with the language of the landmark 1976 Supreme Court decision Buckley v. Valeo that accepted parts of a 1974 Congressional act reforming the campaign finance system and rejected others, and continues to govern our campaign finance rules. The court rejected as overly broad the 1974 Congressional decision to include in its regulatory net any communication ''for the purpose of influencing'' a federal election. Instead, the court drew a line between direct campaign activities, or ''express advocacy,'' and other political speech. The former could be regulated, at least in terms of limits on contributions; the latter had greater First Amendment protection. How to define express advocacy? The High Court in a footnote gave some suggestions to fill the resulting vacuum and to define the difference between the two kinds of advocacy. Express advocacy, the justices said, would cover communications that included words such as ''vote for,'' ''vote against,'' ''elect'' or ''defeat.'' The residual category included ''issue'' advocacy.

The court did not say that the only forms of express advocacy are those using the specific words above. Those were examples. However, political consultants and high-priced campaign lawyers are like the raptors in ''Jurassic Park''—they regularly brush up against the electric fence of campaign regulation, trying to find dead spots or make the fence fall down entirely. In this case, they egged on parties and outside groups to behave unilaterally as if any communication that did not use these specific so-called ''magic words''—no matter what else they did say—was by definition ''issue advocacy'' and thus was exempt from any campaign finance rules. By this logic, ads or messages without any issue content whatsoever that is clearly designed (usually by ripping the bark off a candidate) to directly influence the outcome of an election could use money raised in any amount from any source, with no disclosure required.

Ads of this sort have exploded in the past few elections, with outside groups and political parties exploiting a loophole to run campaign spots outside the rules that apply to candidates. In the past couple of election cycles, solid, substantial and comprehensive academic research, examining hundreds of thousands of election-related ads, has demonstration two things. One was that only a minuscule proportion of the ads run by candidates themselves—the sine qua non of express advocacy—actually used any of the so-called ''magic words'' that shaped the court's definition of express advocacy a quarter century ago. Secondly, hundreds of millions of dollars in political ads—nearly all viciously negative, personality-driven attacks on candidates without issue content—have blanketed the airwaves right before the elections, dominating and drowning out candidate communications. The parties and outside groups that have run them have declared that they fall under ''issue advocacy,'' meaning no disclosure and no limits on contributions are required.

These sham issue ads have drastically altered the landscape of campaigns, reducing candidates to bit players in their own elections and erasing a major share of accountability for voters. But under Buckley, as interpreted by the campaign lawyers, this process has been unchallenged. Lower courts have routinely upheld the framework and most of the specifics of Buckley, leading reform opponents and many objective observers to question whether any change in the Buckley standards or framework could possibly pass constitutional muster in the Supreme Court.

That view ignores a fundamental reality. Since it spoke in 1974, Congress has been essentially silent on campaign finance reform. Buckley v. Valeo is in effect the law of the land because Congress has not superseded it by filling the vacuum in the quarter century that followed. If Congress acted, the Supreme Court would give it due deference. In a 1986 decision on campaign finance and the role of corporations (Federal Election Commission v. Massachusetts Citizens for Life), Chief Justice William Rehnquist, in a separate opinion joined by three other justices, noted, ''We are obliged to leave the drawing of lines such as this to Congress if those lines were within constitutional bounds.''

The lines Congress drew in 1974 were not within constitutional bounds. But other lines, different from the Congress in 1974 and the court's in Buckley, can be, especially if Congress makes clear that its views are based on both careful deliberation and strong emotional evidence.

Two years ago, I led a group of constitutional scholars in careful and systematic deliberation over the judicial and constitutional framework behind Buckley v. Valeo, the dramatic changes in campaign behavior that have occurred in the past several years, and the ways, within the Buckley framework, that the system can be brought back into equilibrium.

The result was a new approach, which was embraced by Sens. Olympia Snowe (R-Maine)

and Jim Jeffords (R-Vt.) and several of their colleagues, and converted into legislation.

The Snowe-Jeffords provision defines ''electioneering'' as a category of communication that is designed to directly shape or change the outcome of federal elections. Unlike the 1974 overly broad Congressional definition, Snowe-Jeffords is much more specific, with a definition that includes substantial broadcast communications run close to an election and that specifically targets a candidate for office in that election. Research has shown that only a sliver of all issue ads meeting this definition in the last campaign (well under 1 percent) were by any standard genuine issue ads. If Senators are wary that even this definition is too broad, it is easily possible to refine the definition of targeting to reduce the number to perhaps 1/10th of 1 percent of the ads.

Snowe-Jeffords bans the use of union dues or corporate funds for broadcast electioneering communications within 60 days of an election and requires disclosure of large contributions designated for such ads. As recently as 1990, in Austin v. Michigan Chamber of Commerce, the Supreme Court reaffirmed the notion that corporations lack the same free-speech rights as individuals and some other groups; other decisions have made the same point about unions.

In Buckley itself, the court said that disclosure requirements are permissible if they provide citizens with the information they need to make informed election choices or help safeguard against corruption and reduce the appearance of corruption. As long as disclosure doesn't produce the chilling effect of requiring an organization to disclose all of its donors, which Snowe-Jeffords avoids, it clearly meets court guidelines. Sen. Mitch McConnel (R-Ky.) regularly refers to the court's 1958 decision NAACP v. Alabama to argue that disclosure requirements are unconstitutional. However, that is a misinterpretation of the decision, which said that a requirement of an organization to disclose all its contributors would be inappropriate. That is not at all what Snowe-Jeffords does.

Now add together the clear deference to Congress' views that Chief Justice Rehnquist has expressed, the clear evidence from impeccable academic research showing the fallacy behind the so-called ''magic words'' test in Buckley, and the restrained and carefully drawn language in Snowe-Jeffords defining a narrow category of ads and relying on past court decisions about disclosure and the roles of unions and corporations. These three factors make it reasonable to believe that the Supreme Court would rule that a reform that includes Snowe-Jeffords is within constitutional bounds.

Ms. SNOWE. He said:

The court rejected as overly broad the 1974 Congressional decision to include in its regulatory net any communication ''for the purpose of influencing'' a federal election. Instead, the court drew a line between direct campaign activities, or ''express advocacy,'' and other political speech. The former could be regulated, at least in terms of limits on contributions; the latter had greater first amendment protection. How to define express advocacy? The High Court in a footnote gave some suggestions to fill the resulting vacuum and to define the difference between the two kinds of advocacy. Express advocacy, the justices said, would cover communications that included words such as ''vote for,'' ''vote against,'' ''elect'' or ''defeat.'' The residual category included ''issue'' advocacy.

The court did not say that the only forms of express advocacy are those using the specific words above. Those were examples.

Now we hear the only way we can have these ads covered is if they use those magic words. As Norman Ornstein is saying in his column, the Court was citing examples back in the Buckley v. Valeo decision in 1976. He went on to say, the fundamental reality is that Congress had been essentially silent on campaign finance reform since it spoke in 1974.

Buckley v. Valeo is in effect law of the land because Congress has not superseded it by filling the vacuum in the quarter century that followed. If Congress acted, the Supreme Court would give its due deference.

The lines Congress drew in 1974 were not within constitutional bounds. But other lines, different from Congress' in 1974 and the court's in Buckley, can be, especially if Congress makes clear its views are based on both careful deliberation and strong empirical evidence.

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

Ms. SNOWE. Mr. President, I hope my colleagues will vote against the motion to strike that has been offered by our colleague from Ohio. It would remove a fundamental provision in the legislation before us. We cannot have comprehensive reform without addressing this egregious development that has occurred in the election process.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. Mr. President, in a moment I will yield to the chairman of the Judiciary Committee, Senator HATCH. I do want to briefly respond to the comments of my friend from Maine, my friend from Vermont, and my friend from Arizona. I appreciate very much their comments.

One thing they did not mention and that is important for us to remember, as we look at this amendment and as we look at how the bill is currently written, is that Snowe-Jeffords is now Snowe-Jeffords-Wellstone. It is fundamentally different than the original provision about which my colleagues have talked for the last 20 minutes or so.

Very simply, Snowe-Jeffords, as originally written, did this: Under current law express advocacy is not restricted for unions and corporations. What Snowe-Jeffords did is to say that 60 days out from an election, unions and corporations—it is usually unions who are doing it—would be prohibited from mentioning the name of a candidate. It is a major change in what is going on today, a major restriction on a union's ability to communicate, a fundamental change in the law.

Under Snowe-Jeffords, express advocacy is expanded to include any message with the candidate's name 60 days before the election and, if they do that, it is illegal.

That is not what we are talking about. Snowe-Jeffords is now Snowe-Jeffords-Wellstone, and it has been dramatically changed and expanded. I think the original language, quite candidly, you can argue either way whether it is constitutional. Frankly, no one in this Senate is going to know until the Supreme Court tells us. The Wellstone language that is now a part of Snowe-Jeffords is absolutely unconstitutional. I have talked to a number of Members on the floor who voted on both sides of the original Wellstone amendment. I haven't found one yet—I am sure someone will come to the floor in a minute; I am sure my colleague from Minnesota may come—who will tell me it is constitutional because what does it do? It takes the original Snowe-Jeffords and expands it and says, not only will labor unions not be able to do this within 60 days of an election, not only will corporations not be able to do it, but now everybody else can't do it. Any groups that want to get together and buy an ad that mentions the candidate's name will no longer be able to do that.

So within 60 days of an election, at the time when political debate should be the most respected, when political debate has its greatest impact, the Snowe-Jeffords-Wellstone amendment now says, no, you can't do it.

That is absolutely unconstitutional. That is the state of the bill today. That is what Members have to ask themselves when they vote on this amendment. Are you willing to accept a bill that in all probability is going to pass that has a provision in it that is blatantly unconstitutional? I hope on reflection my colleagues on both sides of the aisle, when they look at that, will say: I don't want to do that. I don't want to cast a vote for a bill that is blatantly unconstitutional.

The only chance Members are going to have to correct that is with the DeWine amendment.

I yield at this time to the distinguished chairman of the Senate Judiciary Committee, the Senator from Utah, Mr. HATCH.

Mr. HATCH. Mr. President, as my colleagues in this body are aware, unlike contributions to a candidate's campaign, expenditures of money to influence public opinion has been accorded nearly ironclad first amendment protection by the U.S. Supreme Court. In fact, I know those who would argue it is absolutely ironclad.

The reason for this protection is simple to understand. Freedom of speech is one of the bedrock protections guaranteed for our citizens under the Constitution of the United States. Nowhere is the role of free speech more important than in the context of the elections we hold to determine the leaders of our representative democracy. As the Supreme Court stated in Buckley:

Discussion of public issues and debate on the qualifications of candidates are integral to the operation of the system of government established by our Constitution. The First Amendment affords the broadest protection to such political expression in order

to assure the unfettered interchange of ideas. . . .

Obviously, we would have no democracy at all if government were allowed to silence people's voices during an election. I have spoken before more generally on some of the constitutional limits on our efforts to regulate campaigns. Today I rise to speak more specifically about the limitations on expenditures.

Under our Constitution, a person simply cannot be barred from speaking the words ''vote for Joe Smith.'' Under our Constitution, a person simply cannot be barred by speaking the words ''lower my taxes.'' Under our Constitution, a person cannot be simply barred from speaking the words ''provide our seniors with a prescription drug benefit.'' The right to speak any of these phrases at any time is protected as a core fundamental right under the first amendment.

It is especially important to our democracy that we protect a person's right to speak these phrases during an electoral campaign because it is through elections that the fundamental issues of our democracy are most thoroughly defined. It is through elections that the leaders of our democracy are put in place to carry out the people's will.

Not only does a person have a right to speak out during a campaign regarding candidates and issues, a person also has a right to speak out in an effective manner. The right to speak would have little meaning if the government could place crippling controls on the means by which a person was permitted to communicate his or her message. For instance, the right to speak would have little meaning if a person was required to speak in an empty room with no one listening.

Accordingly, the Supreme Court has consistently ruled that Congress may not burden a person's constitutional right to express his or her opinion during an electoral campaign. And to effectuate these rulings, the Court has consistently held that Congress may not burden a person's right to expend money to ensure that his or her opinion reaches the broadest possible audience.

In Buckley, the Supreme Court made a fundamental distinction that has survived to this day, a distinction that must inform our discussion of campaign finance, and a distinction that continues to place significant limitations on what reforms are permissible under the strictures of the first amendment of the U.S. Constitution.

With respect to expenditures, the Court has said this:

> A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. . . . The expenditure limitations contained in the Act represents substantial rather than merely theoretical restraints on the quantity and diversity of political speech. The . . . ceiling on spending . . . would appear to exclude all citizens and groups . . . from any significant use of the most effective modes of communication.

As recently as last year, in the case of Nixon v. Shrink Missouri Government PAC—and that is a 2000 case—the Court reaffirmed its holding in Buckley, quoting extensively from the Buckley opinion and reiterating that expenditure restrictions must be viewed as ''direct restraints on speech,'' irreconcilable with the first amendment.

As I said before, the McCain-Feingold legislation is well intentioned in its effort to remove the influence of big money from our electoral process. However, several provisions of the proposed legislation are simply irreconcilable with the first amendment of the U.S. Constitution. It is not Congress' role to pass unconstitutional legislation and stand by while that legislation is struck down by the courts.

The provision of the McCain-Feingold legislation that unconstitutionally burdens free speech is section 201, the so-called Snowe-Jeffords amendment. That is what the current DeWine amendment seeks to address. Snowe-Jeffords is designed to address what many have characterized as a loophole in the campaign finance laws that allows third parties prior to an election to fund advertisements which relate exclusively to an issue and refrain from the expressly urging to vote for or against a particular candidate. Recent experience has shown that such speech may effectively advance the prospects of one candidate over another, even though it refrains from express advocacy of the candidate.

I applaud my colleagues for their ingenuity in seeking to address this avenue by which money, unregulated by our electoral laws, may play a role in our elections.

You can call a dog a hog and it still remains a dog. I think trying to say their amendment and this particular clause in this bill is not violative of the first amendment free speech rights fits the description of trying to call a dog a hog. Still, it remains a dog.

The problem I have with this portion of the legislation is that issue advocacy prior to an election simply cannot be viewed as a loophole in the election laws that we must endeavor to close with appropriate legislation. Viewed through the lens of the first amendment, this issue advocacy is exactly the type of speech that must be accorded the ultimate protection of the first amendment. The Supreme Court has consistently refused to sanction disclosure requirements on issue advocacy, unless the communication in question directly advocates for or against a particular candidate.

Look, issue advocacy generally is used against us Republicans. There is not much doubt about that. That is where the money is. It is used against both from time to time, but really against us. I remember back in 1982 there was tremendous issue advocacy against me by the trade union movement. It was very difficult to put up with some of the ads used against us, both in print and otherwise. But it was a free speech right, and I would fight to my death to defend those rights of free speech.

The Snowe-Jeffords amendment seeks to redraw the line between protected issue advocacy and nonprotected express advocacy of a candidate in order to regulate a larger chunk of public speech prior to an election. Section 201 of the proposed legislation broadens the Federal Election Commission Act's regulatory scope to include any individual or group that expends at least $10,000 a year on electioneering communications. Now that is free speech.

Let's go further. Electioneering communications are defined as any communications in the electorate within 60 days before a general election that ''refers to a clearly identified candidate''—regardless of whether such communication urges a vote for or against that candidate.

The problem with this line-drawing exercise is that the Supreme Court has already done it. In Buckley v. Valeo the Supreme Court defines what types of issue advocacy could, consistent with the Constitution, be made subject to FECA's regulatory requirements. The Court found that only communications that expressly advocated for or against a specific candidate were subject to regulation. The Snowe-Jeffords amendment invades the constitutionally protected territory of pure issue advocacy. In fact, that invasion is the sole purpose of the provision.

It may well be true that third parties are, in fact, able to influence the electorate for or against the candidate by running independent issue advertisements, uncoordinated with a candidate's campaign, in the weeks leading up to the election. That phenomenon does not manifest a flaw in the regulatory scheme established by our current campaign finance laws. For better or for worse, that phenomenon manifests the free interchange of ideas in an open society. Such issue advocacy is free speech, protected by the first amendment, and accordingly, the McCain-Feingold legislation is unconstitutional.

In Snowe-Jeffords, those provisions are fatally overinclusive. They try to sweep away our first amendment political speech. The Supreme Court has been more than clear on this. What the authors are attempting to do is understandable, it is well intentioned, but unfortunately it is unconstitutional. That is one reason I have to stand here

today and speak out for the amendment of the distinguished Senator from Ohio.

I believe he is right in his motion to strike. I believe he is right. I believe we ought to support him, and I hope our colleagues will.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, on behalf of the opponents of this legislation, I yield 20 minutes to the Senator from North Carolina, 20 minutes to the Senator from Maine, and 10 minutes to the Senator from Minnesota. We have 50 minutes left. Whatever time is left we will yield back.

I recognize my friend from Ohio is controlling the time on the other side. After Senator EDWARDS, I understand it will be his time to allocate. That is the only time we have requested tonight. That is how we will allocate our time.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EDWARDS. I thank the Chair.

Mr. President, we talked at great length in this debate about the need to return this democracy to the voters and to remove the influence of big money or the appearance of influence of big money.

Tonight I want to talk about two things: First, the two critical provisions of the McCain-Feingold bill; and, second, I want to speak in opposition to the DeWine amendment.

As most people who follow this debate know, the two most critical provisions of this bill are the ban on soft money and the Snowe-Jeffords provision. I first want to speak to the constitutionality of the ban on soft money.

There has been some suggestion during the course of this debate that there is a serious question about constitutionality. In fact, there is no serious question about that. The U.S. Supreme Court in the Buckley case said that in order for the Congress to regulate these sorts of contributions, the only constitutional test that must be met is a finding of a compelling State interest.

In the Buckley case, the U.S. Supreme Court went on to find, in fact, that preventing the actuality or appearance of corruption constitutes a compelling State interest. The language of the Court is:

> Congress was justified in concluding that the interest in safeguarding against the appearance of impropriety requires the opportunity of abuse inherent in the process of raising large monetary contributions be eliminated.

What the U.S. Supreme Court held in Buckley was in order to regulate these soft money contributions, there must first be a compelling State interest. They then went on to find that, in fact, there was a compelling State interest created by the appearance of impropriety associated with raising these large monetary contributions.

The Buckley case has already decided the question of whether a ban on soft money contributions is, in fact, constitutional. The U.S. Supreme Court has held that, in fact, that ban is constitutional and there is no serious or legitimate question about the constitutionality of the soft money ban.

Now I want to move to the Snowe-Jeffords provision. There has been some suggestion, including by my friend from Ohio in offering his amendment, that there are very serious questions raised by the Snowe-Jeffords provision of the McCain-Feingold bill. I will first summarize what Snowe-Jeffords does.

Snowe-Jeffords bans for the 60-day period prior to a general election or a 30-day period prior to a primary election broadcast television ads by unions or corporations paid for out of general treasury funds. It also contains certain disclosure provisions for other entities who may want to run such ads.

The suggestion is made that under the criteria established by the U.S. Supreme Court in Buckley, Snowe-Jeffords does not meet constitutional muster. In fact, it is very clear if you look at the language of the U.S. Supreme Court in Buckley and if you look at the cases that come after Buckley, Snowe-Jeffords does exactly what the U.S. Supreme Court in Buckley required in order to meet the test of constitutionality. First I will talk about that test.

The U.S. Supreme Court has established four requirements in order for the Snowe-Jeffords provision to be found to be constitutional.

The first of those requirements is that it cannot be vague. The second is that it must serve a compelling State interest. The third, it must be narrowly tailored to serve that interest. The fourth, it cannot be substantially overbroad.

The Court, in reaching that conclusion, first recognized that the first amendment in the case of electioneering—which is what we are talking about, campaign ads—is not absolute. There are certain circumstances where first amendment rights can be restricted, but only if these tests are met.

The first question, ''cannot be vague.'' The Snowe-Jeffords provision is by any measure, a clear, easy-to-identify, bright-line test. It requires that the ad be within the 60 days before the general election or within 30 days of the primary election; second, that it contain the likeness of a candidate or the name of the candidate; and third, that it be a broadcast television ad.

No one reading that definition could have any misunderstanding. It is specific. It is clear. It is a bright-line test. By any measure, it is not vague. It would meet the first test established by the U.S. Supreme Court in Buckley.

Second, it ''must serve a compelling State interest.'' Just as in the case of the soft money ban, the U.S. Supreme Court has already held that avoiding the appearance of impropriety is, in fact, a compelling State interest. The Court has already held that the reason for the Snowe-Jeffords provision is a compelling State interest. So that test is easily and clearly met by the language of the Court in Buckley v. Valeo.

The third, it ''must be narrowly tailored to serve that interest.'' First of all, why did Senators SNOWE and JEFFORDS offer this provision as part of McCain-Feingold? They offered it because in order to avoid legitimate campaign election laws in this country, what has been occurring is people have been broadcasting what has been described as issue ads as opposed to campaign ads. Now there is a ban, of course, on the broadcasting of campaign ads with General Treasury funds, so instead they call these ads issue ads, not campaign ads, in an effort to avoid that legitimate legal restriction.

In fact, what we know both empirically and from our own experience, many of these so-called issue ads—not many, the vast majority—of these so-called issue ads are campaign ads, particularly when they fall within that 60-day period.

Let me stop on this test for just a moment and give a couple of pieces of evidence. First, the empirical studies show in the year 2000 election, 1 percent of the ads that fall within the test of Snowe-Jeffords—that is, within 60 days of the general election, mention the name or show the likeness of the candidate, broadcast television ads—1 percent constituted legitimate issue ads; 99 percent constituted campaign ads. We know what our gut would tell us, anyway. We know from our own experience from watching these television ads, and voters would know from their own experience, that when they see these ads on television, in fact, they are campaign ads. They are not issue ads. They are advocating for the election or defeat of a particular candidate, not for some particular issue.

We now know empirically in the case of the 2000 election, 99 percent of those ads covered by Snowe-Jeffords are campaign ads and not issue ads. They are sham issue ads. They are a fraud under the campaign election laws that exist in this country.

Snowe-Jeffords is trying to eliminate that fraud, eliminate that sham. What we now know, the ads covered by Snowe-Jeffords, 99 percent of those ads are not issue ads but are campaign ads.

I have one or two examples. This is an ad run in a congressional election in 1998:

> Announcer: The Daily reports criminals are being set free in our neighborhoods.
>
> In May, Congressman X voted to allow judges to let violent criminals out of jail, rapists, drug dealers, and even murderers.

X's record on drugs is even worse. X voted to reduce penalties for crack cocaine. And in April, X voted to use your tax dollars to give free needles to illegal drug users.

Call X. Tell him he's wrong. Dangerous criminals belong in jail.

This doesn't use the language used as illustrative by the U.S. Supreme Court in Buckley. It doesn't say ''vote for;'' it doesn't say ''elect;'' it says ''call.'' But any rational person, including all the people who watched this ad on television, know that this ad is aimed at defeating Congressman X in the campaign. That is exactly what it is about.

That is what was demonstrated in my chart, 99 percent of the ads that fall within the test of Snowe-Jeffords are ads just like this. They are pure campaign ads, plain and simple. These ads are being paid for by contributions that otherwise would violate the legitimate election laws of this country.

What we are trying to do in Snowe-Jeffords, we have a very narrowly tailored provision that catches ads that are clearly campaign ads. We now know that 99 percent of those ads that fall within Snowe-Jeffords are campaign ads, plain and simple; not issue ads.

So what conclusion do we draw from this? If 99 percent of the ads are campaign ads, if, in fact, 99 percent of the ads are like the one I have just shown as illustrative, they ''must be narrowly tailored'' to pass constitutional muster.

It is not vague, a clear, bright-line test, we have compelling State interest, and now we know this provision is narrowly tailored, and that goes hand in glove, by the way, with the fourth provision, which means it ''cannot be substantially overbroad.''

The Court recognized that any time you have a bright-line test that is not vague, you are, by definition, going to catch some stray advertisements that are not intended to be included. They don't just require that there be no overbreadth. There has to be substantial overbreadth in order to be unconstitutional.

What we now know empirically, 99 percent of the ads that meet Snowe-Jeffords are exactly what are intended to be targeted by Snowe-Jeffords. The empirical evidence clearly supports the notion that Snowe-Jeffords is not substantially overbroad, on top of the fact that the provisions of the bill itself are not substantially overbroad. They are narrowly tailored. They do exactly what the U.S. Supreme Court has required.

I suggest that, in fact, Senators SNOWE and JEFFORDS have done a terrific job of meeting the constitutional test because they have made the provision for bright line, they have made it clear it is not vague, and at the same time it is sufficiently narrow to meet the constitutional requirements of Buckley v. Valeo.

What we now know and can see by looking at the constitutional requirements is that Snowe-Jeffords meets all those requirements. The U.S. Supreme Court has established these requirements, has defined what they mean, and Snowe-Jeffords, we know, meets those requirements. The empirical evidence shows it is not overly broad, it is not substantially overbroad, that it reaches very few ads that are, in fact, issue ads.

One argument made is that Buckley v. Valeo uses a test in order for an ad to be a campaign ad, as opposed to an issue ad: ''Vote for,'' ''elect,'' ''support,'' ''cast your ballot for.'' The people who are making that argument are not reading the U.S. Supreme Court opinion. Because what the Court said was, in order to make the existing election laws—as of the time of this opinion—constitutional, we are going to establish a test since Congress did not do it. They go on and invite us to do it, to establish the test. Instead of saying ''this is language that is required,'' they say:

This construction would restrict the application of section 608 . . . to communications containing express words of advocacy of election or defeat, such as 'vote for,' 'elect'. . . .

It is obvious from the ''such as'' language that the Court by no means intended this list to be exhaustive. The Court fully recognized that given the imagination of campaign managers and people who prepare these ads, that they could not even begin to do an exhaustive list. This list is nothing but illustrative, never intended to be anything but illustrative.

For those who come to the floor and say, wait a minute, Snowe-Jeffords doesn't use the magic language, doesn't use ''vote for,'' doesn't use ''elect''—what the U.S. Supreme Court made clear in their case was these are nothing but illustrations of what changes an ad from an issue ad to a campaign ad.

Sure, if they say ''vote for'' and ''elect'' they become a campaign ad, but as we have shown from the illustration a few moments ago, it is just as simple to have a pure campaign ad that never says ''vote for,'' that never says ''elect,'' that simply says: Call Congressman so-and-so, call Senator so-and-so. But any rational person looking at the ad would know it was calling for the election or defeat of a particular candidate and it was nothing, on its face, but a pure campaign ad.

The point is, it is not a legitimate argument that because Snowe-Jeffords does not use these magic words—the language I have heard during the course of the debate—it cannot pass constitutional muster.

The Supreme Court established four tests in Buckley v. Valeo. The Supreme Court, in fact, invited us, the Congress, to decide what language ought to be used to determine whether ads, in fact, are prohibited or not prohibited. They have left it to us to define what ads are prohibited.

The only thing they require in order to do that is that we meet the four tests they established, which we talked about before. Snowe-Jeffords clearly meets all those tests. It is not vague. It is a clear, easy to understand bright-line test. The U.S. Supreme Court already said what we are attempting to do serves a compelling State interest, it is narrowly tailored—60 days before a general election, 30 days before a primary, likeness or name of the candidate, broadcast ads. And it is not substantially overbroad. As we have already established in the last election, 99 percent of the ads that fall within the definition of Snowe-Jeffords are, in fact, campaign ads and not issue ads.

If you look carefully at the U.S. Supreme Court opinion in Buckley, and if you look at the tests that have been established by the U.S. Supreme Court, first of all, the soft money ban of McCain-Feingold is, on its face, constitutional. There is not even a legitimate argument that it is not constitutional.

Second, the Snowe-Jeffords provision of the McCain-Feingold bill, which bans broadcast ads during this defined period, paid for out of union or corporation treasury funds, also clearly meets all the constitutional tests established by the Court in Buckley v. Valeo. It is a critical component of the McCain-Feingold bill because without it we are going to continue to see these sham issue ads run solely for campaign purposes being paid for by funds that are not legitimate and are not legal.

The only way we can bring this thing to conclusion is to not only do what we have already done during this debate, which is pass the ban on soft money; but to, second, pass the Snowe-Jeffords provision. Because, number one, it is constitutional and, number two, it is absolutely critical to going about reestablishing the public faith in our campaigns and the public faith in our election system. Because not only are people worried about the flow of money, they are worried about what happens when they turn their television sets on in the 30 or 60 days before an election. They are sitting there watching television with their kids and what do they see? They see these nasty, personal attacks, in a huge percentage of the cases being paid for as issue ads, out of funds that are not intended to be used for that purpose.

That is what Snowe-Jeffords is intended to stop. Snowe-Jeffords is clearly constitutional. We should defeat the DeWine amendment as a result.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER (Mr. CHAFEE). The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, first of all, let me thank my colleague from North Carolina for his excellent dissertation. I just loved it when he

was going through these ads. I want to make it real clear that for all of these different groups and organizations—I don't want to keep my colleague from North Carolina—on the floor, but I know he will agree with this very important distinction—that all of these groups and organizations, whether they are left, right, center, lean Democratic, lean Republican, you name it, they can run all the ads in the world they want and they can finance those ads with soft money; in other words, money they get in contributions of hundreds of thousands of dollars, and it is absolutely fine as long as the focus is on the issue. As long as those are genuine issue ads and it is not electioneering, they have all of the freedom in the world to do that—period. No question about it.

Second, if they want to do the electioneering and they want to do these sorts of ads where you say ''call' as opposed to ''vote against candidate x,'' you bash the candidate, whatever party—they can run all the ads they want and they can have all of the freedom of speech in the world. The only thing is, they have to finance it out of hard money. That is all. They cannot pretend that these are ''issue ads'' when they are sham issue ads and we all know it is electioneering. That is the point. But they can do it. They just have to raise their money under the campaign limits that deal with hard money. That is the whole point of some of the amendments to this bill.

From my own part, one more time—and the more I talk to people, I think the people agree this is a very important strengthening amendment—what we want to make sure of is when we do the prohibition on soft money to the parties, all of a sudden that money, again, like pushing Jell-O, doesn't just shift to these sham issue ads where a variety of existing groups and organizations, much less the proliferation of all the new groups and organizations, will take advantage of a loophole and just pour all of their soft money into these sham issue ads which are really electioneering. In that case, what will we have accomplished if we have, roughly speaking, just as much soft money spent but it is just going to be spent in a different way, unaccountable big dollars?

That is what the amendment I introduced the other night was all about.

I only came to the floor because I want to make sure the RECORD is clear. My colleague from Maine was gracious enough to give me a little bit of time. Let me make three quick points.

Point No. 1. The amendment I introduced the other night—since this amendment has been mentioned several times by my colleague—uses the exact same sham issue test ad, with some additional targeting, as the Snowe-Jeffords language in the bill which is constitutional. In fact, actually the targeting language I use makes the amendment more likely to survive any constitutional challenge.

Point No. 2, the Snowe-Jeffords test is a bright-line test, as my colleague from North Carolina pointed out. It is perfectly obvious on its face, whether an ad falls under this definition. This means there will be no ''chilling effect'' on protected speech, which was a concern raised by the Supreme Court in the Buckley decision because every group, every organization would be uncertain if an ad they intended to run would be covered or not. We make sure everybody would be certain.

Point No. 3, the test is not overly broad. A comprehensive study conducted by the Brennan Center, which did a whole lot of work on campaign finance ads during the 1998 election, found that only two genuine issue ads, out of hundreds run, would have been inappropriately defined as a sham issue ad.

This is a really important one for the RECORD.

On February 20, 1998, a letter signed by 20 constitutional scholars, including the former director of the ACLU, which analyzed the Snowe-Jeffords provision on electioneering communications, argued that even though the provision was written to exempt certain organizations from the ban on electioneering communication, such omission was not constitutionally necessary.

I quote from these scholars, including a former director of the ACLU:

> The careful crafting of the Snowe-Jeffords amendment stands in stark contrast to the clumsy and sweeping prohibition that Congress originally drafted. Congress could, if it wished, apply the basic rules that currently govern electioneering to all spending that falls within this more realistic definition of electioneering. Congress could, for example, declare that only individuals, PAC's and the most grassroots of nonprofit corporations could engage in electioneering that falls within the broad definition. It could impose fundraising restrictions prohibiting individuals from pooling large contributions towards such electioneering.

Fifth point: If you believe that the amendment that passed the other night that I introduced covers certain groups unconstitutionally—if that is what you believe—then you must also believe that the current Shays-Meehan bill—the version passed by the House of Representatives—and the 1997 version, and all previous versions of the McCain-Feingold bill are also unconstitutional because they cover the same groups.

Point No. 6: In September 1999, Don Simon, then-executive vice president and general counsel of Common Cause, argued in a memo to all House Members that the Shays-Meehan bill is fully constitutional. That is exactly the amendment we passed the other night on the floor of the Senate.

Finally, in the event of constitutional problems, the amendment passed the other night is fully severable.

I make five arguments as to why this is a very different question.

First, this amendment, and indeed the Snowe-Jeffords provision already in the bill, only covers broadcast communications. It does not cover print communications like the one at issue in Massachusetts Citizens for Life. Indeed, the group argued that the flyer should have been protected as a news ''editorial.'' Snowe-Jeffords specifically exempts editorial communications.

Second, the court based its decision in part on the logic that regulation of election related communications was overly burdensome to small, grass roots, nonprofit organizations and so would have a chilling effect on speech. But the Snowe-Jeffords standard that the amendment would apply has a high threshold that must be met before a communication is covered. A group would have to spend $10,000 on broadcast ads that mention a federal candidate 60 days before an election before this provision would kick in. This meets the Court's requirement in the case that minor communications be protected.

Third, the federal law that the court objected to was extremely broad and the Court specifically cited that fact as one of reasons it reached the decision it did, saying ''Regulation that would produce such a result demands far more precision that [current law] provides.'' This amendment provides that precision. The Snowe-Jeffords language is very narrowly targeted and has a very high threshold before it applies, which further protects amateur, unsophisticated, or extremely limited communications.

Fourth, the Court actually argued that the election communications of non-profit corporations—such as the ones covered by amendment—could be regulated once it reached a certain level. In fact, the Court held that, quote:

> . . . should MCFL's independent spending so extensive that the organization's major purpose may be regarded as campaign activity, the corporation would be classified as a political committee . . . As such, it would automatically be subject to the obligations and restrictions applicable to those groups whose primary objective is to influence political campaigns.

Yet since the decision, such groups have actually operated outside the law with impunity. Take for example, the organization ''Republicans for Clean Air.''

Despite it's innocuous name, this was an organization created for the sole purpose of promoting the candidacy of George W. Bush during the Republican primary during the last election. Another example is the Club for Growth. This was an outfit that ran attack ads against moderate Republican congressional candidates in Republican congressional primaries. Both groups,

which would be covered by my amendment—but not the current Snowe-Jeffords provision—could clearly be banned from running these sham issue ads with their treasury funds under the Massachusetts Citizens for Life decision.

Fifth, the court's decision was based on a premise that may have been true in 1986, but certainly is not the case today: that non-profit groups such as the one at issue in the decision did not play a major rule in federal elections. In fact, the court held that: ''the FEC maintains that the inapplicability of [current law] to MCFL would open the door to massive undisclosed spending by similar entities . . . We see no such danger.'' Today, it is clear that the FEC had it exactly right and the Court had it exactly wrong.

In fact, the Campaign Finance Institute at George Washington University in a February 2001 report found this to be the case and stated quote: ''These undisclosed interest group communications are a major force in U.S. not little oddities or blips on a screen.'' Perhaps in 1986 it was a ''blip on the screen'' but today we are talking about tens of millions of dollars just in these sham issue adds. These groups have become major players in our elections but the law does not hold them accountable.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. SNOWE. Mr. President, I want to conclude the debate on the motion to strike that has been offered by my colleague from Ohio by making several points on the Snowe-Jeffords provision. We will conclude the debate tomorrow before the vote. But I think it is critical for my colleagues to understand that the essence of this provision, as the Senator from North Carolina so eloquently stated, the legal rationale for the underpinnings of this amendment, was drafted with an abundance of caution. It was carefully crafted to specifically address the issues that were raised in the Buckley decision in 1976 with respect to the restrictions being either too vague or too broad, and so they in effect would not have a chilling effect on the public's right to free speech.

Since that time, as I indicated earlier, in the 25 years or 26 years that have ensued, there has been no other major campaign finance law that has been passed by this Congress or that has come before the Supreme Court because we have not acted. We have not taken any action on campaign finance reform or changes in our campaign finance laws since that time.

We have seen the evolution and the eruption of the so-called sham issue ads that supposedly were operating under the guise of being advocacy ads. But in reality, as we all well know, with the studies that have been done recently on the influence and impact they are having on the election because they mention the candidates by name, they come into that very narrow window of 60 days before an election.

That is not just happenstance; it is because the election is occurring. They design these ads to mention a candidate and to avoid using those magic words ''for or against'' but knowing full well that it will have an effect on the intended audience on a candidate's election.

We are very definitive. We are very specific in the Snowe-Jeffords provision in the McCain-Feingold legislation that is before us. It has to identify. It has to mention a candidate. The ad has to run 60 days before a general election and 30 days before a primary. The ad has to run in a candidate's State or district.

Those criteria are very specific, and therefore anybody who has the intention of running those ads will know exactly whether or not they are treading constitutional grounds. That is why 70 constitutional scholars and experts signed a letter in support of these provisions, because they know they don't run afoul of constitutional limitations in the first amendment because it is very specifically drafted to address those issues.

Fundamentally, it really comes down to whether or not we are truly interested in disclosure. The Supreme Court said we have a right to disclosure. It is in the public interest. It is a compelling public interest for disclosure. The Supreme Court has said clearly in a number of cases for constitutional purposes that electioneering is different from other speeches. That was handed down as one decision by the Supreme Court in 1986.

Of course, in the Buckley case, it said Congress has the power to enact campaign financing laws that extend electioneering through a variety of ways, even though spending in other forms of political speech is entitled to absolute first amendment protection. It said, as an example, to ''vote for'' or ''vote against'' are the magic words but that it was not all-inclusive.

The Supreme Court could not possibly have foreseen the evolution of the kinds of ads that are pervading the election process today. They are escaping. They are coming in under the radar of disclosure.

We are saying those major donors of $1,000 or more—that is five times the requirement for disclosure that we have to provide as candidates under Federal election laws—but we are saying five times higher before the trigger for disclosure occurs to organizations that run ads in that 60-day window, in the 30-day window in the primary, that mention a candidate because it is clear that the intent is designed to influence the outcome of an election.

In Buckley, it said Congress has broader latitude to require disclosure of election-related spending than it does to restrict such spending. Disclosure rules, according to the Court, are the least restrictive means of curbing the evils of campaign ignorance and corruption.

Congress banned corporate union contributions as upheld in United States v. UAW in 1957, reaffirmed, as I said earlier, in the Austin v. Michigan Chamber of Commerce decision in 1990. It is all weighted in sound legal precedent. That is what the Snowe-Jeffords provision is all about.

I really do think we have to come to grips with the realities of what is occurring in our elections when 99 percent —99 percent is almost as high as it gets—99 percent of all of the ads that are aired during that period of time before the election mention candidates. And their intent is clear, because all the focus groups that responded to the Snowe-Jeffords provision used that as an analysis and viewed these ads, and identified these ads as being the most influential, negative, and intended to effect an outcome. So that is essentially what we are talking about.

I think the vote tomorrow to strike this provision is basically coming down to whether or not we want fundamental reform, if we are willing to take back the process, if we are willing to take back the process as candidates.

I want to control my own campaign. As I said in my previous statement, in 1978 when I first ran for the House of Representatives, these phenomena were virtually unknown. It was rare to even have an independent expenditure—and that is another story—under Federal election laws. That is a different thing. But we did not even have that.

These elections should be between and among the candidates themselves. Do we really think it is in our interest, in the public's interest, to have organizations of whom we know little, if anything, to influence, to impact, our elections—In fact, to spend more than the candidates themselves in some of these elections? Sometimes these organizations spend more than the candidates themselves who are involved in these elections. Are we saying that that is in our public interest?

They hide behind the cloak of anonymity. We do not even know who they are. I have a list here. Some of them we would probably readily identify by name, at least in terms of their interests. But while you do not know most of them, this is a list of 100 organizations. And this is not all of them. This is not all inclusive. But you have the Americans for Hope, Growth & Opportunity, Americans for Job Security, Coalition to Protect Americans Now, Coalition to Protect America's Health Care, Committee for Good Common Sense. Those all sound very appropriate, meritorious, but who are they? Who are they?

We are not saying they can't run ads. They can run ads all year long. They can do whatever they want in that sense. But what we are saying is, when they come into that narrow window, we have the right to know who are their major contributors who are financing these ads close to an election.

There are no guaranteed rights to anonymity when it comes to campaigning. Even the Supreme Court has said it is in our public interest to have disclosure. In fact, the Court has said time and time again, disclosure is in the public's interest because it gives details as to the nature and source of the information they are getting. That is why 70 constitutional scholars have endorsed the Snowe-Jeffords provision.

Mr. President, I ask unanimous consent to have this letter from the Brennan Center for Justice printed in the RECORD.

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

BRENNAN CENTER FOR JUSTICE AT NYU SCHOOL OF LAW,
New York, NY, March 12, 2001.

Senator JOHN MCCAIN,
Senator RUSSELL FEINGOLD,
U.S. Senate, Washington, DC.

DEAR SENATORS MCCAIN AND FEINGOLD: We are scholars who have studied and written about the First Amendment to the United States Constitution. We submit this letter to respond to a series of public challenges to two components of S. 27, the McCain-Feingold Bill. Critics have argued that it is unconstitutional to close the so-called ''soft money loophole'' by placing restrictions on the source and amount of campaign contributions to political parties. Critics have also argued that it is unconstitutional to require disclosure of campaign ads sponsored by advocacy groups unless the ads contain explicit words of advocacy, such as ''vote for'' or ''vote against.'' We reject both of those suggestions.

As constitutional scholars, we are deeply committed to the principles underlying the First Amendment and believe strongly in preserving free speech and association in our society, especially in the realm of politics. We are not all of the same mind on how best to address the problems of money and politics. However, we all agree that the nation's current campaign finance laws are on the verge of being rendered irrelevant, and that the Constitution does not erect an insurmountable hurdle to Congressional efforts to adopt reasonable campaign finance laws aimed at increasing disclosure for electioneering ads, restoring the integrity of the long-standing ban on corporate and union political expenditures, and reducing the appearance of corruption that flows from ''soft money'' donations to political parties.

The problems of corruption and the appearance of corruption that the McCain-Feingold Bill attempts to address are ones that inhere in any system that permits large campaign contributions to flow to elected officials and the political parties. These problems have been brought to the public's attention in a rather stark manner through the recent presidential pardon issued to fugitive financier Marc Rich. Regardless of underlying merits of that presidential decision, the public perception that flows from the publicly-reported facts is that large political contributors receive both preferred access to and preferential treatment from our elected government officials. These perceptions, regardless of their truth or falsity in any individual case, are ultimately very corrosive to our democratic institutions.

I. LIMITS ON ''SOFT MONEY'' CONTRIBUTIONS TO POLITICAL PARTIES FROM CORPORATIONS, LABOR UNIONS, AND WEALTHY CONTRIBUTORS ARE CONSTITUTIONAL

To prevent corruption and the appearance of corruption, federal law imposes limits on the source and amount of money that can be given to candidates and political parties ''in connection with'' federal elections. The money raised under these strictures is commonly referred to as ''hard money.'' Since 1907, federal law has prohibited corporations from making hard money contributions to candidates or political parties. See 2 U.S.C 441b(a) (current codification). In 1947, that ban was extended to prohibit union contributions as well. Id. Individuals, too, are subject to restrictions in their giving of money to influence federal elections. The Federal Election Campaign Act (''FECA'') limits an individual's contributions to (1) $1,000 per election to a federal candidate; (2) $20,000 per year to national political party committees; and (3) $5,000 per year to any other political committee, such as a PAC or a state political party committee. Id. §441a(a)(1). Individuals are also subject to a $25,000 annual limit on the total of all such contributions. Id. §441a(a)(3).

The soft money loophole was created not by Congress, but by a Federal Election Commission (''FEC'') ruling in 1978 that opened a seemingly modest door to allow non-regulated contributions to political parties, so long as the money was used for grassroots campaign activity, such as registering voters and get-out-the-vote efforts. These unregulated contributions are known as ''soft money'' to distinguish them from the hard money raised under FECA's strict limits. In the years since the FEC's ruling, this modest opening has turned into an enormous loophole that threatens the integrity of the regulatory system. In the recent presidential election, soft money contributions soared to the unprecedented figure of $487 million, which represented an 85 percent increase over the previous presidential election cycle (1995–96). It is not merely the total amount of soft money contributions that raises concerns, but the size of the contributions as well, with donors being asked to give amounts of $100,000, $250,000, or more to gain preferred access to federal officials. Moreover, the soft money raised is, for the most part, not being spent to bolster party grassroots organizing. Rather, the funds are often solicited by federal candidates and used for media advertising clearly intended to influence federal elections. In sum, soft money has become an end run around the campaign contribution limits, creating a corrupt system in which monied interests appear to buy access to, and inappropriate influence with, elected officials.

The McCain-Feingold bill would ban soft money contributions to national political parties by requiring that all contributions to national parties be subject to FECA's hard money restrictions. The bill also would bar federal officeholders and candidates for such offices from soliciting, receiving, or spending soft money. Additionally, state parties that are permitted under state law to accept unregulated contributions from corporations, labor unions, and wealthy individuals would be prohibited from spending that money on activities relating to federal elections, including advertisements that support or oppose a federal candidate.

We believe that such restrictions are constitutional. The soft money loophole has raised the specter of corruption stemming from large contributions (and those from prohibited sources) that led Congress to enact the federal contribution limits in the first place. In Buckley v. Valeo the Supreme Court held that the government has a compelling interest in combating the appearance and reality of corruption, an interest that justifies restricting large campaign contributions in federal elections. See 424 U.S. 1, 23–29 (1976). Significantly, the Court upheld the $25,000 annual limit on an individual's total contributions in connection with federal elections. See id. at 26–29, 38. In later cases, the Court rejected the argument that corporations have a right to use their general treasury funds to influence elections. See, e.g., Austin v. Michigan Chamber of Commerce, 494 U.S. 652 (1990). Under Buckley and its progeny, Congress clearly possesses power to close the soft money loophole by restricting the source and size of contributions to political parties, just as it does for contributions to candidates, for use in connection with federal elections.

Moreover, Congress has the power to regulate the source of the money used for expenditures by state and local parties during federal election years when such expenditures are used to influence federal elections. The power of Congress to regulate federal elections to prevent fraud and corruption includes the power to regulate conduct which, although directed at state or local elections, also has an impact on federal races. During a federal election year, a state or local political party's voter registration or get-out-the-vote drive will have an effect on federal elections. Accordingly, Congress may require that during a federal election year, state and local parties' expenditures for such activities be made from funds raised in compliance with FECA so as not to undermine the limits therein.

Any suggestion that the Supreme Court's decision in Colorado Republican Federal Campaign Committee v. FEC, 1518 U.S. 604 (1996), casts doubt on the constitutionality of a soft money ban is flatly wrong. Colorado Republican did not address the constitutionality of banning soft money contributions, but rather the expenditures by political parties of hard money, that is, money raised in accordance with FECA's limit. Indeed, the Court noted that it ''could understand how Congress, were it to conclude that the potential for evasion of the individual contribution limits was a serious matter, might decide to change the statute's limitations on contributions to political parties.'' Id. at 617.

In fact, the most relevant Supreme Court decision is not Colorado Republican, but Austin v. Michigan Chamber of Commerce, in which the Supreme Court held that corporations can be walled off from the electoral process by forbidding both contributions and independent expenditures from general corporate treasuries. 494 U.S. at 657–61. Surely, the law cannot be that Congress has the power to prevent corporations from giving money directly to a candidate, or from expending money on behalf of a candidate, but lacks the power to prevent them from pouring unlimited funds into a candidate's political party in order to buy preferred access to him after the election. See also Nixon v. Shrink Missouri Govt. PAC, 120 S. Ct. 897 (2000) (reaffirming Buckley's holding that legislatures may enact limits on

large campaign contributions to prevent corruption and the appearance of corruption).

Accordingly, closing the loophole for soft money contributions is in line with the longstanding and constitutional ban on corporate and union contributions in federal elections and with limits on the size of individuals' contributions to amounts that are not corrupting.

II. CONGRESS MAY REQUIRE DISCLOSURE OF ELECTIONEERING COMMUNICATIONS, AND IT MAY REQUIRE CORPORATIONS AND LABOR UNIONS TO FUND ELECTIONEERING COMMUNICATIONS WITH MONEY RAISED THROUGH POLITICAL ACTION COMMITTEES

The current version of the McCain-Feingold Bill adopts the Snowe-Jeffords Amendment, which addresses the problem of thinly-disguised electioneering ads that masquerade as ''issue ads.'' Snowe-Jeffords defines the term ''electioneering communications'' to include radio or television ads that refer to clearly identified candidates and are broadcast within 60 days of a general election or 30 days of a primary. A group that makes electioneering communications totaling $10,000 or more in a calendar year must disclose its identity, the cost of the communication, and the names and addresses of all its donors of $1,000 or more. If the group has a segregated fund that it uses to pay for electioneering communications, then only donors to that fund must be disclosed. Additionally, corporations and labor unions are barred from using their general treasury funds to pay for electioneering communications. Instead, they must fund electioneering communications through their political action committees.

The Supreme Court has made clear that, for constitutional purposes, electioneering is different from other speech. See FEC v. Massachusetts Citizens for Life, 479 U.S. 238, 249 (1986) (''MCFL''). Congress has the power to enact campaign finance laws that constrain the spending of money on electioneering in a variety of ways, even though spending on other forms of political speech is entitled to absolute First Amendment protection. See Buckley v. Valeo, 424 U.S. 1 (1976). Congress is permitted to demand that the sponsor of a campaign and disclose the amount spent on the message and the sources of the funds. And Congress may prohibit corporations and labor unions from spending money on campaign ads. This is black letter constitutional law about which there can be no serious dispute.

There are, of course, limits to Congress's power to regulate election-related spending. But there are two contexts in which the Supreme Court has granted Congress freer reign to regulate. First, Congress has broader latitude to require disclosure of election-related spending than it does to restrict such spending. See id. at 67–68. In Buckley, the Court declared that the governmental interests that justify disclosure of election-related spending are considerably broader and more powerful than those justifying prohibitions or restrictions on election-related speeding. Disclosure rules, the Court opined, in contrast to spending restrictions or contribution limits, enhance the information available to the voting public. Plus, the burdens on free speech rights are far less significant when Congress requires disclosure of a particular type of spending than when it prohibits the spending outright or limits the funds that support the speech. Disclosure rules, according to the Court, are ''the least restrictive means of curbing the evils of campaign ignorance and corruption.'' Id. at 68. Thus, even if certain political advertisements cannot be prohibited or otherwise regulated, the speaker might still be required to disclose the funding sources for those ads if the governmental justification is sufficiently strong.

Second, Congress has a long record, which has been sustained by the Supreme Court, of imposing more onerous spending restrictions on corporations and labor unions than on individuals, political action committees, and associations. Congress banned corporate and union contributions in order ''to avoid the deleterious influences on federal elections resulting from the use of money by those who exercise control over large aggregations of capital.'' United States v. UAW, 352 U.S. 567, 585 (1957). As recently as 1990, the Court reaffirmed this rational. See Austin v. Michigan Chamber of Commerce, 491 U.S. 652 (1990); FEC v. National Right to Work Committee, 459 U.S. 197 (1982). The Court emphasized that it is constitutional for the state to limit the electoral participation of corporations because ''[s]tate law grants [them] special advantages—such as limited liability, perpetual life, and favorable treatment of the accumulation of and distribution of assets.'' Austin, 491 U.S. at 658–59. Having provided these advantages to corporations, particularly business corporations, the state has no obligation to ''permit them to use 'resources amassed in the economic marketplace' to obtain 'an unfair advantage in the political marketplace.'" (quoting MCFL, 479 U.S. at 257). Snowe-Jeffords builds upon these bedrock principles, extending current regulation cautiously and only in the areas in which the First Amendment protection is at its lowest ebb.

Contrary to the suggestion of some of the critics of Snowe-Jeffords, the Supreme Court in Buckley did not promulgate a list of certain ''magic words'' that are regulable as ''electioneering'' and place all other communications beyond the reach of campaign finance law. In Buckley, the Supreme Court reviewed the constitutionality of a specific piece of legislation—FECA. One section of FECA imposed a $1,000 limit on expenditures ''relative to a clearly identified candidate,'' and another section imposed reporting requirements for independent expenditures of over $100 ''for the purpose of influencing'' a federal election. The Court concluded that these specific provisions ran afoul of two constitutional doctrines—vagueness and overbreadth—that pervade First Amendment jurisprudence.

The vagueness doctrine demands clear definitions. Before the government punishes someone—especially for speech—it must articulate with sufficient clarity what conduct is legal and what is illegal. A vague definition of electioneering might ''chill'' some political speakers who, although they desire to engage in discussions of political issues, may fear that their speech could be punished.

Even if a regulation is articulated with great clarity, it may still be struck as overbroad. A restriction that covers regulable speech (and does so clearly) can be struck if it sweeps too broadly and covers a substantial amount of constitutionally protected speech as well. But under the overbreadth doctrine, the provision will be upheld unless its overbreadth is substantial. A challenger cannot topple a statute simply by conjuring up a handful of applications that would yield unconstitutional results.

Given these two doctrines, it is plain why FECA's clumsy provisions troubled the Court. Any communication that so much as mentions a candidate—any time and in any context—could be said to be ''relative to'' the candidate. And it is difficult to predict what might ''influence'' a federal election. The Supreme Court could have simply struck FECA, leaving it to Congress to develop a clearer and more precise definition of electioneering. Instead, the Court intervened by essentially rewriting Congress's handiwork itself. In order to avoid the vagueness and overbreadth problems, the Court interpreted FECA to reach only funds used for communications that ''expressly advocate'' the election or defeat of a clearly identified candidate. In an important footnote, the Court provided some guidance on how to decide whether a communication meets that description. The Court stated that its revision of FECA would limit the reach of the statute ''to communications containing express words of advocacy of election or defeat, such as 'vote for,' 'elect,' 'support,' 'cast your ballot for,' 'Smith for Congress,' 'vote against,' 'defeat,' 'reject,'" Buckley, 424 U.S. at 44 n.52.

But the Court did not declare that all legislatures were stuck with these magic words, or words like them, for all time. To the contrary, Congress has the power to enact a statute that defines electioneering in a more nuanced manner, as long as its definition adequately addresses the vagueness and overbreadth concerns expressed by the Court.

Any more restrictive reading of the Supreme Court's opinion would be fundamentally at odds with the rest of the Supreme Court's First Amendment jurisprudence. Countless other contexts—including libel, obscenity, fighting words, and labor elections—call for delicate line drawing between protected speech and speech that may be regulated. In none of these cases has the Court adopted a simplistic bright-line approach. For example, in libel cases, an area of core First Amendment concern, the Court has rejected the simple bright-line approach of imposing liability based on the truth or falsity of the statement published. Instead the Court has prescribed an analysis that examines, among other things, whether the speaker acted with reckless disregard for the truth or falsity of the statement and whether a reasonable reader would perceive the statement as stating actual facts or merely rhetorical hyperbole. Similarly, in the context of union representation elections, employers are permitted to make ''predictions'' about the consequences of unionizing but they may not issue ''threats.'' The courts have developed an extensive jurisprudence to distinguish between the two categories, yet the fact remains that an employer could harbor considerable uncertainty as to whether or not the words he is about to utter are sanctionable. The courts are comfortable with the uncertainty of these tests because they have provided certain concrete guidelines.

In no area of First Amendment jurisprudence has the Court mandated a mechanical test that ignores either the context of the speech at issue or the purpose underlying the regulatory scheme. In no area of First Amendment jurisprudence has the Court held that the only constitutionally permissible test is one that would render the underlying regulatory scheme unenforceable. It is doubtful, therefore, that the Supreme Court in Buckley intended to single out election regulations as requiring a mechanical, formulaic, and utterly unworkable test.

Snowe-Jeffords presents a definition of electioneering carefully crafted to address the Supreme Court's dual concerns regarding vagueness and overbreadth. Because the test

for prohibited electioneering is defined with great clarity, it satisfies the Supreme Court's vagueness concerns. Any sponsor of a broadcast will know, with absolute certainty, whether the ad depicts or names a candidate and how many days before an election it is being broadcast. There is little danger that a sponsor would mistakenly censor its own protected speech out of fear of prosecution under such a clear standard.

The prohibition is also narrow enough to satisfy the Supreme Court's overbreadth concerns. Advertisements that name a political candidate and are aired close to election almost invariably are electioneering ads intended to encourage voters to support or oppose the named candidate. This conclusion is supported by a comprehensive academic review conducted of television advertisements in the 1998 federal election cycle. See Buying Time: Television Advertising in the 1998 Congressional Elections (Brennan Center for Justice, 2000). This study examined more than 300,000 airings of some 2,100 separate political commercials that appeared in the nation's 75 largest media markets in 1998. The study found that there were a total of 3,100 airings of only two separate commercials that met the Snowe-Jeffords criteria of naming a specific candidate within 60 days of the general election and that were judged by academic researchers to be true issue advocacy. This, the Snowe-Jeffords general election criteria were shown to have inaccurately captured only 1 percent of the total political commercial airings, and represented an insignificant 0.1 percent of the separate political commercial airings in the 1998 election cycle. This empirical evidence demonstrates that the Snowe-Jeffords criteria are not ''substantially overbroad.'' The careful crafting of Snowe-Jeffords stands in stark contrast to the clumsy and sweeping prohibition that Congress originally drafted in FECA.

CONCLUSION

McCain-Feingold is a reasonable approach to restoring the integrity of our federal campaign finance laws. The elimination of soft money will close an unintended loophole that, over the last few election cycles, has rendered the pre-existing federal contribution limits largely irrelevant. Similarly, the incorporation of the Snowe-Jeffords Amendment into the McCain-Feingold Bill is a well-reasoned attempt to define electioneering in a more realistic manner while remaining faithful to First Amendment vagueness and overbreadth concerns. It seeks to provide the public with important information concerning which private groups and individuals are spending substantial sums on electioneering, and it prohibits corporations and labor unions from skirting the ban on using their general treasury funds for the purpose of influencing the outcome of federal elections. While no one can predict with certainty how the courts will finally rule if any of these provisions are challenged in court, we believe that the McCain-Feingold Bill, as currently drafted, is consistent with First Amendment jurisprudence.

Respectfully submitted,

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Robert Walmsey University Professor, Harvard University.

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John Norton Pomeroy Professor of Law, New York University School of Law.

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John Allan Love Professor of Law & Joseph C. Carter, Jr. Research Professor, University of Virginia School of Law.

(All Institutional Affiliations are for Identification Purposes Only)

Ms. SNOWE. They illustrate exceptionally well the legal validity and rationale for this provision. It charts a very narrow course. That is why they have every confidence it will withstand constitutional scrutiny.

You hear some who say: Oh, no, it will create a loophole. On the other hand, it creates too many restrictions.

Well, which is it? I think we have reached the point in time where we have to stand up and be counted as to whether or not we want to hide behind the guise of anonymity, of organizational anonymity, to shape the direction and influence of these elections. I say that is the wrong direction.

The Annenberg Center did a study. It showed, as I said earlier, $100 million was spent in the final weeks of the campaign. And guess what. They mentioned a candidate by name. They mentioned a candidate by name. That is no coincidence. It had nothing to do with influencing the issue agenda because, as I showed on a chart earlier, what was happening in Congress and what was happening out in the elections was not parallel. The ads run by these organizations tracked the ads run by candidates and had nothing to do, virtually speaking, with what Congress was addressing at that point in time.

So that is why this legislation becomes so important. It is an integral part of the reform that is before us embodied in the McCain-Feingold legislation. It does represent a balanced approach.

Mr. President, I ask unanimous consent to have a statement by persons who have served the American Civil Liberties Union printed in the RECORD.

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

STATEMENT OF PERSONS WHO HAVE SERVED THE AMERICAN CIVIL LIBERTIES UNION IN LEADERSHIP POSITIONS SUPPORTING THE CONSTITUTIONALITY OF THE MCCAIN-FEINGOLD BILL, MARCH 22, 2001

We have served the American Civil Liberties Union in leadership positions over several decades. Norman Dorsen served as ACLU General Counsel from 1969–76 and as President of the ACLU from 1976–1991. Jack Pemberton and Aryeh Neier served as Executive Directors of the ACLU from 1962–1978. Melvin Wulf, Burt Neuborne, and John Powell served as National Legal Directors of the ACLU from 1962–1992. Charles Morgan, Jr., John Shattuck, and Morton Halperin served as National Legislative Directors of the ACLU from 1972–1992. Together we constitute every living person to have served as ACLU President, ACLU Executive Director, ACLU Legal Director, or ACLU Legislative Director, with the exception of the current leadership.

We have devoted much of our professional lives to the ACLU, and to the protection of free speech. We are proud of our ACLU service, and we continue to support the ACLU's matchless efforts to preserve the Bill of Rights. We have come to believe, however, that the ACLU's opposition to campaign finance reform in general, and the McCain-Feingold Bill in particular, is misplaced. In our opinion, the First Amendment does not forbid content-neutral efforts to place reasonable limits on campaign spending and establish reasonable disclosure rules, such as those contained in the McCain-Feingold Bill.

We believe that the First Amendment is designed to safeguard a functioning and fair democracy. The current system of campaign financing makes a mockery of that ideal by enabling the rich to set the national agenda, and to exercise disproportionate influence over the behavior of public officials.

We recognize that the Supreme Court's 1976 decision in Buckley v. Valeo makes it extremely difficult for Congress to reform the current, disastrous campaign finance system, and we believe that Buckley should be overruled. However, even within the limitations of the Buckley decision, we believe that the campaign finance reform measures contained in the McCain-Feingold Bill are constitutional.

We support McCain-Feingold's elimination of the ''soft money'' loophole, which allows unlimited campaign contributions to political parties and undermines Congress's effort to regulate the size and source of campaign contributions to candidates. There can be little doubt that large ''soft money'' contributions to the political parties can corrupt, and are perceived as corrupting, our government officials.

We also support regulation of the funding of political advertising that is clearly intended to affect the outcome of a specific federal election, but that omits the magic words ''vote for'' or ''vote against.'' The McCain-Feingold Bill treats as electioneering any radio or television ad that names a federal candidate shortly before an election and is targeted to the relevant electorate. It would ban the use of corporate and labor general treasury funds for such ads, and it would require public disclosure of the sources of funding for such ads when purchased by other groups and individuals. We believe that these provisions are narrowly tailored to meet the vagueness and overbreadth concerns expressed by the Supreme

Court in Buckley, and thus are constitutional.

Finally, we believe that the current debate over campaign finance reform in the Senate and House of Representatives should center on the important policy questions raised by various efforts at reform. Opponents of reform should not be permitted to hide behind an unjustified constitutional smokescreen.

NORMAN DORSEN.
MORTON HALPERIN.
CHARLES MORGAN, Jr.
ARYEH NEIER.
BURT NEUBORNE.
JACK PEMBERTON.
JOHN POWELL.
JOHN SHATTUCK.
MELVIN WULF.

Ms. SNOWE. Mr. President, every previous president of the ACLU has endorsed this legislation. They uphold it. As we know, they are an organization apt to take either side to preserve the freedom and the right to speak. But they believe this meets the constitutional soundness as crafted in previous decisions by the Supreme Court.

The Supreme Court did not say forever and a day you could never pass any other legislation to address what might develop. As I said, the Court could not possibly foresee 25 years later the emergence and the preponderance of the kind of ads that are clearly overtaking the process.

The time has come, I say to my colleagues in the Senate, to recognize we have to stand up and be counted on this very significant issue. And it comes down to disclosure. It comes down to disclosure. I hope the Senate will stand four-square behind disclosure and sunlight and against the unchecked process of these electioneering ads that are certainly transforming the political landscape in ways that we could not possibly desire or embrace.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. Mr. President, may I inquire of the Chair how much time I have remaining?

The PRESIDING OFFICER. The Senator has 47½ minutes.

Mr. DEWINE. Let me inform the Chair and my colleagues, I do not intend to take that entire time. I am sure the Chair is pleased by that.

I do request of the Chair, though, in case I do get carried away, if the Chair would notify me when I have 10 minutes remaining. I don't expect to get to that point. If the Chair will do that, I would appreciate it.

I have listened to my colleagues from Vermont and Maine, Arizona and North Carolina. I agree with a lot of what they have had to say. I don't like a lot of these ads either. I have the same fear that every incumbent does; that is, that the next time I run there is going to be a group that will come in and spend a whole bunch of money on Ohio TV and tell people what a bad Senator MIKE DEWINE has been. We all live in fear of that. We all live with a lot of money coming in, and we have the fear of very tough ads that use our name, that use our picture, and tell the voters why we are not doing such a good job. We have that fear.

The problem is, the Snowe-Jeffords-Wellstone amendment is unconstitutional. There is the first amendment. Even though we may not like it when people say things about us, that is part of their rights under the first amendment.

I will respond specifically to a couple comments that have been made. My colleague from Maine and before that my colleague from Minnesota made the statement about former directors of the ACLU. Let me respond to that by referencing a letter from the current ACLU opposing this language, opposing the bill. In part, in referencing this section of the bill, they say:

Simply put, the bill is a recipe for political repression because it egregiously violates longstanding free speech rights.

There is more to the letter, but that is the essence of it.

With the exception of my colleague from Minnesota, everyone who has come to the floor this afternoon and this evening to argue against the DeWine amendment, each one of those individuals, while I have a great deal of respect for them and while they were all very eloquent, each one of them, with the exception of Senator WELLSTONE, voted against the Wellstone amendment. I can't tell my colleagues why in each case, but each one of them did. The fact we must remember, and I ask my colleagues to remember, is we no longer are dealing with Snowe-Jeffords. We now are dealing with Snowe-Jeffords-Wellstone. That is what is in the bill, not the original Snowe-Jeffords.

Ninety percent of the debate we have heard this evening is about Snowe-Jeffords. That is not where we are. I didn't come to the floor to offer an amendment to take out Snowe-Jeffords. It has been changed. It has been fundamentally changed. Members need to think about it.

My friend from North Carolina who voted against the Wellstone amendment said this in his closing statement when he argued why he was going to vote against it:

So the reason Senator FEINGOLD and Senator MCCAIN are opposing this amendment is the same reason that I oppose this amendment. It raises very serious constitutional problems. The U.S. Supreme Court, in fact, in 1984, specifically ruled on this question.

That is what Senator EDWARDS said on this floor a short time before we voted on the Wellstone amendment. Every person who has come to the floor, with the exception of Senator WELLSTONE, every one who opposes the DeWine amendment opposed the Wellstone amendment. There had to be a reason.

Again, what we are dealing with now is a changed bill, a changed playing field. It is a different ballgame. It is a different bill. I say to each one of you who took an oath to uphold the Constitution of the United States, it is a different bill that we now are going to be voting on tomorrow or the next day.

My amendment makes it a better bill. It makes it a constitutional bill.

Now, where are we? What does the new bill with the Wellstone amendment now say? It has the original provisions of Senator SNOWE and Senator JEFFORDS: 60 days out, corporations, unions no longer can engage in express advocacy. They no longer can run ads that are now allowed by law. That is a fundamental change. It is a gag on unions for the last 60 days during the period of time when it counts the most.

The bill now goes further. Not only does it cover unions for 60 days, not only does it cover corporations for 60 days, now it says virtually nobody can run an ad that mentions the candidate's name except the candidates. And no one can engage in discussion about candidates' voting records when they mention their names. I don't know how you discuss a candidate's voting record without mentioning their name, but you can't talk about a candidate's voting record within 60 days of an election unless you are the candidate or the other candidate, or unless you own a TV station, or unless you are the commentator for the nightly news. Everybody else, every other citizen is silenced for 60 days.

Do we really want to do that? Putting aside whether it is constitutional or not constitutional—I think it is blatantly unconstitutional, certifiably unconstitutional, but even if it wasn't—do we still want to do that in this country and say within 60 days before the election all these people can't talk anymore? I don't think we do.

Yes, speech is effective. My colleague from Maine in essence says it is too effective. She didn't use those words, but she said it is having an impact. Yes, it is having an impact. That is what political speech is all about. It is supposed to have an impact.

Everything seems to be reversed. At the crucial time when political speech matters most to the voters, those who hear it or see it, the bill as now written says: You can't do it. Sixty-one days out, you could run one of these ads, and you could talk about MIKE DEWINE's record. Fifty-nine days out from the election, you no longer can do it. And 3 days before the election, when everyone is paying attention, you can't run those ads. During the period of time when it is most effective, you can't run the ad.

Not only does it pick out the time when it is the most effective, but the bill also picks out the way candidates today communicate on TV and radio and says that is one method of communication you can't use. That is how we get our messages across. Whether we

are candidates or whether we are opposing candidates or whether we are issue groups, whoever we are, we get it across through TV.

You can't compete and you cannot reach people in the State of Ohio unless you are on TV. That is a fact. Whether you are an issue group attacking MIKE DEWINE or whether you are an independent expenditure group, whoever you are, you can't reach people, or whether you are the candidate, you can't reach people unless you are on TV. So they pick the most effective way to do it and the most important time, and they have taken those off the table and said during that period of time, you can't be on TV. It is a direct, absolute attack on the first amendment.

What I have a hard time understanding is some of my colleagues and my friends who, on other days are the most vehement advocates for the first amendment, somehow don't think this violates the first amendment.

Mr. President, it is a direct attack on the first amendment.

I talked this afternoon about my own campaign, my last campaign. I want to get back to that. I emphasize, most of what my colleagues fear and have said I agree with. Each one of us lives in fear of a group putting an ad on TV that criticizes us. We don't become any less human when we get into politics or when we come to the Senate. No one likes criticism. And no one likes criticism that they think is unfair. Do you know what. That is part of what we do. That is part of what you have to accept in the United States of America if you run for office—maybe not in some other countries but here you do. That is what makes us different.

I told a story this afternoon about a group in Ohio—several groups that are mad at me over my proposal and support of a wildlife refuge in Ohio, the Darby Refuge. I happen to think it is a good idea; they don't. For some period of time, throughout the roads that I travel close to my home, and up through the different counties it takes me to go through where this refuge would be in Madison County, I see an awful lot of signs which say, ''Dump DeWine.'' I see signs that say, ''No Darby, No DeWine,'' and variations of that. I don't like it. But do you know what. That is part of the first amendment. If those people who put those signs up had decided to run TV ads, it seems to me they ought to have a right to do that. Again, I would not like it, but I think they have a right to do that. I think they have the right to pick the most effective way to get their message across, during the most crucial time, when people are really focused and paying attention, which is 60 days before the election, and to get their message out. If they want to put out a message on TV that basically says, ''Dump DeWine, '' or, ''Call Mike DeWine and tell him Darby is a bad idea,'' or variations of that, they ought to have a right to do that—as much as I would not like it.

It is a question of the first amendment. There has been a lot of talk, not just on the floor but among my colleagues for the last at least 3 days, almost nonstop, about the issue of severability. It is an issue we are going to get and vote on tomorrow. We would not have that discussion if it weren't so abundantly clear that the Wellstone provision, which is now part of Snowe-Jeffords, is unconstitutional. Members know it. They tell you that privately. Some have said it publicly. But virtually everyone gets that it is unconstitutional and the Court is going to throw it out.

This big debate tomorrow on severability and whether or not when one part of the bill goes down, another part should go down, or whether we should fence off one part of the bill—that discussion, and a fairly close vote tomorrow, will come about because people know the Wellstone amendment is unconstitutional. If it weren't so, we would not be having that debate. That is going to be the thing that is unspoken tomorrow when we get to that debate.

I want to talk for a moment about my colleague from North Carolina, who is a very good lawyer. He and I had the opportunity, during the impeachment hearings, to work together, along with Senator LEAHY and others. I saw how good he is. My colleague came to the floor this evening and talked about the constitutionality of Snowe-Jeffords. I respect what he has to say. Again, I point out, though, that this is the same Member of the Senate—not much more than 24 hours ago—who came to the floor and basically said the Wellstone amendment was unconstitutional. I understand that his comments tonight were about Snowe-Jeffords; but the problem is that title II is no longer Snowe-Jeffords, it is Snowe-Jeffords-Wellstone, and it contains that provision which Senator EDWARDS said is unconstitutional, or certainly implied it. I read it in the CONGRESSIONAL RECORD.

My colleague from North Carolina went through the tests that have been laid down by the Supreme Court. There are tests as to whether or not you can basically infringe on the first amendment. The courts will look at any restriction on the first amendment from a strict scrutiny point of view. One of the tests is, is there a compelling State interest? In other words, the burden upon someone asserting that it is constitutional to prohibit speech. That person has to prove to a court's satisfaction that there is a compelling State interest to do that, to restrict that speech, because the presumption is you can't restrict speech. I talked this afternoon about that.

There were some areas where the courts have acknowledged that it is constitutional to restrict speech, but they are very narrow. They have held that it has to be a compelling State interest, and the burden of proof is on those who assert the constitutionality. It also has to be narrowly tailored. In other words, when the language is written to restrict speech, it has to be narrowly tailored.

I have failed to hear any discussion of any convincing nature of what the compelling State interest is. What is the compelling State interest that permits the U.S. Congress to say that within 60 days before an election we will stifle—shut off —free speech? What compelling State interest is there, and how is it narrowly drawn for Congress to say no speech within 60 days that mentions a candidate's name? How is that narrow? That is a sledgehammer that comes down on the first amendment and shatters it. It is certainly not narrowly tailored. And certainly the proponents of the constitutionality of this provision have not shown there is any compelling State interest.

Now, the Court talked, in Buckley, about the appearance of corruption. Proponents of this constitutionality provision have made the flat assumption and assertion that there is an appearance of corruption. Yet that is all they say. I don't know what the evidence is of that appearance of corruption. They made the flat out assertion that there is corruption, or there is the appearance of corruption, and that gives them authority to write this type of legislation. I think they have failed in their burden of proof. Again, I state what the law is. The law is that they have a burden of proof.

Again, in conclusion, my amendment will strike article II of the bill. Article II prohibits what I believe is constitutionally protected free speech on TV, within the last 60 days of an election, by labor unions, corporations and, most importantly, by all outside interest groups, by all groups of U.S. citizens who have come together to talk in the one way that is the most effective; that is, on television. It bans that. There is no compelling State interest to do it. It is clearly unconstitutional.

My friend and colleague from Maine also made another interesting comment. She said, ''I want to control my own campaign.'' I am sure the Presiding Officer thinks the same way. I can tell you I think the same way. I want to run my own campaign. I have had a lot of experience doing it. I have won some and lost some. I want to run my own campaign. She also said that this debate should be between the candidates themselves. Debate goes back and forth on TV.

I sort of agree with that, too. At least I understand what she means by that. You run against someone and you want to have that debate between the

two of you. You start to get nervous when someone else gets involved in the debate. They may be trying to help you or your opponent. You do not know what they are doing. Sometimes they do not know what they are doing. I understand where she is coming from.

This is not an exclusive club we are talking about. There should be no walls built up in the political arena to keep people out. This is America. This is the United States. We do have a first amendment.

One of the basic beliefs of our founders was that public discussion of issues is essential to democracy. They did not have TV in those days, obviously. They did not have radio. The main method of communication was the printed press, posters being put up, or speeches directly given and directly heard, but the principle is the same. The more people you can involve in political discussion, the better it is.

There can be no walls built around the political arena where we say no one else can enter except the candidates. No one can participate except the candidates. No one can talk about issues in relationship to candidates, except the candidates.

That is just not what we do in the United States. That is not what this country is about. That is not how our political debates should take place. In essence, in a very revealing comment, my friend and my colleague from Maine certainly implied that. That is part of the problem with the way this bill is currently crafted.

This is the United States. I know many times when our campaigns drag on and on and they get pretty messy, and they get pretty rough, a lot of people say: Gee, why don't we do it the way this country does or that country, such and such a country. They do not mess around. They call an election in 6 weeks. They were strict when you could be on TV. They have their election, and it is over. Much as we might long for that sometimes when our campaigns drag on, or when Presidential campaigns start basically a couple months after one Presidential election is over and Senate races start several years in advance and House races seem to never stop, much as we long for that tranquility and the order, if we really thought about it, I do not think we would really want it.

As long as the Wellstone amendment stays in the bill, clearly this bill is going to be held to be unconstitutional.

What is different about us and other countries is our first amendment. It is our first amendment that is at issue. Many countries do not have the equivalent of our first amendment that protects political speech, that protects free speech. We do and we are much better for it. Our political discussion is much better for it and it is more informed.

We are different. I hope when Members of the Senate think about this tonight and prepare to vote tomorrow, they will remember the importance of the first amendment. They will vote for the DeWine amendment. They will vote to make this a better bill. They will vote to give this bill a much better chance of being held to be constitutional.

It is not just a question of the Constitution; it is also a question of public policy. Putting aside the constitutional issue, I do not think we want to be in a position where this Congress says, basically as the thought police in this country, political speech police, that within 60 days of the election we are going to dramatically restrict who can speak in the only way that is effective in many States, and that is to be on TV. I do not think we want to do that, Mr. President.

I thank my colleagues, and I thank the Chair.

CAMPAIGN TAX CREDIT

Mr. WARNER. Mr. President, as chairman of the Rules Committee during the 105th Congress, I presided over numerous hearings on campaign finance reform and I filed two comprehensive bills on this subject. And, just like my colleagues over the years in the course of my four Senate races, I have gained a firsthand familiarity with campaign finance issues. The Senate can take pride in this debate, while issues regarding the first amendment have been center stage, it seems to me there is another fundamental issue we should consider.

One of our aims during this great debate should be to encourage greater citizen participation in elections. Citizens are the backbone of our democracy and should be given encouragement to participate in every way in the elective process.

What are the means by which we can encourage a greater role for the average citizen? I believe one method is a $100 tax credit for contributions made to House and Senate candidates. I propose this tax credit be available only to single persons with an adjusted gross income at or below $50,000. For married couples, in order to avoid exacting a ''marriage penalty,'' a married couple filing jointly could claim a total of $200 in tax credits.

For various reasons, the wealthy are already involved in politics, but there has been a declining interest in campaigns for those at the other end of the spectrum. This credit would encourage broader participation by moderate and lower income voters to balance the greater ability of special interests to participate in the process.

There is precedent for such a tax credit. Until 1986, there was a $50 tax credit for contributions to political campaigns. According to IRS data, when Congress repealed the political contributions tax credit, ''a significant percentage of persons claiming the credit have sufficiently high incomes to make contributions in after tax dollars, without the benefit of the tax credit.''

My proposal would contrast with the previous tax credit because it would cap the eligible income levels to ensure it is not exclusively the wealthy who take advantage of it.

I think this is an issue that should be addressed in this campaign finance bill. However, because of the constitutional prerogatives of the House of Representatives, I merely bring this issue to your attention now, with the expectation I will raise it again in the context of a reconciliation bill that may be forthcoming.

Ms. CANTWELL. Mr. President, during yesterday's campaign finance debate, I referred to a number of businesses that support a campaign finance reform proposal. I meant to say that top executives or chief executive officers of those businesses support the reform proposal.

OIL EXPLORATION IN THE ARCTIC NATIONAL WILDLIFE REFUGE

Mr. STEVENS. Mr. President, my colleague from Alaska, Senator MURKOWSKI, and I just attended a press conference concerning exploration in the coastal plain of the Arctic National Wildlife Refuge.

In attendance were: James P. Hoffa, International Brotherhood of Teamsters; Michael Sacco, Maritime Trade Department, AFL–CIO; Terry O'Sullivan, Building Trades Department; Martin J. Maddaloni, United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry; Joseph Hunt, International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers; Frank Hanley, International Union of Operating Engineers; Larry O'Toole, Marine Engineers' Beneficial Association; James Henry, Transportation Institute; and Michael McKay, American Maritime Officers Service.

I ask unanimous consent that the statement made by Michael Sacco of the Maritime Trades Department of the AFL–CIO be printed in the RECORD for my colleagues to read. It offers great insight into the reasons why working men and women throughout the country support oil and gas exploration in the coastal plain.

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

STATEMENT OF MICHAEL SACCO, MTD PRESIDENT

With increasing energy problems throughout the United States, Americans are looking for new ways to meet the growing demand for energy products and ensure the continued economic expansion we have enjoyed over the past decade.

Only one location promises to help America meet its energy needs while providing

good-paying jobs to American workers—the Arctic National Widlife Refuge.

By opening ANWR, the United States can increase domestic oil production, reduce our reliance on foreign sources of oil, and create hundreds of thousands of new jobs for American workers.

ANWR will be explored and drilled by American workers—the oil transported through U.S.-built pipelines—refined and distributed by domestic facilities—and its byproducts used by U.S. energy producers and U.S. consumers.

These jobs will help keep the economic engine of this country running.

Many of our brothers and sisters in maritime labor will crew the growing fleet of environmentally safe, double-hulled, U.S.-flagged tankers that will carry the oil from Alaska.

These vessels will be American-owned—built by Americans in American shipyards—and serviced and repaired in American yards.

In times of national emergency, the U.S. Merchant Marine is the first to enter the war zone to deliver supplies. America's military depends on the ability to project its power anywhere in the world.

That means we need sealift which is capable of quickly transporting fuel and supplies across thousands of miles.

As we learned in Operation Desert Shield/Desert Storm, U.S.-flag ships, American seafarers employed on those ships, and the American shipyard workers that build the vessels, are vital parts of our sealift capability.

Opening ANWR to development also will enable our U.S.-flag Merchant Marine to grow and help expand our shipyard industrial base—both of which serve valuable military purposes.

We've shown that opening ANWR will be done in a responsible, environmentally sound way.

Since the opening of Alaska's North Slope, nature and development have safely co-existed. And today's technology makes it possible to produce oil in a less-invasive and more environmentally friendly manner.

The Maritime Trades Department stands with the Building Trades, major oil producers, the business community and all the members of JobPower in calling on Congress to open ANWR.

America will benefit for years to come.

TRIBUTE TO ROWLAND EVANS

Mr. WARNER. Mr. President, today in our Nation's Capital funeral services were held for Rowland Evans, a lifetime journalist of international acclaim. This magnificently conducted service, attend by an extraordinary gathering of family, friends, and peers, preserved forever the man's extraordinary love of family, journalism, and service to country in the uniform of the U.S. Marines in combat operations in the Pacific during World War II.

The Commandant of the Marine Corps, General Jones, officiated in presenting the American Flag to the family to conclude this deeply moving service.

Rowland Evans was an astute observer of the values of our federal system of government, but his great fascination was with the political arena—the centerpiece being those who competed for and won or lost elective offices.

His partner—his close friend—for over a quarter of a century, Robert Novak, rose to the challenge of chronicling with sensitivity, humor and insight his many lifetime achievements.

Senator KENNEDY, Senator SNOWE, and I were privileged to be in attendance at the services at Christ's Church, Georgetown. We join in asking unanimous consent to have printed in today's RECORD the proceedings of the U.S. Senate, a complex institution, which Rowland Evans keenly understood, the eulogy by Robert Novak.

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

EULOGY BY MR. ROBERT NOVAK

Having spent his life in journalism writing thousands of columns and literally millions of words, Rowland Evans well knew how hard it was to get things exactly right. So it was with his well-meaning obituaries last Saturday.

The AP report said he had been in poor health for years. In truth, until diagnosed with cancer last summer, it could be said he was the healthiest 79-year-old on the planet. Even for the past nine months, he was no invalid.

His oncologist said he had never quite seen a cancer patient like Rowly Evans. Two weeks before he died he was playing squash, appearing on television, climbing the mountain at his place in Culpeper, even making a deal to finally achieve his long-time desire to buy the top of the mountain and complete ownership of it. As he entered the hospital with two days of life remaining and the bleak options were laid before him, he interrupted the doctor to talk about his chances for presiding over the Evans-Novak political forum next week.

The headline in the New York Times called him a conservative columnist. I guess he did end up as pretty conservative—this friend and ardent admirer of Jack and Robert Kennedy, the son of a liberal Democratic family on the conservative Philadelphia mainline who, at the behest of his New Deal father, delivered a speech—in Marine uniform—for Franklin Roosevelt in 1944.

When Kay Winton told her liberal father she had fallen in love with Rowly, she concluded by saying: and, daddy, he's a liberal! Nearly half a century later, her husband was singing the praises of Ronald Reagan and Newt Gingrich.

Still I can think of words more descriptive of the whole man than conservative: reporter, patriot, mentor, competitor, even—and here using a description by his wife of 51 years—rascal.

He rejoiced in his rascality and loved to talk about it. About the time as Marine recruit at Parris Island, when he spotted an old buddy from the Kent School who was a Marine lieutenant. They decided to have a drink together, but where could an officer and an enlisted man go together? To go to the Officers Club, his friend dressed Rowly as an officer. All went well until Rowly spotted his own commanding officer at the bar. They tiptoed out to prevent their Marine careers from ending in court martial.

Most of us know the story of how Rowly, the lowest of the low in the Washington Bureau of the Associated Press, posted as bureau chief to interview Katherine for a job—at 8 o'clock in the evening, no less.

And Rowly said the crowning achievement of his life came just a few years ago when he and his friend Woody Redmond skated the frozen Potomac River before being halted—and nearly arrested—by police.

The skating incident also reflected one of the fiercest competitive spirits any of us have ever seen—playing competitive ice hockey until he was 40, winning squash tournament after squash tournament at the Metropolitan Club into his 70's and ranked nationally among senior squash players, playing tennis or bridge or poker, shooting dice with friends for lunch at the Metropolitan Club, just trying to drive from Georgetown to Culpeper without hitting a stoplight. He could recite nearly every shot of the semifinal match in the National Father-and Son Tennis Tournament when he was 14 years old.

He was a happy warrior, a delight at any dinner party, playing the piano, stirring up trouble. But beneath these high spirits burned the heart of a patriot—the Yale freshman who stood in line on December 8, 1941 to enlist in the Marine Corps, exchanging the privileged life he had always known for combat at Guadalcanal.

His fierce passion for the security of his country was the prism through which all his journalism passed. It guided his greatest journalistic achievements—his exposé of Soviet arms control cheating in the 1970's that the U.S. Government sought to hide, his informed forecasts of the fall of the communist empire in Czechoslovakia and Poland.

That passion embroiled Rowly in controversy when he refused to accept the Government cover-up of the bombing of the U.S.S. *Liberty* in the Six-day War. He could not let the reasons for the death of fellow Americans serving their country go unnoticed.

Rowland Evans was no deskbound columnist. In the tradition of his great friends the Alsop brothers, he went everywhere—and anywhere—for a story: China, Southeast Asia, all over Eastern Europe, the Mideast, the Indian subcontinent. He skirted death in incidents in Vietnam and the Six-day War. He could not report on the independence movement in the Baltics without actually going to Latvia, Lithuania and Estonia. When his father died, Rowly was reporting in Iraq—awaiting a rare interview with Saddam Hussein. He flew to Philadelphia for the funeral, then back to Baghdad—and that interview with the Iraqi dictator.

But the heart of his reporting was here in Washington. His sources were legion: the mighty of Washington and obscure staffers, CIA spooks and mysterious émigrés. All were interrogated in the dining room of the Metropolitan Club.

In the last week, I have been contacted by so many younger people in the news business who told me how Rowly counseled them, gave them a helping hand. His was what Stew Alsop called the reporter's trade and he sought to pass it along to a new generation.

If I may close with a strictly personal note. On the morning of Monday, December 17, 1963, returning to the Washington Bureau of the Wall Street Journal after my honeymoon, I found a batch of notes from a reporter from the New York Herald-Tribune whom I barely knew: Rowland Evans. When I called him, he asked me for lunch—not at the Metropolitan Club by the way but at Blackie's House of Beef. It was a lunch that changed my life and made my career.

The upshot was the Evans-Novak column which lasted for 30 years until his retirement and a partnership of 38 years that continued

in television and our newsletter. We had a thousand shouting arguments, often at the top of our voices. We never fought about money, hardly ever about ideology but frequently about what story to tell and how to tell it.

Rowland Evans was the life of every party, but he ceased being a society boy long ago in the crucible of combat as a Marine sergeant in the Solomon Islands. He was a tough Marine, an unabashed patriot, a great journalist and a faithful friend and colleague. Rest in peace, Rowly.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, March 27, 2001, the Federal debt stood at $5,736,074,141,495.08, five trillion, seven hundred thirty-six billion, seventy-four million, one hundred forty-one thousand, four hundred ninety-five dollars and eight cents.

One year ago, March 27, 2000, the Federal debt stood at $5,731,796,000,000, five trillion, seven hundred thirty-one billion, seven hundred ninety-six million.

Five years ago, March 27, 1996, the Federal debt stood at $5,069,500,000,000, five trillion, sixty-nine billion, five hundred million).

Ten years ago, March 27, 1991, the Federal debt stood at $3,460,809,000,000, three trillion, four hundred sixty billion, eight hundred nine million.

Fifteen years ago, March 27, 1986, the Federal debt stood at $1,981,848,000,000, one trillion, nine hundred eighty-one billion, eight hundred forty-eight million, which reflects a debt increase of almost $4 trillion—$3,754,226,141,495.08, three trillion, seven hundred fifty-four billion, two hundred twenty-six million, one hundred forty-one thousand, four hundred ninety-five dollars and eight cents, during the past 15 years.

ADDITIONAL STATEMENTS

THE 100TH ANNIVERSARY OF THE ARMADA FREE PUBLIC LIBRARY

• Mr. LEVIN. Mr. President, I rise to congratulate the residents of Armada and the Armada Free Public Library on the occasion of its one-hundredth anniversary. Residents in my home State of Michigan will be gathering this Sunday, April 1, 2001 to celebrate this important milestone.

The Armada Free Public Library is a dynamic community institution, with a proud tradition of serving the needs of all residents of the growing community in which it is located. This commitment to community service is manifested in the library's efforts to provide access to over 25,000 books and many periodicals, as well as access the World Wide Web. In addition, the Armada Free Public Library serves as a barrier-free gathering place for community and civic groups.

The Armada Free Public Library was established on April 1, 1901. It was on this day that village residents approved a mill tax to fund the library by a resounding vote of 144 to 48. The library opened on August 10th of the same year with 87 books on its shelves.

In the ensuing years, the library grew from these humble origins to continue serving the needs of area residents. In particular, the early library emphasized its ability to serve as a meeting place for conferences, clubs and children located in this bustling farming community. Given its central role in the community, it is only natural that as Armada grew the Free Public Library needed to grow with it. Were it not for the efforts of philanthropists and concerned voters, the Armada Free Public Library may not have reached this historic anniversary. A grant provided by the Carnegie's enabled the library to move into a new facility in 1915, and subsequent efforts by local voters and philanthropists, such as the estate of the late Elizabeth Pomeroy, ensured both the growth of the library and its continued economic viability.

Mr. President, I have mentioned only a small portion of the dynamic history of the Armada Free Public Library and the many ways in which the library has remained committed to this community. I know my colleagues will join me in honoring the Armada Free Public Library for its service to the people of Armada and the State of Michigan.•

RECOGNITION OF ROSARY HIGH SCHOOL

• Mr. BOND. Mr. President, I rise to recognize Rosary High School's outstanding accomplishments and to congratulate them on their 40th anniversary and rededication which will take place on April 29, 2001.

Originally Archbishop Joseph Ritter dedicated the building for Rosary High School in St. Louis on April 29, 1962. Since its first graduating class in 1965, Rosary High school has proudly graduated 8,000 students. Over the years its students have done an outstanding job of serving the St. Louis community by completing more than 100 hours of community service per student.

Rosary High School continues to maintain an excellent academic record with average ACT scores that are above the state and national norms. Fifty percent of their graduating class has received scholarships to college.

Rosary High School has excelled in their athletic programs. Over the past 40 years they have repeatedly won the State championship in soccer, as well as championships in volleyball and basketball.

Rosary High School is an exemplary High School. The School, faculty, and students are an asset to the St. Louis community. It is my sincerest hope that the next forty years are as successful as the last.•

TRIBUTE TO PATRICIA MULROY

• Mr. REID. Mr. President, I rise today to honor a distinguished Nevadan, a good person and a good friend, Patricia Mulroy. Pat will be receiving the National Jewish Medical and Research Center's Humanitarian Award on April 28, 2001.

The Humanitarian Award honors people who have made significant civic and charitable contributions, people who have chosen to devote their lives to making their communities better places to live.

Pat first moved to Las Vegas in 1974, and began making her mark almost as soon as she arrived as a young student at the University of Nevada-Las Vegas by being admitted to Phi Kappa Phi and being listed in Who's Who in American Colleges and Universities.

After college, Pat began her career in public service by working in the Clark County Manager's Office. She was appointed the county's first Justice Court Administrator in 1984, and later was appointed General Manager of the Las Vegas Valley Water District.

Those of us who live in the southwestern United States know how important, and scarce, water is to our States. Pat took over as General Manager of the Water District during one of the most difficult periods in Southern Nevada's water history, a year when the community began growing at the rate of 3000 to 5000 resident's per month, a trend which has only increased. In response, in 1991, Pat was appointed the first General Manager for the Southern Nevada Water Authority, an agency created by the state legislature to oversee competing governmental interest in water.

Since then, Pat has become known nationally as an expert on water issues. She is a member of the American Water Works Association and currently sits on the Board of Directors of the Association of Metropolitan Water Agencies. In 1992 she helped found and was the original chairman of the Western Urban Water Coalition. She is also a member of the Colorado River Water Users Association and has served on its Board of Directors. She serves on the Desert Research Institute Research Foundation Board of Trustees and received the University and Community College System of Nevada Board of Regents' 1999 Distinguished Nevadan Award.

Those of us who have had the privilege of knowing Pat personally know her as more than a public advocate and expert on water issues. We also know her as a loving wife to her husband Robert, a devoted mother of two children, Ryan and Kelley, and a leader who is active in her church, on her school board, and in her community. Nobody deserves this award more than Pat.

I extend my congratulations to you, and the appreciation of all Nevadans for your good work on their behalf.•

DR. M. GRAHAM CLARK

• Mr. BOND. Mr. President, today I would pay tribute to Dr. M. Graham Clark, of Point Lookout, MO, who died earlier this month and will be sadly missed by his family and all of us who were privileged to be counted among his friends.

Dr. Clark was a tremendous educator, businessman and community leader. He came to what was then known as the School of the Ozarks in 1946, a high school, as vice-president and became its president in 1952.

On his watch of nearly a half century, the institution grew from a high school into a junior college and then a four-year college, and was brought into regional accreditation. Dr. Clark was proud, and deservedly so, of the fact that the College was accredited even before it issued its first full degree. The school Dr. Clark built was also nationally recognized for its adherence to Christian principles and the strong work ethic of its students. He viewed the school as his mission, and tirelessly raised funds for its improvement, even when he was well into his eighties.

During his more than 50 years of service to College of the Ozarks, and to all of Southwest Missouri, Dr. Clark touched millions of people's lives. His leadership will be remembered for generations to come. Those who knew him best know that his commitment and love of the College was second only to his dedication to his Lord and Savior, and to his family.

Our culture is quick to glorify the here and now, the ''flash in the pan'' celebrities, the ''cause'' of the day. By that measure, Clark stood apart. While he could no doubt have made a fortune in the for-profit sector, he devoted his considerable intellectual and business skills to the work of building a top-notch educational institution. He was a strong Christian who never hid nor apologized for his beliefs. He spent his entire life making life better for young people in the Ozark region, his family, his church,and his community. His love for others knew no social boundaries. We are in his debt, and remember him fondly.•

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive sessions the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 3:30 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 801. An act to amend title 38, United States Code, to improve programs of educational assistance, to expand programs of transition assistance and outreach to departing servicemembers, veterans, and dependents, to increase burial benefits, to provide for family coverage under Servicemembers' Group Life Insurance, and for other purposes.

H.R. 811. An act to authorize the Secretary of Veterans Affairs to carry out construction projects for the purpose of improving, renovating, and updating patient care facilities at Department of Veterans Affairs medical centers.

At 7:03 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 83. A concurrent resolution establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 801. An act to amend title 38, United States Code, to improve programs of educational assistance, to expand programs of transition assistance and outreach to departing servicemembers, veterans, and dependents, to increase burial benefits, to provide for family coverage under Servicemembers' Group Life Insurance, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 811. An act to authorize the Secretary of Veterans Affairs to carry out construction projects for the purpose of improving, renovating, and updating patient care facilities at Department of Veterans Affairs medical centers; to the Committee on Veterans' Affairs.

The following concurrent resolution was read, and referred as indicated:

H.Con. Res. 83. Concurrent resolution establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011; to the Committee on the Budget.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

From the Committee on Health, Education, Labor, and Pensions, without amendment:

S. 1: An original bill to extend programs and activities under the Elementary and Secondary Education Act of 1965 (Rept. No. 107–7).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. JEFFORDS:

S. 1. An original bill to extend programs and activities under the Elementary and Secondary Education Act of 1965; from the Committee on Health, Education, Labor, and Pensions; placed on the calendar.

By Mrs. LINCOLN (for herself and Mr. HUTCHINSON):

S. 636. A bill to direct the Secretary of Energy to establish a decommissioning pilot program to decommission and decontaminate the sodium-cooled fast breeder experimental test-site reactor located in northwest Arkansas; to the Committee on Energy and Natural Resources.

By Ms. SNOWE (for herself and Mr. MCCAIN):

S. 637. A bill to amend the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.) to authorize the establishment of individual fishery quota systems; to the Committee on Commerce, Science, and Transportation.

By Mr. DOMENICI (for himself, Mr. LEAHY, and Mr. BENNETT):

S. 638. A bill to amend the Internal Revenue Code of 1986 to provide the same capital gains treatment for art and collectibles as for other investment property and to provide that a deduction equal to fair market value shall be allowed for charitable contributions of literary, musical, artistic, or scholarly compositions created by the donor; to the Committee on Finance.

By Mr. BYRD (for himself and Mr. ROCKEFELLER):

S. 639. A bill to extend the deadline for commencement of construction of certain hydroelectric projects in the State of West Virginia; to the Committee on Energy and Natural Resources.

By Mr. THOMPSON (for himself, Mrs. LINCOLN, Mr. NICKLES, and Mr. MURKOWSKI):

S. 640. A bill to amend the Internal Revenue Code of 1986 to include wireless telecommunications equipment in the definition of qualified technological equipment for purposes of determining the depreciation treatment of such equipment; to the Committee on Finance.

By Mr. TORRICELLI:

S. 641. A bill to amend section 842 of title 18, United States Code, relating to explosive materials; to the Committee on the Judiciary.

By Mr. TORRICELLI:

S. 642. A bill to amend part Q of title I of the Omnibus Crime Control and Safe Streets Act of 1968 to provide assistance for unincorporated neighborhood watch programs; to the Committee on the Judiciary.

By Mr. BAUCUS (for himself, Mr. KERRY, Ms. LANDRIEU, Mr. INOUYE, Mr. TORRICELLI, Mr. DASCHLE, Mr. LEAHY, Mr. WYDEN, Mr. BINGAMAN, and Mr. LIEBERMAN):

S. 643. A bill to implement the agreement establishing a United States-Jordan free trade area; to the Committee on Finance.

By Mr. SESSIONS (for himself, Mr. GRAMM, Mr. KYL, Mr. INHOFE, Mr.

SHELBY, Mr. SMITH of New Hampshire, Mr. CRAPO, Mr. HAGEL, Mr. HELMS, and Mr. FITZGERALD):

S.J. Res. 11. A joint resolution proposing an amendment to the Constitution of the United States to require two-thirds majorities for bills increasing taxes; to the Committee on the Judiciary.

By Mr. SMITH of New Hampshire:

S.J. Res. 12. A joint resolution granting the consent of Congress to the International Emergency Management Assistance Memorandum of Understanding; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 38

At the request of Mr. INOUYE, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 38, a bill to amend title 10, United States Code, to permit former members of the Armed Forces who have a service-connected disability rated as total to travel on military aircraft in the same manner and to the same extent as retired members of the Armed Forces are entitled to travel on such aircraft.

S. 128

At the request of Mr. JOHNSON, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 128, a bill to amend the Federal Deposit Insurance Act to require periodic cost of living adjustments to the maximum amount of deposit insurance available under that Act, and for other purposes.

S. 148

At the request of Mr. CRAIG, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 148, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

S. 170

At the request of Mr. REID, the names of the Senator from Montana (Mr. BURNS) and the Senator from Wyoming (Mr. THOMAS) were added as cosponsors of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 237

At the request of Mr. HUTCHINSON, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 237, a bill to amend the Internal Revenue Code of 1986 to repeal the 1993 income tax increase on Social Security benefits.

S. 271

At the request of Mrs. FEINSTEIN, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 271, a bill to amend title 5, United States Code, to provide that the mandatory separation age for Federal firefighters be made the same as the age that applies with respect to Federal law enforcement officers.

S. 312

At the request of Mr. GRASSLEY, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 312, a bill to amend the Internal Revenue Code of 1986 to provide tax relief for farmers and fishermen, and for other purposes.

S. 319

At the request of Mr. MCCAIN, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 319, a bill to amend title 49, United States Code, to ensure that air carriers meet their obligations under the Airline Customer Service Agreement, and provide improved passenger service in order to meet public convenience and necessity.

S. 321

At the request of Mr. GRASSLEY, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 321, a bill to amend title XIX of the Social Security Act to provide families of disabled children with the opportunity to purchase coverage under the medicaid program for such children, and for other purposes.

S. 325

At the request of Mr. FRIST, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 325, a bill to establish a congressional commemorative medal for organ donors and their families.

S. 327

At the request of Mr. REED, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 327, a bill to amend the Elementary and Secondary Education Act of 1965 to provide up-to-date school library media resources and well-trained, professionally certified school library media specialists for elementary schools and secondary schools, and for other purposes.

S. 338

At the request of Mr. ENSIGN, the name of the Senator from Colorado (Mr. CAMPBELL) was added as a cosponsor of S. 338, a bill to protect amateur athletics and combat illegal sports gambling.

S. 345

At the request of Mr. ALLARD, the names of the Senator from Minnesota (Mr. WELLSTONE) and the Senator from North Dakota (Mr. CONRAD) were added as cosponsors of S. 345, a bill to amend the Animal Welfare Act to strike the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 403

At the request of Mr. COCHRAN, the names of the Senator from Washington (Mrs. MURRAY) and the Senator from Georgia (Mr. CLELAND) were added as cosponsors of S. 403, a bill to improve the National Writing Project.

S. 446

At the request of Mr. CRAPO, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 446, a bill to preserve the authority of States over water within their boundaries, to delegate to States the authority of Congress to regulate water, and for other purposes.

S. 447

At the request of Mr. CRAPO, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 447, a bill to subject the United States to imposition of fees and costs in proceedings relating to State water rights adjudications.

S. 452

At the request of Mr. MURKOWSKI, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 452, a bill to amend title XVIII of the Social Security Act to ensure that the Secretary of Health and Human Services provides appropriate guidance to physicians, providers of services, and ambulance providers that are attempting to properly submit claims under the medicare program to ensure that the Secretary does not target inadvertent billing errors.

S. 486

At the request of Mr. LEAHY, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 486, a bill to reduce the risk that innocent persons may be executed, and for other purposes.

S. 500

At the request of Mr. BURNS, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 500, a bill to amend the Communications Act of 1934 in order to require the Federal Communications Commission to fulfill the sufficient universal service support requirements for high cost areas, and for other purposes.

S. 549

At the request of Mr. CRAPO, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 549, a bill to ensure the availability of spectrum to amateur radio operators.

S. 611

At the request of Ms. MIKULSKI, the name of the Senator from Louisiana (Mr. BREAUX) was added as a cosponsor of S. 611, a bill to amend title II of the Social Security Act to provide that the reduction in social security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds $1 ,200, adjusted for inflation.

S. 635

At the request of Mr. DODD, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 635, a bill to reinstate a standard for arsenic in drinking water.

S. CON. RES. 17

At the request of Mr. SARBANES, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. Con. Res. 17, a concurrent resolution expressing the sense of Congress that there should continue to be parity between the adjustments in the compensation of members of the uniformed services and the adjustments in the compensation of civilian employees of the United States.

S. RES. 16

At the request of Mr. THURMOND, the names of the Senator from Illinois (Mr. FITZGERALD), the Senator from Michigan (Mr. LEVIN), the Senator from California (Mrs. BOXER), the Senator from Wyoming (Mr. ENZI), and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. Res. 16, a resolution designating August 16, 2001, as ''National Airborne Day.''

S. RES. 41

At the request of Mr. SHELBY, the names of the Senator from New Mexico (Mr. DOMENICI), the Senator from Vermont (Mr. JEFFORDS), and the Senator from Colorado (Mr. CAMPBELL) were added as cosponsors of S. Res. 41, a resolution designating April 4, 2001, as ''National Murder Awareness Day.''

S. RES. 44

At the request of Mr. COCHRAN, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. Res. 44, a resolution designating each of March 2001, and March 2002, as ''Arts Education Month.''

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. SNOWE (for herself and Mr. MCCAIN):

S. 637. A bill to amend the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.) to authorize the establishment of individual fishery quota systems; to the Committee on Commerce, Science, and Transportation.

Ms. SNOWE. Mr. President, I rise today, together with Senator MCCAIN, to introduce the Individual Fishing Quota Act of 2001 which will address one of the most complex policy questions in fisheries management, individual fishing quotas, IFQs. This bill will amend the Magnuson-Stevens Fishery Conservation and Management Act to authorize the establishment of new individual quota systems after October 1, 2002. Last year, I introduced legislation to reauthorize the Magnuson-Stevens Act and extend the existing moratorium on new IFQ programs for three years. Congress ultimately extended the moratorium for two years through fiscal year 2002. The combination of the moratorium extension and the IFQ Act of 2001 will provide fishermen and fisheries managers time to prepare for the possibility of using IFQs as a management option. This legislation will in no way whatsoever force IFQs upon any regional management council. This is not a mandate to use IFQs. Rather, it is intended to provide the councils with an additional conservation and management tool after the existing moratorium expires.

IFQ programs can drastically change the face of fishing communities and the fundamental principles of conservation and management. Therefore, this legislation needs to be developed in a careful and meaningful manner. Accordingly, introduction of this bill is intended to begin the dialogue on the possibility of new IFQ programs. I fully anticipate that we will hear from many stakeholders to help the Subcommittee on Oceans and Fisheries shape and reshape this bill as necessary. I look forward to participation by all impacted groups as we move this bill through the legislative process.

The IFQ Act of 2001 sets conditions under which fishery management plans, FMPs, or plan amendments may establish a new individual fishing quota system. The bill ensures that any council which establishes new IFQs will promote sustainable management of the fishery; require fair and equitable allocation of individual quotas; minimize negative social and economic impacts on local coastal communities; ensure adequate enforcement of the system; and take into account present participation and historical fishing practices of the relevant fishery. Additionally, the bill requires the Secretary of Commerce to conduct referenda to ensure that those most affected by IFQs will have the opportunity to formally approve both the initiation and adoption of any new individual fishing quota program.

This bill authorizes the potential allocation of individual quotas to fishing vessel owners, fisherman and crew members who are citizens of the United States. The legislation does not allow, however, individual quotas to be sold, transferred or leased. In addition, participation in the fishery is required for a person to hold quota. Acknowledging the possibility that undue hardship may ensure, the bill allows for the suspension of the transferability requirements by the Secretary on an individual case-by-case basis. Moreover, this bill permits councils to allocate quota shares to entry-level fisherman, small vessel owners, or crew members who may not otherwise be eligible for individual quotas.

In 1996, Congress reauthorized the Magnuson-Stevens Act through enactment of the Sustainable Fisheries Act, SFA. The SFA contained the most substantial improvements to fisheries conservation since the original passage of the Magnuson-Stevens Act in 1976. More specifically, the SFA included a five year moratorium on new IFQ programs and required the National Academy of Sciences, NAS, to study and report on the issue.

As a result, the NAS issued a report which contained a number of recommendations to Congress addressing the social, economic, and biological aspects of IFQ programs. The first recommendation was for Congress to lift the existing moratorium on new IFQ programs and authorize the councils to design and implement new IFQs. The IFQ Act of 2001 specifically incorporates certain recommendations of the NAS report and provides councils with the flexibility to adopt additional NAS or other recommendations. Mr. President, as with other components of fisheries conservation and management, there is no ''one-size-fits-all'' solution to IFQ programs. Therefore, this bill sets certain conditions under which IFQs may be developed, but at the same time, it clearly provides the regional councils and the affected fishermen with the ability to shape any new IFQ program to fit the needs of the fishery, if such a program is desired.

Over the past one and a half years, the Subcommittee on Oceans and Fisheries traveled across the country and held six hearings on the reauthorization of the Magnuson-Stevens Act. We began the process in Washington, DC, and then visited fishing communities in Maine, Louisiana, Alaska, Washington, and Massachusetts. During the course of those hearings, we heard official testimony from over 70 witnesses and received statements from many more fishermen during open microphone sessions at each field hearing. The Subcommittee heard the comments, views and recommendations of federal and state officials, regional council chairmen and members, other fisheries managers, commercial and recreational fishermen, members of the conservation community, and many others interested in these important issues. Additionally, the 26th annual Maine Fishermen's Forum held a very informative all-day workshop on IFQs on March 1, 2001. The IFQ Act of 2001 incorporates many of the suggestions we heard from those men and women who fish for a living and those who are most affected by the law and its regulations.

Unfortunately successful fisheries conservation and management seems to be the exception and not the rule. The decisions that fishermen, regional councils and the Department of Commerce make are complex and often depend on less than adequate information. It is incumbent upon the Congress to provide the many interested stakeholders with the ability to make practical and informed decisions. At a later

date, I will introduce additional legislation to amend the Magnuson-Stevens Act to address the fundamental problems in fisheries management—a lack of funding, a lack of basic scientific information, and enhanced flexibility in the decision-making process. But today, I introduce the IFQ Act of 2001 to begin the dialogue on new individual fishing quota programs, the most significant policy question in fisheries management. Clearly, I do not presume to offer a perfect solution to a complex and emotional concept. However, it is my intent to resolve this issue after appropriate debate and consideration by the Commerce Committee and the U.S. Senate. I look forward to and expect the full participation of those Senators who have expressed interest in this issue in the past and those who may be new to the debate.

I ask unanimous consent that the test of the bill be printed in the RECORD.

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

S. 637

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''IFQ Act of 2001''.

SEC. 2. INDIVIDUAL QUOTA PROGRAMS.

(a) AUTHORITY TO ESTABLISH INDIVIDUAL QUOTA SYSTEMS.—Section 303 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1853) is amended by adding at the end the following:

''(e) SPECIAL PROVISIONS FOR INDIVIDUAL QUOTA SYSTEMS.—

''(1) CONDITIONS.—A fishery management plan which establishes an individual quota system for a fishery after September 30, 2002—

''(A) shall provide for administration of the system by the Secretary in accordance with the terms of the plan;

''(B) shall not create, or be construed to create, any right, title, or interest in or to any fish before the fish is harvested;

''(C) shall include provisions which establish procedures and requirements for each Council having authority over the fishery, for—

''(i) reviewing and revising the terms of the plan that establish the system; and

''(ii) renewing, reallocating, and reissuing individual quotas if determined appropriate by each Council;

''(D) shall include provisions to—

''(i) promote sustainable management of the fishery;

''(ii) provide for fair and equitable allocation of individual quotas under the system;

''(iii) minimize negative social and economic impacts of the system on local coastal communities;

''(iv) ensure adequate enforcement of the system, including the use of observers where appropriate at a level of coverage that should yield statistically significant results; and

''(v) take into account present participation and historical fishing practices, in the fishery; and

''(E) include provisions that prevent any person or entity from acquiring an excessive share of individual quotas issued for a fishery.

''(2) PLAN CHARACTERISTICS.—An individual quota issued under an individual quota system established by a fishery management plan—

''(A) shall be considered a grant, to the holder of the individual quota, of permission to engage in activities permitted by the individual quota;

''(B) may be revoked or limited at any time, in accordance with the terms of the plan and regulations issued by the Secretary or the Council having authority over the fishery for which it is issued, if necessary for the conservation and management of the fishery (including as a result of a violation of this Act or any regulation prescribed under this Act);

''(C) if revoked or limited by the Secretary or a Council, shall not confer any right of compensation to the holder of the individual quota;

''(D) may be received and held in accordance with regulations prescribed by the Secretary under this Act;

''(E) shall, except in the case of an individual quota allocated under an individual quota system established before the date of enactment of the IFQ Act of 2001, expire not later than 5 years after the date it is issued, in accordance with the terms of the fishery management plan; and

''(F) upon expiration under subparagraph (E), may be renewed, reallocated, or reissued if determined appropriate by each Council having authority over the fishery.

''(3) ELIGIBLE HOLDERS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), any fishery management plan that establishes an individual quota system for a fishery may authorize individual quotas to be held by or issued under the system to fishing vessel owners, fishermen, and crew members.

''(B) NON-CITIZENS NOT ELIGIBLE.—An individual who is not a citizen of the United States may not hold an individual quota issued under a fishery management plan.

''(4) PERMITTED PROVISIONS.—Any fishery management plan that establishes an individual quota system for a fishery may include provisions that—

''(A) allocate individual quotas under the system among categories of vessels; and

''(B) provide a portion of the annual harvest in the fishery for entry-level fishermen, small vessel owners, or crewmembers who do not hold or qualify for individual quotas.

''(5) TERMINATION OR LIMITATION.—

''(A) GROUNDS.—An individual quota system established for a fishery may be limited or terminated at any time if necessary for the conservation and management of the fishery, by—

''(i) the Council which has authority over the fishery for which the system is established, through a fishery management plan or amendment; or

''(ii) the Secretary, in the case of any individual quota system established by a fishery management plan developed by the Secretary.

''(B) EFFECT ON OTHER AUTHORITY.—This paragraph does not diminish the authority of the Secretary under any other provision of this Act.

''(6) REQUIRED PROVISIONS; REALLOCATIONS.—Any individual quota system established for a fishery after the date of enactment of the IFQ Act of 2001—

''(A) shall not allow individual quota shares under the system to be sold, transferred, or leased;

''(B) shall prohibit a person from holding an individual quota share under the system unless the person participates in the fishery for which the individual quota share is issued; and

''(C) shall require that if any person that holds an individual quota share under the system does not engage in fishing under the individual quota share for 3 or more years in any period of 5 consecutive years, the individual quota share shall revert to the Secretary and shall be reallocated under the system to qualified participants in the fishery in a fair and equitable manner.

''(7) EXCEPTIONS.—

''(A) HARDSHIP.—The Secretary may suspend the applicability of paragraph (6) for individuals on a case-by-case basis due to death, disablement, undue hardship, retirement, or in any case in which fishing is prohibited by the Secretary or the Council.

''(B) TRANSFER TO FAMILY MEMBERS.—Notwithstanding paragraph (6)(A), the Secretary may permit the transfer of an individual fishing quota, on a case-by-case basis, from an individual to a member of that individual's family under circumstances described in subparagraph (A) through a simple and expeditious process.

''(8) DEFINITIONS.—In this subsection:

''(A) INDIVIDUAL QUOTA SYSTEM.—The term 'individual quota system' means a system that limits access to a fishery in order to achieve optimum yield, through the allocation and issuance of individual quotas.

''(B) INDIVIDUAL QUOTA.—The term 'individual quota' means a grant of permission to harvest a quantity of fish in a fishery, during each fishing season for which the permission is granted, equal to a stated percentage of the total allowable catch for the fishery.''.

(b) APPROVAL OF FISHERY MANAGEMENT PLANS ESTABLISHING INDIVIDUAL QUOTA SYSTEMS.—Section 304 of that Act (16 U.S.C. 1854) is further amended by adding after subsection (h) the following:

''(i) REFERENDUM PROCEDURE.—

''(1) A Council may prepare and submit a fishery management plan, plan amendment, or regulation that creates an individual fishing quota or other quota-based program only if both the preparation and the submission of such plan, amendment or regulation are approved in separate referenda conducted under paragraph (2).

''(2) The Secretary, at the request of a Council, shall conduct the referenda described in paragraph (1). Each referendum shall be decided by a two-thirds majority of the votes cast by eligible permit holders. The Secretary shall develop guidelines to determine procedures and eligibility requirements for referenda and to conduct such referenda in a fair and equitable manner.

''(j) ACTION ON LIMITED ACCESS SYSTEMS.—

''(1) In addition to the other requirements of this Act, the Secretary may not approve a fishery management plan that establishes a limited access system that provides for the allocation of individual quotas (in this subsection referred to as an 'individual quota system') unless the plan complies with section 303(e).

''(2) Within 1 year after receipt of recommendations from the review panel established under paragraph (3), the Secretary shall issue regulations which establish requirements for establishing an individual quota system. The regulations shall be developed in accordance with the recommendations. The regulations shall—

''(A) specify factors that shall be considered by a Council in determining whether a fishery should be managed under an individual quota system;

''(B) ensure that any individual quota system is consistent with the requirements of sections 303(b) and 303(e), and require the collection of fees in accordance with subsection (d)(2) of this section;

''(C) provide for appropriate penalties for violations of individual quotas systems, including the revocation of individual quotas for such violations;

''(D) include recommendations for potential management options related to individual quotas, including the use of leases or auctions by the Federal Government in the establishment or allocation of individual quotas; and

''(E) establish a central lien registry system for the identification, perfection, and determination of lien priorities, and nonjudicial foreclosure of encumbrances, on individual quotas.

''(3)(A) Not later than 6 months after the date of the enactment of the IFQ Act of 2001, the Secretary shall establish a review panel to evaluate fishery management plans in effect under this Act that establish a system for limiting access to a fishery, including individual quota systems, and other limited access systems, with particular attention to—

''(i) the success of the systems in conserving and managing fisheries;

''(ii) the costs of implementing and enforcing the systems;

''(iii) the economic effects of the systems on local communities; and

''(iv) the use of auctions in the establishment or allocation of individual quota shares.

''(B) The review panel shall consist of—

''(i) the Secretary or a designee of the Secretary;

''(ii) the Commandant of the Coast Guard;

''(iii) a representative of each Council, selected by the Council; and

''(iv) 5 individuals with knowledge and experience in fisheries management.

''(C) Based on the evaluation required under subparagraph (A), the review panel shall, by September 30, 2003—

''(i) submit comments to the Councils and the Secretary with respect to the revision of individual quota systems that were established prior to June 1, 1995; and

''(ii) submit recommendations to the Secretary for the development of the regulations required under paragraph (2).''.

By Mr. DOMENICI (for himself, Mr. LEAHY, and Mr. BENNETT):

S. 638. A bill to amend the Internal Revenue Code of 1986 to provide the same capital gain treatment for art and collectibles as for other investment property and to provide that a deduction equal to fair market value shall be allowed for charitable contributions of literary, musical, artistic, or scholarly compositions created by the donor; to the Committee on Finance.

Mr. DOMENICI. Mr. President, the bill I am introducing today is designed to restore some internal consistency to the Tax Code as it applies to art and artists.

No one has ever said that the Tax Code is fair even though it has always been a theoretical objective of the code to treat similar taxpayers similarly.

The bill I am introducing today would address two areas where similarly situated taxpayers are not treated the same.

Internal inconsistency No. 1 deals with the long term capital gains tax treatment of investments in art and collectibles.

Internal inconsistency No. 2 deals with the charitable deduction for artists donating their work to a museum or other charitable cause. The unartistic person wishing to make a charitable contribution of a piece of art is entitled to a deduction equal to fair market value of the art. An artist, on the other hand, just because he/she is the creator of the art, is limited to a deduction equal to the tube of paint, the paper, or other art supplies involved. Under this tax treatment few eligible contributions exceed $19.95 even though the art may be worth hundreds or even thousands of dollars. The tax treatment is a disincentive and a blatant unfairness.

If a person invests in stocks, or bonds, holds the asset for the requisite period of time, and sells at a gain, the tax treatment is long term capital gains. The top capital gains tax rate is 20 percent, 18 percent if the asset is held for five or more years. However, if the same person invests in art or collectibles the top rate is hiked up to 28 percent.

Art for art's sake should not incur an additional 40-percent tax bill simply for revenue's sake. That is a big impact on the pocketbook of the beholder.

Art and collectibles are alternatives to financial instruments as an investment choice. To create a tax disadvantage with respect to one investment compared to another creates an artificial market and may lead to poor investment allocations. It also adversely impacts those who make their livelihood in the cultural sectors of the economy.

Santa Fe, NM, is the third largest art market in the country. We have a diverse colony of artists, collectors and gallery owners. We have fabulous Native American rug weavers, potters and carvers. Creative giants like Georgia O'Keeffe, Maria Martinez, E.L. Blumenshein, Allan Houser, R.C. Gorman, and Glenna Goodacre have all chosen New Mexico as their home and as their artistic subject.

John Nieto, Wilson Hurley, Clark Hulings, Verl Goodnight, Bill Acheff, Susan Rothenberg, Bruce Nauman, Agnes Martin, Doug Hyde, Margaret Nez, Dan Ostermiller are additional examples of living artists creating art in New Mexico.

Art, antiques and collectibles are a $12 to $20 billion annual industry nationwide. In New Mexico, it has been estimated that art and collectible sales range between $500 million and $1 billion a year.

Economists have always been interested in the economics of the arts. Adam Smith is a well-known economist. He was also a serious, but little-known essayist on painting, dancing, and poetry. Keynes was a passionate devotee of painting.

Even the artistically inclined economists found it difficult to define art within the context of economic theory.

When asked to define Jazz, Louis Armstrong replied: ''If you gotta ask, you ain't never going to know.'' A similar conundrum has challenged Galbraith and other economists who have grappled with the definitional issues associated with bringing art within the economic calculus.

Original art objects are, as a commodity group, characterized by a set of attributes:

Every unit of output is differentiated from every other unit of output.

Art works can be copied but not reproduced.

The cultural capital of the nation has significant elements of public good.

Because art works can be resold, and their prices may rise over time, they have the characteristics of financial assets, and as such may be sought as a hedge against inflation, as a store of wealth or as a source of speculative capital gain.

As chairman of the Budget Committee I pride myself on understanding economics, so I reviewed the literature on ''cultural economics'' to see how the markets have treated the muses.

Numerous economists have analyzed rates of return on works of art—some studies going back as far as 1635. The more recent the study the more favorable art investments compare with the stock market.

New Mexico is not only the third largest art market but it is also the home of a unique company that manages the Metropolitan Fine Arts fund which charts the price performance of various categories of collectibles over the past five years. Recently this firm, Lyons and Hannover, compared the S&P 500 with different categories of fine art and collectibles. Had a person invested in American impressionists like Cassatt, Hassam, or Sargent he would have beat the S&P. An investment in 20th century expressionists like Klee or Nolde did not out perform the S&P. Of the other 16 categories most did almost as well as the S&P 500. Furniture, ceramics, cars, photography, wine and weapons were also worthwhile investments during the last decade.

Lyons and Hannover are not the only ones putting theory into practice. Citigroup has created in essence an art mutual fund. Deutchsche Bank recently launched its own art fund and others are raising money for an ''art investment bank.'' Not to be outdone by the ''Wall Street suits'' artist Ben McNeill has gone straight to the public. He minted 800 shares in his ''Art Shares'' project at $5 each. Each can be redeemed for $10 in 2004, But buyers

think they are worth more. They've traded on his Web site for as high as $43.

William Goetzmann when he was at the Columbia Business School constructed an art index and concluded that painting price movements and stock market fluctuations are correlated. I conclude that with art, as well as stocks, past performance is no guarantee of future returns but the gains should be taxed the same.

In 1990, the editor of Art and Auction asked the question: ''Is there an 'efficient' art market?''

A well known art dealer answered: ''Definitely not. That's one of the things that make the market so interesting.''

For everyone who has been watching world financial markets lately, the art market may be a welcome distraction.

Why do people invest in art and collectibles?

Art and collectibles are something you can appreciate even if the investment doesn't appreciate.

Art is less volatile. If bouncing bond prices drive you berserk and spiraling stock prices scare you silly, art may be the right investment for you.

Because art and collectibles are investments, the long term capital gains tax treatment should be the same as for stocks and bonds. This bill would accomplish that.

Artists will benefit. Gallery owners will benefit. Collectors will benefit. And museums benefit from collectors. About 90 percent of what winds up in museums like the New York's Metropolitan Museum of Art comes from collectors.

Collecting isn't just for the hoyty toity. It seems that everyone collects something. Some collections are better investments than others. Some collections are just bizarre. The internet makes collecting big business.

The flea market fanatics are also avid collectors. In fact, people collect the darndest things. Books, duck decoys, Audubon prints, chai pets, snowglobes, thimbles, handcuffs, spectacles, baseball cards, and caps, guns and dolls.

This bill could be called the ''Fine art, furniture, figurines, coins and stamps, china and pottery, silver, cast iron and brass wares, beanie babies, rugs, quilts, and other textiles, architectural columns, glassware, jewelry, lamps, military memorabilia, toys, dolls, trains, entertainment memorabilia, political memorabilia, books, maps, antique hardware, clocks and watches'' Capital Gains Parity Act and I still would not have accurately captured the full scope of the bill.

For most of these collections, capital gains isn't really an issue, but you never know. Antique Roadshow is one of the most popular shows on TV. Everyone knows the story about the women who bought the card table at a yard sale for $25. It turned out to be the work of a Boston cabinet maker circa 1797. It later sold at Sotheby's for $490,000.

Like the women on Antique Roadshow, you could be creating a sizeable taxable asset if you decide to sell your art or collectible collection. You may find that your collecting passion has created a tax predicament—to phrase it politely. Art and collectibles are tangible assets. When you sell them, capital gains tax is due on any appreciation over your purchase price.

The bill provides capital gains tax parity because it lowers the top capital gains rate from 28 percent to 20 percent, 18 percent if the asset has been held for five or more years.

The second area where people similarly situated are not treated similarly in the tax code deals with charitable contributions. When someone is asked to make a charitable contribution to a museum or to a fund raising auction it shouldn't, but under current law does, matter whether you are an artist or not.

Under current law an artist/creator can only take a deduction equal to the cost of the art supplies.

The bill I am introducing with Senators LEAHY and BENNETT will allow a fair market deduction for the artist. It includes certain safeguards to keep the artist from ''painting himself a tax deduction.''

This bill applies to literary, musical, artistic, and scholarly compositions if the work was created at least 18 months before the donation was made, has been appraised, and is related to the purpose or function of the charitable organization receiving the donation.

As with other charitable contributions it is limited to 50 percent of adjusted gross income, AGI. If it is also a capital gain, there is a 30 percent of AGI limit.

I believe these safeguards bring fairness back into the code and protect the Treasury against any potential abuse.

The revenue estimate for the capital gains provision is $2.3 billion over ten years and the estimate for the charitable deduction is approximately $48 million over ten years.

I hope my colleagues will help me put the internally consistent into the Internal Revenue Code—for art's sake.

I ask unanimous consent the text of the bill be printed in the RECORD.

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

S. 638

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Art and Collectibles Capital Gains Tax Treatment Parity Act''.

SEC. 2. CAPITAL GAINS TREATMENT FOR ART AND COLLECTIBLES.

(a) IN GENERAL.—Section 1(h) of the Internal Revenue Code of 1986 (relating to maximum capital gains rate) is amended by striking paragraphs (5) and (6) and inserting the following new paragraph:

''(5) 28-PERCENT RATE GAIN.—For purposes of this subsection, the term '28-percent rate gain' means the excess (if any) of—

''(A) section 1202 gain, over

''(B) the sum of—

''(i) the net short-term capital loss, and

''(ii) the amount of long-term capital loss carried under section 1212(b)(1)(B) to the taxable year.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 1(h)(9) of the Internal Revenue Code of 1986 is amended by striking ''collectibles gain, gain described in paragraph (7)(A)(i),'' and inserting ''gain described in paragraph (7)(A)(i)''.

(2) Section 1(h) of such Code is amended by redesignating paragraphs (12) and (13) as paragraphs (6) and (12), respectively.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 3. CHARITABLE CONTRIBUTIONS OF CERTAIN ITEMS CREATED BY THE TAXPAYER.

(a) IN GENERAL.—Subsection (e) of section 170 of the Internal Revenue Code of 1986 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following new paragraph:

''(7) SPECIAL RULE FOR CERTAIN CONTRIBUTIONS OF LITERARY, MUSICAL, OR ARTISTIC COMPOSITIONS.—

''(A) IN GENERAL.—In the case of a qualified artistic charitable contribution—

''(i) the amount of such contribution shall be the fair market value of the property contributed (determined at the time of such contribution), and

''(ii) no reduction in the amount of such contribution shall be made under paragraph (1).

''(B) QUALIFIED ARTISTIC CHARITABLE CONTRIBUTION.—For purposes of this paragraph, the term 'qualified artistic charitable contribution' means a charitable contribution of any literary, musical, artistic, or scholarly composition, or similar property, or the copyright thereon (or both), but only if—

''(i) such property was created by the personal efforts of the taxpayer making such contribution no less than 18 months prior to such contribution,

''(ii) the taxpayer—

''(I) has received a qualified appraisal of the fair market value of such property in accordance with the regulations under this section, and

''(II) attaches to the taxpayer's income tax return for the taxable year in which such contribution was made a copy of such appraisal,

''(iii) the donee is an organization described in subsection (b)(1)(A),

''(iv) the use of such property by the donee is related to the purpose or function constituting the basis for the donee's exemption under section 501 (or, in the case of a governmental unit, to any purpose or function described under subsection (c)),

''(v) the taxpayer receives from the donee a written statement representing that the donee's use of the property will be in accordance with the provisions of clause (iv), and

''(vi) the written appraisal referred to in clause (ii) includes evidence of the extent (if any) to which property created by the personal efforts of the taxpayer and of the same type as the donated property is or has been—

''(I) owned, maintained, and displayed by organizations described in subsection (b)(1)(A), and

''(II) sold to or exchanged by persons other than the taxpayer, donee, or any related person (as defined in section 465(b)(3)(C)).

''(C) MAXIMUM DOLLAR LIMITATION; NO CARRYOVER OF INCREASED DEDUCTION.—The increase in the deduction under this section by reason of this paragraph for any taxable year—

''(i) shall not exceed the artistic adjusted gross income of the taxpayer for such taxable year, and

''(ii) shall not be taken into account in determining the amount which may be carried from such taxable year under subsection (d).

''(D) ARTISTIC ADJUSTED GROSS INCOME.—For purposes of this paragraph, the term 'artistic adjusted gross income' means that portion of the adjusted gross income of the taxpayer for the taxable year attributable to—

''(i) income from the sale or use of property created by the personal efforts of the taxpayer which is of the same type as the donated property, and

''(ii) income from teaching, lecturing, performing, or similar activity with respect to property described in clause (i).

''(E) PARAGRAPH NOT TO APPLY TO CERTAIN CONTRIBUTIONS.—Subparagraph (A) shall not apply to any charitable contribution of any letter, memorandum, or similar property which was written, prepared, or produced by or for an individual while the individual is an officer or employee of any person (including any government agency or instrumentality) unless such letter, memorandum, or similar property is entirely personal.

''(F) COPYRIGHT TREATED AS SEPARATE PROPERTY FOR PARTIAL INTEREST RULE.—In the case of a qualified artistic charitable contribution, the tangible literary, musical, artistic, or scholarly composition, or similar property and the copyright on such work shall be treated as separate properties for purposes of this paragraph and subsection (f)(3).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after the date of the enactment of this Act in taxable years ending after such date.

By Mr. TORRICELLI:

S. 641. A bill to amend section 842 of title 18, United States Code, relating to explosive materials; to the Committee on the Judiciary.

Mr. TORRICELLI. Mr. President, I rise today to introduce the ''Explosives Protection Act.'' I do this in memory of the tragic bombing of the federal building in Oklahoma City, because I hope that this bill will, in some small way, prevent future bombings—whether by terrorists of symbolic targets, malcontents of random ones, or even spouses involved in marital disputes.

This bill, while not directly related to the circumstances in Oklahoma City, is a first step towards protecting the American people from those who would use explosives to do them harm.

Not many people realize just how few restrictions on the use and sale of explosives really exist. While we have increasingly restricted the number of people who can obtain and use a firearm, we have been lax in extending these prohibitions to explosives.

For instance, while we prohibit illegal aliens from obtaining a gun, we allow them to obtain explosives without restriction. And this same divergence applies to those who have been dishonorably discharged from the armed forces, those who have renounced U.S. citizenship, people who have acted in such a way as to have restraining orders issued against them, and those with domestic violence convictions. Each of these categories of persons are prohibited from obtaining firearms, but face no such prohibition on obtaining explosive material.

Congress has already made the determination that certain members of society should not have access to firearms, and the same logic clearly applies to dangerous and destructive explosive materials, materials which can result in an equal or even greater loss of life. It is time to bring the explosives law into line with gun laws, and this is all my bill does. Specifically, this extends the list of persons barred from purchasing explosives so that it matched that of people barred from purchasing firearms.

This is a simple bill meant only to correct longstanding gaps and loopholes in current law. I urge my colleagues to support the bill, and I hope we can quickly move to get this passed and protect Americans from future acts of explosive destruction. I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 641

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Explosives Protection Act of 2001''.

SEC. 2. PROHIBITIONS RELATING TO EXPLOSIVE MATERIALS.

(a) PROHIBITION OF SALE, DELIVERY, OR TRANSFER OF EXPLOSIVE MATERIALS TO CERTAIN INDIVIDUALS.—Section 842 of title 18, United States Code, is amended by striking subsection (d) and inserting the following:

''(d) PROHIBITION OF SALE, DELIVERY, OR TRANSFER OF EXPLOSIVE MATERIALS TO CERTAIN INDIVIDUALS.—It shall be unlawful for any licensee to knowingly sell, deliver, or transfer any explosive materials to any individual who—

''(1) is less than 21 years of age;

''(2) is under indictment for, or has been convicted in any court of, a crime punishable by imprisonment for a term exceeding 1 year;

''(3) is a fugitive from justice;

''(4) is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));

''(5) has been adjudicated as a mental defective or has been committed to any mental institution;

''(6) being an alien—

''(A) is illegally or unlawfully in the United States; or

''(B) except as provided in section 845(d), has been admitted to the United States under a nonimmigrant visa (as that term is defined in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26));

''(7) has been discharged from the Armed Forces under dishonorable conditions;

''(8) having been a citizen of the United States, has renounced his citizenship;

''(9) is subject to a court order that restrains such person from harassing, stalking, or threatening an intimate partner of such person or child of such intimate partner or person, or engaging in other conduct that would place an intimate partner in reasonable fear of bodily injury to the partner or child, except that this paragraph shall only apply to a court order that—

''(A) was issued after a hearing of which such person received actual notice, and at which such person had the opportunity to participate; and

''(B)(i) includes a finding that such person represents a credible threat to the physical safety of such intimate partner or child; and

''(ii) by its terms explicitly prohibits the use, attempted use, or threatened use of physical force against such intimate partner or child that would reasonably be expected to cause bodily injury; or

''(10) has been convicted in any court of a misdemeanor crime of domestic violence.''.

(b) PROHIBITION ON SHIPPING, TRANSPORTING, POSSESSION, OR RECEIPT OF EXPLOSIVES BY CERTAIN INDIVIDUALS.—Section 842 of title 18, United States Code, is amended by striking subsection (i) and inserting the following:

''(i) PROHIBITION ON SHIPPING, TRANSPORTING, POSSESSION, OR RECEIPT OF EXPLOSIVES BY CERTAIN INDIVIDUALS.—It shall be unlawful for any person to ship or transport in interstate or foreign commerce, or possess, in or affecting commerce, any explosive, or to receive any explosive that has been shipped or transported in interstate or foreign commerce, if that person—

''(1) is less than 21 years of age;

''(2) has been convicted in any court, of a crime punishable by imprisonment for a term exceeding 1 year;

''(3) is a fugitive from justice;

''(4) is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));

''(5) has been adjudicated as a mental defective or who has been committed to a mental institution;

''(6) being an alien—

''(A) is illegally or unlawfully in the United States; or

''(B) except as provided in section 845(d), has been admitted to the United States under a nonimmigrant visa (as that term is defined in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26));

''(7) has been discharged from the Armed Forces under dishonorable conditions;

''(8) having been a citizen of the United States, has renounced his citizenship; or

''(9) is subject to a court order that—

''(A) was issued after a hearing of which such person received actual notice, and at which such person had an opportunity to participate;

''(B) restrains such person from harassing, stalking, or threatening an intimate partner of such person or child of such intimate partner or person, or engaging in other conduct that would place an intimate partner in reasonable fear of bodily injury to the partner or child; and

''(C)(i) includes a finding that such person represents a credible threat to the physical safety of such intimate partner or child; and

''(ii) by its terms explicitly prohibits the use, attempted use, or threatened use of

physical force against such intimate partner or child that would reasonably be expected to cause bodily injury; or

''(10) has been convicted in any court of a misdemeanor crime of domestic violence.''.

(c) EXCEPTIONS AND WAIVER FOR CERTAIN INDIVIDUALS.—Section 845 of title 18, United States Code, is amended by adding at the end the following:

''(d) EXCEPTIONS AND WAIVER FOR CERTAIN INDIVIDUALS.—

''(1) DEFINITIONS.—In this subsection—

''(A) the term 'alien' has the same meaning as in section 101(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(3)); and

''(B) the term 'nonimmigrant visa' has the same meaning as in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)).

''(2) EXCEPTIONS.—Subsections (d)(5)(B) and (i)(5)(B) of section 842 do not apply to any alien who has been lawfully admitted to the United States pursuant to a nonimmigrant visa, if that alien is—

''(A) admitted to the United States for lawful hunting or sporting purposes;

''(B) a foreign military personnel on official assignment to the United States;

''(C) an official of a foreign government or a distinguished foreign visitor who has been so designated by the Department of State; or

''(D) a foreign law enforcement officer of a friendly foreign government entering the United States on official law enforcement business.

''(3) WAIVER.—

''(A) IN GENERAL.—Any individual who has been admitted to the United States under a nonimmigrant visa and who is not described in paragraph (2), may receive a waiver from the applicability of subsection (d)(5)(B) or (i)(5)(B) of section 842, if—

''(i) the individual submits to the Attorney General a petition that meets the requirements of subparagraph (B); and

''(ii) the Attorney General approves the petition.

''(B) PETITIONS.—Each petition under subparagraph (A)(i) shall—

''(i) demonstrate that the petitioner has resided in the United States for a continuous period of not less than 180 days before the date on which the petition is submitted under this paragraph; and

''(ii) include a written statement from the embassy or consulate of the petitioner, authorizing the petitioner to engage in any activity prohibited under subsection (d) or (i) of section 842, as applicable, and certifying that the petitioner would not otherwise be prohibited from engaging in that activity under subsection (d) or (i) of section 842, as applicable.''.

By Mr. TORRICELLI:

S. 642. A bill to amend part Q of title I of the Omnibus Crime Control and Safe Streets Act of 1968 to provide assistance for unincorporated neighborhood watch programs; to the Committee on the Judiciary.

Mr. TORRICELLI. Mr. President, I rise today to introduce the ''Neighborhood Watch Partnership Act.'' This bill will broaden the eligibility of groups that may apply for essential funding for neighborhood watch activities.

Communities across the country are finding sensible ways to solve local problems. Through partnerships with local police, neighborhood watch groups are having a decisive impact on crime. There are almost 20,000 such groups creating innovative programs that promote community involvement in crime prevention techniques. They empower community members and organize them against rape, burglary, and all forms of fear on the street. They forge bonds between law enforcement and the communities they serve.

Unfortunately, many communities find it difficult to afford the often expensive equipment such as cellphones and CBs needed to start a neighborhood watch organization. While the COPS program within the Department of Justice provides funding for some neighborhood watch groups, an organization must incorporate to benefit from the current program. A mere 2000 of the nearly 20,000 groups incorporate, however, meaning that the vast majority of watch groups cannot apply for funding assistance. This makes very little sense.

The time has come to make a clear commitment to these groups. That is why I am introducing a bill to extend COPS funding to unincorporated neighborhood watch organizations. The bill would provide grants of up to $1950 to these groups. Under current law, either the local police chief or sheriff must approve grant requests by unincorporated watch groups. We would impose the same requirement on unincorporated groups, thus providing accountability for the disbursement of funds.

Neighborhood watch organizations provide an invaluable service. By extending the partnership between community policing and watch group organizations, we will boldly encourage small and large communities to preserve and create crime prevention tools. We should act now, Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 642

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ASSISTANCE FOR UNINCORPORATED NEIGHBORHOOD WATCH PROGRAMS.

(a) SHORT TITLE.—This Act maybe cited as the ''Neighborhood Watch Partnership Act of 2001''.

(b) IN GENERAL.—Section 1701(d) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796dd(d)) is amended—

(1) in paragraph (10), by striking ''and'' at the end;

(2) in paragraph (11), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(12) provide assistance to unincorporated neighborhood watch organizations approved by the appropriate local police or sheriff's department, in an amount equal to not more than $1950 per organization, for the purchase of citizen band radios, street signs, magnetic signs, flashlights, and other equipment relating to neighborhood watch patrols.''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 1001(a)(11) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3793(a)(11)) is amended—

(1) in subparagraph (A), by striking clause (vi) and inserting the following:

''(vi) $282,625,000 for fiscal year 2002.''; and

(2) in subparagraph (B) by inserting after ''(B)'' the following: ''Of amounts made available to carry out part Q in each fiscal year $14,625,000 shall be used to carry out section 1701(d)(12).''.

By Mr. BAUCUS (for himself, Mr. KERRY, Ms. LANDRIEU, Mr. INOUYE, Mr. TORRICELLI, Mr. DASCHLE, Mr. LEAHY, Mr. WYDEN, Mr. BINGAMAN, and Mr. LIEBERMAN):

S. 643. A bill to implement the agreement establishing a United States-Jordan free trade area; to the Committee on Finance.

Mr. BAUCUS. Mr. President, I rise today to introduce legislation to implement the United States-Jordan Free Trade Agreement.

I introduce this legislation on behalf of myself and Senators KERRY, LANDRIEU, INOUYE, TORRICELLI, DASCHLE, LEAHY, BINGAMAN, WYDEN, and LIEBERMAN. The same legislation is today being introduced by colleagues in the other body.

The United States-Jordan FTA was signed on October 26, 2000 and formally submitted to Congress on January 6.

For a variety of reasons, it is one of the most significant trade achievements in recent years.

Simply put, the United States-Jordan FTA is a strong trade agreement. It eliminates barriers to trade on goods and services across the board.

The agreement is very much on a par with the FTA with Canada and Mexico; the specific provisions of the agreement mirror the United States-Israel FTA and the related understanding with the Palestinian Authority.

Although the volume of trade involved is not likely to have much impact on the United States, it should be a significant boon to Jordan—and that does benefit the United States.

Jordan has become one of the United States' best allies in the Middle East. Demonstrating considerable courage and leadership, Jordan has made peace with Israel and cooperated with the United States on a number of diplomatic fronts.

As the majority leader Senator LOTT wrote in a letter to the President on March 8 urging approval of the agreement:

> Jordan has been a reliable partner of the United States and has played an important role in America's efforts to achieve a lasting peace in the Middle East. The United States -Jordan Free Trade Agreement is an important and timely symbol of this critical relationship.

I strongly agree with Senator LOTT. I am normally skeptical of using geopolitical rationales to change U.S.

trade policy, but in this case the right geopolitical outcome is also the right trade policy outcome.

Most of the controversy surrounding the United States-Jordan FTA focuses on provisions of the agreement regarding the environment and labor.

Without question, these are significant provisions. They address labor rights and environmental issues in the core of the agreement and make the issues subject to dispute settlement like all other provisions of the agreement.

That said, the provisions simply obligate both countries to enforce their current labor and environmental laws and not weaken their laws with the aim of distorting trade.

Any objective reading of the provisions makes it clear that critics' fears of private parties litigating under these portions of the agreement or attacking U.S. environmental laws are simply unfounded.

The agreement is clearly a government-to-government agreement; private parties cannot trigger dispute settlement proceedings. I believe there is little chance of the United States actually weakening its environmental laws, but it is certainly not going to take such a step with the aim of distorting trade with Jordan.

Given Jordan's strong position on labor rights and environmental issues and the consultative process of the dispute settlement in the agreement, it is quite unlikely these provisions will ever result in the imposition of trade sanctions—the stated fear of the critics.

In fact, in the decade and a half it has been in place, the United States-Israel FTA dispute settlement procedures, the model for the Jordan FTA, have only been invoked once and, even in that case, sanctions were never imposed.

I suspect the real fear of critics is that the Jordan agreement will set a precedent for inclusion of labor and environmental provisions in future trade agreements. I understand that. That precedent, however, has already been set. Both the world trading system—now represented by the World Trade Organization—and the North American Free Trade Agreement, NAFTA, address labor and environmental issues.

In my opinion, all future trade agreements must meaningfully address labor and environmental issues to win congressional approval.

Further, the United States-Jordan FTA has already been negotiated, and it has been signed. Even if it was not ultimately approved by the Congress, the precedent has already been set with an approved and signed agreement. The bell cannot be unrung.

There is a more serious precedent at stake.

When President Clinton took office in 1993, I urged him to support the NAFTA agreement struck by his predecessor in the White House without renegotiation. I did this not because the NAFTA was a perfect agreement, it was not. It needed improvement. But certainly there were certain areas where improvement was possible.

I supported it, and I told the President so because it is vital for there to be continuity in trade policy, I might add, also in foreign policy. Reopening negotiations on an agreement that is already signed to address what can only be called a partisan concern threatens the credibility of U.S. trade policy.

Scuttling or renegotiating the United States-Jordan FTA also sets a precedent for any new administration to undo the agreements negotiated by its predecessor. This would destroy any possibility of bipartisan trade policy and discourage our trading partners from negotiating seriously with the United States. We simply cannot afford to allow this kind of partisan chicanery to overwhelm good trade policy.

I introduce this implementing legislation for the United States-Jordan FTA in the hopes it can be rapidly passed and signed into law.

This is a good agreement. The United States-Jordan FTA advances U.S. trade policy as well as Middle East policy. It has wide support from labor and environmental groups, as well as from business leaders. The United States-Jordan FTA can go far to build a consensus on trade policy. It is very important.

Aside from the concerns over the labor and environmental provisions which I have already addressed, no one has raised serious objections to this agreement.

With Jordan's King Abdullah visiting the United States next week, the Congress and the administration should move together to approve the United States-Jordan FTA.

I ask unanimous consent to print the bill in the RECORD.

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

S. 643

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

This Act may be cited as the ''United States-Jordan Free Trade Area Implementation Act''.

SEC. 2. PURPOSES.

The purposes of this Act are—

(1) to implement the agreement between the United States and Jordan establishing a free trade area;

(2) to strengthen and develop the economic relations between the United States and Jordan for their mutual benefit; and

(3) to establish free trade between the 2 nations through the removal of trade barriers.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) AGREEMENT.—The term ''Agreement'' means the Agreement between the United States of America and the Hashemite Kingdom of Jordan on the Establishment of a Free Trade Area, entered into on October 24, 2000.

(2) HTS.—The term ''HTS'' means the Harmonized Tariff Schedule of the United States.

TITLE I—TARIFF MODIFICATIONS; RULES OF ORIGIN

SEC. 101. TARIFF MODIFICATIONS.

(a) TARIFF MODIFICATIONS PROVIDED FOR IN THE AGREEMENT.—The President may proclaim—

(1) such modifications or continuation of any duty,

(2) such continuation of duty-free or excise treatment, or

(3) such additional duties,

as the President determines to be necessary or appropriate to carry out article 2.1 of the Agreement and the schedule of duty reductions with respect to Jordan set out in Annex 2.1 of the Agreement.

(b) OTHER TARIFF MODIFICATIONS.—The President may proclaim—

(1) such modifications or continuation of any duty,

(2) such continuation of duty-free or excise treatment, or

(3) such additional duties,

as the President determines to be necessary or appropriate to maintain the general level of reciprocal and mutually advantageous concessions with respect to Jordan provided for by the Agreement.

SEC. 102. RULES OF ORIGIN.

(a) IN GENERAL.—

(1) ELIGIBLE ARTICLES.—

(A) IN GENERAL.—The reduction or elimination of any duty imposed on any article by the United States provided for in the Agreement shall apply only if—

(i) that article is imported directly from Jordan into the customs territory of the United States; and

(ii) that article—

(I) is wholly the growth, product, or manufacture of Jordan; or

(II) is a new or different article of commerce that has been grown, produced, or manufactured in Jordan and meets the requirements of subparagraph (B).

(B) REQUIREMENTS.—

(i) GENERAL RULE.—The requirements of this subparagraph are that with respect to an article described in subparagraph (A)(ii)(II), the sum of—

(I) the cost or value of the materials produced in Jordan, plus

(II) the direct costs of processing operations performed in Jordan,

is not less than 35 percent of the appraised value of such article at the time it is entered.

(ii) MATERIALS PRODUCED IN UNITED STATES.—If the cost or value of materials produced in the customs territory of the United States is included with respect to an article to which this paragraph applies, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributable to such United States cost or value may be applied toward determining the percentage referred to in clause (i).

(2) EXCLUSIONS.—No article may be considered to meet the requirements of paragraph (1)(A) by virtue of having merely undergone—

(A) simple combining or packaging operations; or

(B) mere dilution with water or mere dilution with another substance that does not materially alter the characteristics of the article.

(b) DIRECT COSTS OF PROCESSING OPERATIONS.—

(1) IN GENERAL.—As used in this section, the term ''direct costs of processing operations'' includes, but is not limited to—

(A) all actual labor costs involved in the growth, production, manufacture, or assembly of the specific merchandise, including fringe benefits, on-the-job training, and the cost of engineering, supervisory, quality control, and similar personnel; and

(B) dies, molds, tooling, and depreciation on machinery and equipment which are allocable to the specific merchandise.

(2) EXCLUDED COSTS.—The term ''direct costs of processing operations'' does not include costs which are not directly attributable to the merchandise concerned, or are not costs of manufacturing the product, such as—

(A) profit; and

(B) general expenses of doing business which are either not allocable to the specific merchandise or are not related to the growth, production, manufacture, or assembly of the merchandise, such as administrative salaries, casualty and liability insurance, advertising, and salesmen's salaries, commissions, or expenses.

(c) TEXTILE AND APPAREL ARTICLES.—

(1) IN GENERAL.—A textile or apparel article imported directly from Jordan into the customs territory of the United States shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) only if—

(A) the article is wholly obtained or produced in Jordan;

(B) the article is a yarn, thread, twine, cordage, rope, cable, or braiding, and—

(i) the constituent staple fibers are spun in Jordan, or

(ii) the continuous filament is extruded in Jordan;

(C) the article is a fabric, including a fabric classified under chapter 59 of the HTS, and the constituent fibers, filaments, or yarns are woven, knitted, needled, tufted, felted, entangled, or transformed by any other fabric-making process in Jordan; or

(D) the article is any other textile or apparel article that is wholly assembled in Jordan from its component pieces.

(2) DEFINITION.—For purposes of paragraph (1), an article is ''wholly obtained or produced in Jordan'' if it is wholly the growth, product, or manufacture of Jordan.

(3) SPECIAL RULES.—(A) Notwithstanding paragraph (1)(D) and except as provided in subparagraphs (C) and (D) of this paragraph, subparagraph (A), (B), or (C) of paragraph (1), as appropriate, shall determine whether a good that is classified under one of the following headings or subheadings of the HTS shall be considered to meet the requirements of paragraph (1)(A) of subsection (a): 5609, 5807, 5811, 6209.20.50.40, 6213, 6214, 6301, 6302, 6304, 6305, 6306, 6307.10, 6307.90, 6308, and 9404.90.

(B) Notwithstanding paragraph (1)(D) and except as provided in subparagraphs (C) and (D) of this paragraph, a textile or apparel article which is knit-to-shape in Jordan shall be considered to meet the requirements of paragraph (1)(A) of subsection (a).

(C) Notwithstanding paragraph (1)(D), a good classified under heading 6117.10, 6213.00, 6214.00. 6302.22, 6302.29, 6302.52, 6302.53, 6302.59, 6302.92, 6302.93, 6302.99, 6303.92, 6303.99, 6304.19, 6304.93, 6304.99, 9404.90.85, or 9404.90.95 of the HTS, except for a good classified under any such heading as of cotton or of wool or consisting of fiber blends containing 16 percent or more by weight of cotton, shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the fabric in the good is both dyed and printed in Jordan, and such dyeing and printing is accompanied by 2 or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing, or moireing.

(D) Notwithstanding paragraph (1)(C), a fabric classified under the HTS as of silk, cotton, man-made fiber, or vegetable fiber shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the fabric is both dyed and printed in Jordan, and such dyeing and printing is accompanied by 2 or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing, or moireing.

(4) MULTICOUNTRY RULE.—If the origin of a textile or apparel article cannot be determined under paragraph (1) or (3), then that article shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if—

(A) the most important assembly or manufacturing process occurs in Jordan; or

(B) if the applicability of paragraph (1)(A) of subsection (a) cannot be determined under subparagraph (A), the last important assembly or manufacturing occurs in Jordan.

(d) EXCLUSION.—A good shall not be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the good—

(1) is imported into Jordan, and, at the time of importation, would be classified under heading 0805 of the HTS; and

(2) is processed in Jordan into a good classified under any of subheadings 2009.11 through 2009.30 of the HTS.

(e) REGULATIONS.—The Secretary of the Treasury, after consultation with the United States Trade Representative, shall prescribe such regulations as may be necessary to carry out this section.

TITLE II—RELIEF FROM IMPORTS

Subtitle A—General Provisions

SEC. 201. DEFINITIONS.

As used in this title:

(1) COMMISSION.—The term ''Commission'' means the United States International Trade Commission.

(2) JORDANIAN ARTICLE.—The term ''Jordanian article'' means an article that qualifies for reduction or elimination of a duty under section 102.

Subtitle B—Relief From Imports Benefiting From The Agreement

SEC. 211. COMMENCING OF ACTION FOR RELIEF.

(a) FILING OF PETITION.—

(1) IN GENERAL.—A petition requesting action under this part for the purpose of adjusting to the obligations of the United States under the Agreement may be filed with the Commission by an entity, including a trade association, firm, certified or recognized union, or group of workers that is representative of an industry. The Commission shall transmit a copy of any petition filed under this subsection to the United States Trade Representative.

(2) PROVISIONAL RELIEF.—An entity filing a petition under this subsection may request that provisional relief be provided as if the petition had been filed under section 202(a) of the Trade Act of 1974.

(3) CRITICAL CIRCUMSTANCES.—Any allegation that critical circumstances exist shall be included in the petition.

(b) INVESTIGATION AND DETERMINATION.—

(1) IN GENERAL.—Upon the filing of a petition under subsection (a), the Commission, unless subsection (d) applies, shall promptly initiate an investigation to determine whether, as a result of the reduction or elimination of a duty provided for under the Agreement, a Jordanian article is being imported into the United States in such increased quantities, in absolute terms or relative to domestic production, and under such conditions that imports of the Jordanian article alone constitute a substantial cause of serious injury or threat thereof to the domestic industry producing an article that is like, or directly competitive with, the imported article.

(2) CAUSATION.—For purposes of this part, a Jordanian article is being imported into the United States in increased quantities as a result of the reduction or elimination of a duty provided for under the Agreement if the reduction or elimination is a cause that contributes significantly to the increase in imports. Such cause need not be equal to or greater than any other cause.

(c) APPLICABLE PROVISIONS.—The following provisions of section 202 of the Trade Act of 1974 (19 U.S.C. 2252) apply with respect to any investigation initiated under subsection (b):

(1) Paragraphs (1)(B) and (3) of subsection (b).

(2) Subsection (c).

(3) Subsection (d).

(d) ARTICLES EXEMPT FROM INVESTIGATION.—No investigation may be initiated under this section with respect to any Jordanian article if import relief has been provided under this part with respect to that article.

SEC. 212. COMMISSION ACTION ON PETITION.

(a) DETERMINATION.—By no later than 120 days (180 days if critical circumstances have been alleged) after the date on which an investigation is initiated under section 211(b) with respect to a petition, the Commission shall make the determination required under that section.

(b) ADDITIONAL FINDING AND RECOMMENDATION IF DETERMINATION AFFIRMATIVE.—If the determination made by the Commission under subsection (a) with respect to imports of an article is affirmative, the Commission shall find, and recommend to the President in the report required under subsection (c), the amount of import relief that is necessary to remedy or prevent the injury found by the Commission in the determination and to facilitate the efforts of the domestic industry to make a positive adjustment to import competition. The import relief recommended by the Commission under this subsection shall be limited to that described in section 213(c).

(c) REPORT TO PRESIDENT.—No later than the date that is 30 days after the date on which a determination is made under subsection (a) with respect to an investigation, the Commission shall submit to the President a report that shall include—

(1) a statement of the basis for the determination;

(2) dissenting and separate views; and

(3) any finding made under subsection (b) regarding import relief.

(d) PUBLIC NOTICE.—Upon submitting a report to the President under subsection (c), the Commission shall promptly make public such report (with the exception of information which the Commission determines to be confidential) and shall cause a summary thereof to be published in the Federal Register.

(e) APPLICABLE PROVISIONS.—For purposes of this part, the provisions of paragraphs (1), (2), and (3) of section 330(d) of the Tariff Act of 1930 (19 U.S.C. 1330(d)) shall be applied

with respect to determinations and findings made under this section as if such determinations and findings were made under section 202 of the Trade Act of 1974 (19 U.S.C. 2252).

SEC. 213. PROVISION OF RELIEF.

(a) IN GENERAL.—No later than the date that is 30 days after the date on which the President receives the report of the Commission containing an affirmative determination of the Commission under section 212(a), the President shall provide relief from imports of the article that is the subject of such determination to the extent that the President determines necessary to prevent or remedy the injury found by the Commission and to facilitate the efforts of the domestic industry to make a positive adjustment to import competition, unless the President determines that the provision of such relief is not in the national economic interest of the United States or, in extraordinary circumstances, that the provision of such relief would cause serious harm to the national security of the United States.

(b) NATIONAL ECONOMIC INTEREST.—The President may determine under subsection (a) that providing import relief is not in the national economic interest of the United States only if the President finds that taking such action would have an adverse impact on the United States economy clearly greater than the benefits of taking such action.

(c) NATURE OF RELIEF.—The import relief (including provisional relief) that the President is authorized to provide under this part with respect to imports of an article is—

(1) the suspension of any further reduction provided for under the United States Schedule to Annex 2.1 of the Agreement in the duty imposed on that article;

(2) an increase in the rate of duty imposed on such article to a level that does not exceed the lesser of—

(A) the column 1 general rate of duty imposed under the HTS on like articles at the time the import relief is provided; or

(B) the column 1 general rate of duty imposed under the HTS on like articles on the day before the date on which the Agreement enters into force; or

(3) in the case of a duty applied on a seasonal basis to that article, an increase in the rate of duty imposed on the article to a level that does not exceed the column 1 general rate of duty imposed under the HTS on the article for the corresponding season occurring immediately before the date on which the Agreement enters into force.

(d) PERIOD OF RELIEF.—The import relief that the President is authorized to provide under this section may not exceed 4 years.

(e) RATE AFTER TERMINATION OF IMPORT RELIEF.—When import relief under this part is terminated with respect to an article—

(1) the rate of duty on that article after such termination and on or before December 31 of the year in which termination occurs shall be the rate that, according to the United States Schedule to Annex 2.1 of the Agreement for the staged elimination of the tariff, would have been in effect 1 year after the initiation of the import relief action under section 211; and

(2) the tariff treatment for that article after December 31 of the year in which termination occurs shall be, at the discretion of the President, either—

(A) the rate of duty conforming to the applicable rate set out in the United States Schedule to Annex 2.1; or

(B) the rate of duty resulting from the elimination of the tariff in equal annual stages ending on the date set out in the United States Schedule to Annex 2.1 for the elimination of the tariff.

SEC. 214. TERMINATION OF RELIEF AUTHORITY.

(a) GENERAL RULE.—Except as provided in subsection (b), no import relief may be provided under this part after the date that is 15 years after the date on which the Agreement enters into force.

(b) EXCEPTION.—Import relief may be provided under this part in the case of a Jordanian article after the date on which such relief would, but for this subsection, terminate under subsection (a), but only if the Government of Jordan consents to such provision.

SEC. 215. COMPENSATION AUTHORITY.

For purposes of section 123 of the Trade Act of 1974 (19 U.S.C. 2133), any import relief provided by the President under section 213 shall be treated as action taken under chapter 1 of title II of such Act.

SEC. 216. SUBMISSION OF PETITIONS.

A petition for import relief may be submitted to the Commission under—

(1) this part;

(2) chapter 1 of title II of the Trade Act of 1974; or

(3) under both this part and such chapter 1 at the same time, in which case the Commission shall consider such petitions jointly.

Subtitle C—Cases Under Title II Of The Trade Act of 1974

SEC. 221. FINDINGS AND ACTION ON JORDANIAN IMPORTS.

(a) EFFECT OF IMPORTS.—If, in any investigation initiated under chapter 1 of title II of the Trade Act of 1974, the Commission makes an affirmative determination (or a determination which the President may treat as an affirmative determination under such chapter by reason of section 330(d) of the Tariff Act of 1930), the Commission shall also find (and report to the President at the time such injury determination is submitted to the President) whether imports of the article from Jordan are a substantial cause of serious injury or threat thereof.

(b) PRESIDENTIAL ACTION REGARDING JORDANIAN IMPORTS.—In determining the nature and extent of action to be taken under chapter 1 of title II of the Trade Act of 1974, the President shall determine whether imports from Jordan are a substantial cause of the serious injury found by the Commission and, if such determination is in the negative, may exclude from such action imports from Jordan.

SEC. 222. TECHNICAL AMENDMENT.

Section 202(a)(8) of the Trade Act of 1974 (19 U.S.C. 2252(a)(8)) is amended in the first sentence—

(1) by striking ''and part 1'' and inserting '', part 1''; and

(2) by inserting before the period at the end '', and title II of the United States-Jordan Free Trade Area Implementation Act''.

TITLE III—TEMPORARY ENTRY

SEC. 301. NONIMMIGRANT TRADERS AND INVESTORS.

Upon the basis of reciprocity secured by the Agreement, an alien who is a national of Jordan (and any spouse or child (as defined in section 101(b)(1) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(1)) of the alien, if accompanying or following to join the alien) shall be considered as entitled to enter the United States under and in pursuance of the provisions of the Agreement as a nonimmigrant described in section 101(a)(15)(E) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(E)), if the entrance is solely for a purpose described in clause (i) or (ii) of such section and the alien is otherwise admissible to the United States as such a nonimmigrant.

TITLE IV—GENERAL PROVISIONS

SEC. 401. RELATIONSHIP OF THE AGREEMENT TO UNITED STATES AND STATE LAW.

(a) RELATIONSHIP OF AGREEMENT TO UNITED STATES LAW.—

(1) UNITED STATES LAW TO PREVAIL IN CONFLICT.—No provision of the Agreement, nor the application of any such provision to any person or circumstance, that is inconsistent with any law of the United States shall have effect.

(2) CONSTRUCTION.—Nothing in this Act shall be construed—

(A) to amend or modify any law of the United States, or

(B) to limit any authority conferred under any law of the United States,

unless specifically provided for in this Act.

(b) RELATIONSHIP OF AGREEMENT TO STATE LAW.—

(1) LEGAL CHALLENGE.—No State law, or the application thereof, may be declared invalid as to any person or circumstance on the ground that the provision or application is inconsistent with the Agreement, except in an action brought by the United States for the purpose of declaring such law or application invalid.

(2) DEFINITION OF STATE LAW.—For purposes of this subsection, the term ''State law'' includes—

(A) any law of a political subdivision of a State; and

(B) any State law regulating or taxing the business of insurance.

(c) EFFECT OF AGREEMENT WITH RESPECT TO PRIVATE REMEDIES.—No person other than the United States—

(1) shall have any cause of action or defense under the Agreement; or

(2) may challenge, in any action brought under any provision of law, any action or inaction by any department, agency, or other instrumentality of the United States, any State, or any political subdivision of a State on the ground that such action or inaction is inconsistent with the Agreement.

SEC. 402. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for each fiscal year after fiscal year 2001 to the Department of Commerce not more than $100,000 for the payment of the United States share of the expenses incurred in dispute settlement proceedings under article 17 of the Agreement.

SEC. 403. IMPLEMENTING REGULATIONS.

After the date of enactment of this Act—

(1) the President may proclaim such actions, and

(2) other appropriate officers of the United States may issue such regulations,

as may be necessary to ensure that any provision of this Act, or amendment made by this Act, that takes effect on the date the Agreement enters into force is appropriately implemented on such date, but no such proclamation or regulation may have an effective date earlier than the date the Agreement enters into force.

SEC. 404. EFFECTIVE DATES; EFFECT OF TERMINATION.

(a) EFFECTIVE DATES.—Except as provided in subsection (b), the provisions of this Act and the amendments made by this Act take effect on the date the Agreement enters into force.

(b) EXCEPTIONS.—Sections 1 through 3 and this title take effect on the date of the enactment of this Act.

(c) TERMINATION OF THE AGREEMENT.—On the date on which the Agreement ceases to be in force, the provisions of this Act (other than this subsection) and the amendments made by this Act, shall cease to have effect.

By Mr. SESSIONS (for himself, Mr. GRAMM, Mr. KYL, Mr. INHOFE, Mr. SHELBY, Mr. SMITH of New Hampshire, Mr. CRAPO, Mr. HAGEL, Mr. HELMS, and Mr. FITZGERALD):

S.J. Res. 11. A joint resolution proposing an amendment to the Constitution of the United States to require two-thirds majorities for bills increasing taxes; to the Committee on the Judiciary.

Mr. SESSIONS. Mr. President, I rise today to introduce a resolution to amend the Constitution of the United States, requiring a two-thirds majority vote of both houses of Congress to levy a new tax or increase the rate of an existing tax.

I call this the tax limitation amendment, and I am proud to be joined in this effort by Senators GRAMM of Texas, KYL, INHOFE, SHELBY, SMITH of New Hampshire, FITZGERALD, CRAPO, HAGEL, and HELMS.

In 1997, Congress balanced its checkbook for the first time in 29 years, and we are now enjoying an era of unprecedented budget surpluses.

Unfortunately, the tax burden on the American people is also rising to unprecedented levels. Today, federal tax revenues make up 20.6 percent of our nation's Gross Domestic Product, GDP, up from 17.6 percent in 1993.

This has had an enormous impact on our economy, and it has placed an unfair burden on the average taxpayer.

It is also clear the American people are frustrated with the increasing amount of government spending, and they are tired of the federal government reaching further into their wallets to pay for new spending and new programs.

Today, it is far too easy for Congress to go on a spending spree and then send the bill to the taxpayers.

This amendment is important for many reasons, but most importantly, it will help restore fiscal responsibility and discipline in our budget process.

We need to make it more difficult for Congress to raise taxes, which will put more pressure on us to control spending.

This resolution has been supported by a number of taxpayer groups including the Americans for Tax Reform, the Citizens Against Government Waste, the American Conservative Union, and the U.S. Chamber of Commerce. It has enjoyed broad support in previous years, and I would like to invite other Senators to join me in this effort and cosponsor this resolution.

I ask unanimous consent that the text of the resolution be printed in the RECORD.

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

S.J. RES. 11

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within 7 years after the date of its submission for ratification:

''ARTICLE —

''SECTION 1. Any bill to levy a new tax or increase the rate or base of any tax may pass only by a two-thirds majority of the whole number of each House of Congress.

''SECTION 2. The Congress may waive section 1 when a declaration of war is in effect. The Congress may also waive section 1 when the United States is engaged in military conflict which causes an imminent and serious threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law. Any provision of law which would, standing alone, be subject to section 1 but for this section and which becomes law pursuant to such a waiver shall be effective for not longer than 2 years.

''SECTION 3. All votes taken by the House of Representatives or the Senate under this article shall be determined by yeas and nays and the names of persons voting for and against shall be entered on the Journal of each House respectively.''.

By Mr. SMITH of New Hampshire:

S.J. Res. 12. A joint resolution granting the consent of Congress to the International Emergency Management Assistance Memorandum of Understanding; to the Committee on the Judiciary.

Mr. SMITH of New Hampshire. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S.J. RES. 12

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL CONSENT.

Congress consents to the International Emergency Management Assistance Memorandum of Understanding entered into between the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut and the Provinces of Quebec, New Brunswick, Prince Edward Island, Nova Scotia and Newfoundland. The compact is substantially as follows:

"Article I—International Emergency Management Assistance Memorandum of Understanding Purpose and Authorities

''The International Emergency Management Assistance Memorandum of Understanding, hereinafter referred to as the 'compact,' is made and entered into by and among such of the jurisdictions as shall enact or adopt this compact, hereinafter referred to as 'party jurisdictions.' For the purposes of this agreement, the term 'jurisdictions' may include any or all of the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut and the Provinces of Quebec, New Brunswick, Prince Edward Island, Nova Scotia and Newfoundland, and such other states and provinces as may hereafter become a party to this compact.

''The purpose of this compact is to provide for the possibility of mutual assistance among the jurisdictions entering into this compact in managing any emergency or disaster when the affected jurisdiction or jurisdictions ask for assistance, whether arising from natural disaster, technological hazard, manmade disaster or civil emergency aspects of resources shortages.

''This compact also provides for the process of planning mechanisms among the agencies responsible and for mutual cooperation, including, if need be, emergency-related exercises, testing, or other training activities using equipment and personnel simulating performance of any aspect of the giving and receiving of aid by party jurisdictions or subdivisions of party jurisdictions during emergencies, with such actions occurring outside actual declared emergency periods. Mutual assistance in this compact may include the use of emergency forces by mutual agreement among party jurisdictions.

"Article II—General Implementation

''Each party jurisdiction entering into this compact recognizes that many emergencies may exceed the capabilities of a party jurisdiction and that intergovernmental cooperation is essential in such circumstances. Each jurisdiction further recognizes that there will be emergencies that may require immediate access and present procedures to apply outside resources to make a prompt and effective response to such an emergency because few, if any, individual jurisdictions have all the resources they need in all types of emergencies or the capability of delivering resources to areas where emergencies exist.

''The prompt, full, and effective utilization of resources of the participating jurisdictions, including any resources on hand or available from any other source that are essential to the safety, care, and welfare of the people in the event of any emergency or disaster, shall be the underlying principle on which all articles of this compact are understood.

''On behalf of the party jurisdictions participating in the compact, the legally designated official who is assigned responsibility for emergency management is responsible for formulation of the appropriate inter-jurisdictional mutual aid plans and procedures necessary to implement this compact, and for recommendations to the jurisdiction concerned with respect to the amendment of any statutes, regulations, or ordinances required for that purpose.

"Article III—Party Jurisdiction Responsibilities

''(a) FORMULATE PLANS AND PROGRAMS.—It is the responsibility of each party jurisdiction to formulate procedural plans and programs for inter-jurisdictional cooperation in the performance of the responsibilities listed in this section. In formulating and implementing such plans and programs the party jurisdictions, to the extent practical, shall—

''(1) review individual jurisdiction hazards analyses that are available and, to the extent reasonably possible, determine all those potential emergencies the party jurisdictions might jointly suffer, whether due to natural disaster, technological hazard, man-

made disaster or emergency aspects of resource shortages;

''(2) initiate a process to review party jurisdictions' individual emergency plans and develop a plan that will determine the mechanism for the inter-jurisdictional cooperation;

''(3) develop inter-jurisdictional procedures to fill any identified gaps and to resolve any identified inconsistencies or overlaps in existing or developed plans;

''(4) assist in warning communities adjacent to or crossing jurisdictional boundaries;

''(5) protect and ensure delivery of services, medicines, water, food, energy and fuel, search and rescue, and critical lifeline equipment, services and resources, both human and material to the extent authorized by law;

''(6) inventory and agree upon procedures for the inter-jurisdictional loan and delivery of human and material resources, together with procedures for reimbursement or forgiveness; and

''(7) provide, to the extent authorized by law, for temporary suspension of any statutes or ordinances, over which the province or state has jurisdiction, that impede the implementation of the responsibilities described in this subsection.

''(b) REQUEST ASSISTANCE.—The authorized representative of a party jurisdiction may request assistance of another party jurisdiction by contacting the authorized representative of that jurisdiction. These provisions only apply to requests for assistance made by and to authorized representatives. Requests may be verbal or in writing. If verbal, the request must be confirmed in writing within 15 days of the verbal request. Requests must provide the following information:

''(1) A description of the emergency service function for which assistance is needed and of the mission or missions, including but not limited to fire services, emergency medical, transportation, communications, public works and engineering, building inspection, planning and information assistance, mass care, resource support, health and medical services, and search and rescue.

''(2) The amount and type of personnel, equipment, materials, and supplies needed and a reasonable estimate of the length of time they will be needed.

''(3) The specific place and time for staging of the assisting party's response and a point of contact at the location.

''(c) CONSULTATION AMONG PARTY JURISDICTION OFFICIALS.—There shall be frequent consultation among the party jurisdiction officials who have assigned emergency management responsibilities, such officials collectively known hereinafter as the International Emergency Management Group, and other appropriate representatives of the party jurisdictions with free exchange of information, plans, and resource records relating to emergency capabilities to the extent authorized by law.

"Article IV—Limitation

''Any party jurisdiction requested to render mutual aid or conduct exercises and training for mutual aid shall undertake to respond as soon as possible, except that it is understood that the jurisdiction rendering aid may withhold or recall resources to the extent necessary to provide reasonable protection for that jurisdiction. Each party jurisdiction shall afford to the personnel of the emergency forces of any party jurisdiction, while operating within its jurisdictional limits under the terms and conditions of this compact and under the operational control of an officer of the requesting party, the same powers, duties, rights, privileges, and immunities as are afforded similar or like forces of the jurisdiction in which they are performing emergency services. Emergency forces continue under the command and control of their regular leaders, but the organizational units come under the operational control of the emergency services authorities of the jurisdiction receiving assistance. These conditions may be activated, as needed, by the jurisdiction that is to receive assistance or upon commencement of exercises or training for mutual aid and continue as long as the exercises or training for mutual aid are in progress, the emergency or disaster remains in effect or loaned resources remain in the receiving jurisdiction or jurisdictions, whichever is longer. The receiving jurisdiction is responsible for informing the assisting jurisdictions of the specific moment when services will no longer be required.

"Article V—Licenses and Permits

''Whenever a person holds a license, certificate, or other permit issued by any jurisdiction party to the compact evidencing the meeting of qualifications for professional, mechanical, or other skills, and when such assistance is requested by the receiving party jurisdiction, such person is deemed to be licensed, certified, or permitted by the jurisdiction requesting assistance to render aid involving such skill to meet an emergency or disaster, subject to such limitations and conditions as the requesting jurisdiction prescribes by Executive order or otherwise.

"Article VI—Liability

''Any person or entity of a party jurisdiction rendering aid in another jurisdiction pursuant to this compact are considered agents of the requesting jurisdiction for tort liability and immunity purposes. Any person or entity rendering aid in another jurisdiction pursuant to this compact are not liable on account of any act or omission in good faith on the part of such forces while so engaged or on account of the maintenance or use of any equipment or supplies in connection therewith. Good faith in this article does not include willful misconduct, gross negligence, or recklessness.

"Article VII—Supplementary Agreements

''Because it is probable that the pattern and detail of the machinery for mutual aid among 2 or more jurisdictions may differ from that among the jurisdictions that are party to this compact, this compact contains elements of a broad base common to all jurisdictions, and nothing in this compact precludes any jurisdiction from entering into supplementary agreements with another jurisdiction or affects any other agreements already in force among jurisdictions. Supplementary agreements may include, but are not limited to, provisions for evacuation and reception of injured and other persons and the exchange of medical, fire, public utility, reconnaissance, welfare, transportation and communications personnel, equipment, and supplies.

"Article VIII—Workers' Compensation and Death Benefits

''Each party jurisdiction shall provide, in accordance with its own laws, for the payment of workers' compensation and death benefits to injured members of the emergency forces of that jurisdiction and to representatives of deceased members of those forces if the members sustain injuries or are killed while rendering aid pursuant to this compact, in the same manner and on the same terms as if the injury or death were sustained within their own jurisdiction.

"Article IX—Reimbursement

''Any party jurisdiction rendering aid in another jurisdiction pursuant to this compact shall, if requested, be reimbursed by the party jurisdiction receiving such aid for any loss or damage to, or expense incurred in, the operation of any equipment and the provision of any service in answering a request for aid and for the costs incurred in connection with those requests. An aiding party jurisdiction may assume in whole or in part any such loss, damage, expense, or other cost or may loan such equipment or donate such services to the receiving party jurisdiction without charge or cost. Any 2 or more party jurisdictions may enter into supplementary agreements establishing a different allocation of costs among those jurisdictions. Expenses under article VIII are not reimbursable under this section.

"Article X—Evacuation

''Each party jurisdiction shall initiate a process to prepare and maintain plans to facilitate the movement of and reception of evacuees into its territory or across its territory, according to its capabilities and powers. The party jurisdiction from which the evacuees came shall assume the ultimate responsibility for the support of the evacuees, and after the termination of the emergency or disaster, for the repatriation of such evacuees.

"Article XI—Implementation

''(a) This compact is effective upon its execution or adoption by any 2 jurisdictions, and is effective as to any other jurisdiction upon its execution or adoption thereby: subject to approval or authorization by the United States Congress, if required, and subject to enactment of provincial or State legislation that may be required for the effectiveness of the Memorandum of Understanding.

''(b) Any party jurisdiction may withdraw from this compact, but the withdrawal does not take effect until 30 days after the governor or premier of the withdrawing jurisdiction has given notice in writing of such withdrawal to the governors or premiers of all other party jurisdictions. The action does not relieve the withdrawing jurisdiction from obligations assumed under this compact prior to the effective date of withdrawal.

''(c) Duly authenticated copies of this compact in the French and English languages and of such supplementary agreements as may be entered into shall, at the time of their approval, be deposited with each of the party jurisdictions.

"Article XII—Severability

''This compact is construed to effectuate the purposes stated in Article I. If any provision of this compact is declared unconstitutional or the applicability of the compact to any person or circumstances is held invalid, the validity of the remainder of this compact and the applicability of the compact to other persons and circumstances are not affected.

"Article XIII—Consistency of Language

''The validity of the arrangements and agreements consented to in this compact shall not be affected by any insubstantial difference in form or language as may be adopted by the various states and provinces.

"Article XIV—Amendment

''This compact may be amended by agreement of the party jurisdictions.''.

SEC. 2. INCONSISTENCY OF LANGUAGE.

The validity of the arrangements consented to by this Act shall not be affected by

any insubstantial difference in their form or language as adopted by the States and provinces.

SEC. 3. RIGHT TO ALTER, AMEND, OR REPEAL.

The right to alter, amend, or repeal this Act is hereby expressly reserved.

AMENDMENTS SUBMITTED AND PROPOSED

SA 151. Mrs. FEINSTEIN (for herself, Mr. COCHRAN, and Mr. SCHUMER) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

SA 152. Mr. DEWINE (for himself, Mr. HATCH, Mr. HUTCHINSON, Mr. BROWNBACK, and Mr. ROBERTS) proposed an amendment to the bill S. 27, supra.

SA 153. Mr. SCHUMER proposed an amendment to the bill S. 27, supra.

SA 154. Mr. WARNER submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 151. Mrs. FEINSTEIN (for herself, Mr. COCHRAN, and Mr. SCHUMER) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

Strike all after the first word and insert the following:

104. CLARITY IN CONTRIBUTION LIMITS.

(a) CONTRIBUTION LIMITS APPLIED ON ELECTION CYCLE BASIS.—Section 315(a)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)(A)) is amended to read as follows:

''(A) to any candidate and the candidate's authorized political committee during the election cycle with respect to any Federal office which, in the aggregate, exceeds $4,000;''.

(b) INDIVIDUAL AGGREGATE CONTRIBUTION LIMITS APPLIED ON ELECTION CYCLE BASIS.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)), as amended by this Act, is amended to read as follows:

''(3) The aggregate contributions an individual may make—

''(A) to candidates or their authorized political committees for any House election cycle shall not exceed $30,000; or

''(B) to all political committees for any House election cycle shall not exceed $35,000. For purposes of this paragraph, if any contribution is made to a candidate for Federal office during a calendar year in the election cycle for the office and no election is held during that calendar year, the contribution shall be treated as made in the first succeeding calendar year in the cycle in which an election for the office is held.''.

(c) INDEXING OF CONTRIBUTION LIMITS.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting ''(A)'' before ''At the beginning''; and

(C) by adding at the end the following:

''(B) Except as provided in subparagraph (C), in any calendar year after 2002—

''(i) a limitation established by subsection (a)(1)(A), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

''(ii) each amount so increased shall remain in effect for the calendar year; and

''(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

''(C) In the case of limitations under subsections (a)(1)(A) and (h), each amount increased under subparagraph (B) shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.''; and

(2) in paragraph (2)(B), by striking ''means the calendar year 1974'' and inserting ''means—

''(i) for purposes of subsections (b) and (d), calendar year 1974; and

''(ii) for purposes of subsections (a) and (h), calendar year 2001''.

(d) ELECTION CYCLE DEFINED.—Section 301 of such Act (2 U.S.C. 431), as amended by section 101, is amended by adding at the end the following:

''(25) ELECTION CYCLES.—

''(A) ELECTION CYCLE.—The term 'election cycle' means, with respect to a candidate, the period beginning on the day after the date of the previous general election for the specific office or seat that the candidate is seeking and ending on the date of the general election for that office or seat.

''(B) HOUSE ELECTION CYCLE.—The term 'House election cycle' means, the period of time determined under paragraph (A) for a candidate seeking election to a seat in the House of Representatives.''.

(e) SPECIAL RULES.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following:

''(9) For purposes of this subsection—

''(A) if there are more than 2 elections in an election cycle for a specific Federal office, the limitation under paragraph (1)(A) shall be increased by $2,000, for the number of elections in excess of 2; and

''(B) if a candidate for President or Vice President is prohibited from receiving contributions with respect to the general election by reason of receiving funds under the Internal Revenue Code of 1986, the limitation under paragraph (1)(A) shall be decreased by $2,000.''.

(f) CONFORMING AMENDMENT.—Paragraph (6) of section 315(a) of such Act (2 U.S.C. 441a(a)(6)) is amended to read as follows:

''(6) For purposes of paragraph (9), all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election.''.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after the date of enactment of this Act.

SEC. ___. TELEVISION MEDIA RATES FOR NATIONAL PARTIES CONDITIONED ON ADHERENCE TO EXISTING COORDINATED SPENDING LIMITS.

(a) AVAILABILITY OF TELEVISION MEDIA RATES.—Section 315(b)(2) of the Communications Act of 1934 (47 U.S.C. 315(b)(2)), as amended by this Act, is amended—

(1) by striking ''TELEVISION.—The charges'' and inserting ''TELEVISION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the charges''; and

(2) by adding at the end the following:

''(B) LIMITATIONS ON AVAILABILITY FOR NATIONAL COMMITTEES OF POLITICAL PARTIES.—

''(i) RATE CONDITIONED ON VOLUNTARY ADHERENCE TO EXPENDITURE LIMITS.—If the limits on expenditures under section 315(d)(3) of the Federal Election Campaign Act of 1971 are held to be invalid by the Supreme Court of the United States, then no television broadcast station, or provider of cable or satellite television service, shall be required to charge a national committee of a political party the lowest charge of the station described in paragraph (1) after the date of the Supreme Court holding unless the national committee of a political party certifies to the Federal Election Commission that the committee, and each State committee of that political party of each State in which the advertisement is televised, will adhere to the expenditure limits, for the calendar year in which the general election to which the expenditure relates occurs, under such section as in effect on January 1, 2001.

''(ii) RATE NOT AVAILABLE FOR INDEPENDENT EXPENDITURES.—If the limits on expenditures under section 315(d)(3) of the Federal Election Campaign Act of 1971 are held to be invalid by the Supreme Court of the United States, then no television broadcast station, or provider of cable or satellite television service, shall be required to charge a national or State committee of a political party the lowest charge of the station described in paragraph (1) with respect to any independent expenditure (as defined in section 301 of the Federal Election Campaign Act of 1971).''.

(b) FEDERAL ELECTION COMMISSION RULEMAKING.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following:

''(4) If the limits on expenditures under paragraph (3) are held to be invalid by the Supreme Court of the United States, the Commission shall prescribe rules to ensure that each national committee of political party that submits a certification under section 315(b)(2)(B) of the Communications Act of 1934, and each State committee of that political party described in such section, complies with such certification.''.

SA 152. Mr. DEWINE (for himself, Mr. HATCH, Mr. HUTCHINSON, Mr. BROWNBACK, and Mr. ROBERTS) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

Beginning on page 12, strike line 14 and all that follows through page 31, line 8.

SA 153. Mr. SCHUMER proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. ___. TELEVISION MEDIA RATES FOR NATIONAL PARTIES CONDITIONED ON ADHERENCE TO EXISTING COORDINATED SPENDING LIMITS.

(a) AVAILABILITY OF TELEVISION MEDIA RATES.—Section 315(b)(2) of the Communications Act of 1934 (47 U.S.C. 315(b)(2)), as amended by this Act, is amended—

(1) by striking ''TELEVISION.—The charges'' and inserting ''TELEVISION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the charges''; and

(2) by adding at the end the following:

''(B) LIMITATIONS ON AVAILABILITY FOR NATIONAL COMMITTEES OF POLITICAL PARTIES.—

''(i) RATE CONDITIONED ON VOLUNTARY ADHERENCE TO EXPENDITURE LIMITS.—If the limits on expenditures under section 315(d)(3) of

the Federal Election Campaign Act of 1971 are held to be invalid by the Supreme Court of the United States, then no television broadcast station, or provider of cable or satellite television service, shall be required to charge a national committee of a political party the lowest charge of the station described in paragraph (1) after the date of the Supreme Court holding unless the national committee of a political party certifies to the Federal Election Commission that the committee, and each State committee of that political party of each State in which the advertisement is televised, will adhere to the expenditure limits, for the calendar year in which the general election to which the expenditure relates occurs, under such section as in effect on January 1, 2001.

''(ii) RATE NOT AVAILABLE FOR INDEPENDENT EXPENDITURES.—If the limits on expenditures under section 315(d)(3) of the Federal Election Campaign Act of 1971 are held to be invalid by the Supreme Court of the United States, then no television broadcast station, or provider of cable or satellite television service, shall be required to charge a national or State committee of a political party the lowest charge of the station described in paragraph (1) with respect to any independent expenditure (as defined in section 301 of the Federal Election Campaign Act of 1971).''.

(b) FEDERAL ELECTION COMMISSION RULEMAKING.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following:

''(4) If the limits on expenditures under paragraph (3) are held to be invalid by the Supreme Court of the United States, the Commission shall prescribe rules to ensure that each national committee of political party that submits a certification under section 315(b)(2)(B) of the Communications Act of 1934, and each State committee of that political party described in such section, complies with such certification.''.

(c) SEVERABILITY.—If this section is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendments to any person or circumstance, shall not be affected by the holding.

SA 154. Mr. WARNER submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. ENCOURAGING SMALL CONTRIBUTIONS TO CONGRESSIONAL CANDIDATES.

(a) GENERAL RULE.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25A the following:

''SEC. 25B. CONTRIBUTIONS TO CONGRESSIONAL CANDIDATES.

''(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the aggregate amount of contributions made during the taxable year by the individual to any congressional candidate.

''(b) LIMITATIONS.—

''(1) MAXIMUM CREDIT.—The credit allowed by subsection (a) for any taxable year shall not exceed $100 ($200 in the case of a joint return).

''(2) ADJUSTED GROSS INCOME.—No credit shall be allowed under subsection (a) for a taxable year if the taxpayer's modified adjusted gross income (as defined in section 25A(d)(3)) exceeds $50,000 ($100,000 in the case of a joint return).

''(3) VERIFICATION.—The credit allowed by subsection (a) shall be allowed with respect to any contribution only if the contribution is verified in such manner as the Secretary shall prescribe by regulation.

''(c) DEFINITIONS.—In this section—

''(1) CANDIDATE.—The term 'candidate' has the meaning given the term in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431).

''(2) CONTRIBUTION.—The term 'contribution' has the meaning given the term in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431).

''(3) CONGRESSIONAL CANDIDATE.—The term 'congressional candidate' means a candidate in a primary, general, runoff, or special election seeking nomination for election to, or election to the Senate or the House of Representatives.

(b) CONFORMING AMENDMENTS.—

(1) Section 642 of the Internal Revenue Code of 1986 (relating to special rules for credits and deductions of estates or trusts) is amended by adding at the end the following:

''(j) CREDIT FOR CERTAIN CONTRIBUTIONS NOT ALLOWED.—An estate or trust shall not be allowed the credit against tax provided by section 25B.''.

(2) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25A the following new item:

''Sec. 25B. Contributions to congressional candidates.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Wednesday, March 28, 2001, at 9:20 a.m. on the census.

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

COMMITTEE ON FINANCE

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Finance, be authorized to meet on Wednesday, March 28, 2001 to hear testimony on Preserving and Protecting Main Street, USA.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, March 28, 2001, at 10:00 a.m. to hold a hearing.

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

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on Advocating for Patients: Health Information for Consumers during the session of the Senate on Wednesday, March 28, 2001, at 9:30 a.m.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Wednesday, March 28, 2001, at 10:30 a.m. in room 485 of the Russell Senate Office Building to conduct a hearing on S. 210, A bill to authorize the integration and consolidation of alcohol and substance abuse programs and services provided by Indian tribal governments, and for other purposes; S. 214, a bill to elevate the position of Director of the Indian Health Service within the Department of Health and Human Services to Assistant Secretary for Indian Health, and for other purposes; and S. 535, the Native American Breast and Cervical Cancer Treatment Technical Amendment Act of 2001.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, March 28, 2001, at 2:00 p.m. to hold a closed hearing on intelligence matters.

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

SUBCOMMITTEE ON PERSONNEL

Mr. THOMAS. Mr. President, I ask unanimous consent that the subcommittee on Personnel of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 28, 2001, at 9:30 a.m., in open session to receive testimony on Department of Defense policies pertaining to the Armed Forces Retirement Home.

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

APPOINTMENTS

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 106–554, appoints the Senator from Tennessee (Mr. FRIST) to the Board of Trustees for the Center for Russian Leadership Development.

The Chair, on behalf of the Democratic leader, pursuant to Public Law 100–458, reappoints William F. Winter, of Mississippi, to the Board of Trustees of the John C. Stennis Center for Public Service Training and Development, effective October 11, 2000.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. DEWINE. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nomination reported by the Foreign Relations Committee: Calendar No. 23, Grant Green. I further ask unanimous consent that the nomination be confirmed, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

The nomination considered and confirmed is as follows:

DEPARTMENT OF STATE

Grant S. Green, Jr., of Virginia, to be an Under Secretary of State (Management).

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

ORDERS FOR THURSDAY, MARCH 29, 2001

Mr. DEWINE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Thursday, March 29. I further ask consent that on Thursday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of the DeWine amendment to S. 27, the campaign finance reform bill.

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

PROGRAM

Mr. DEWINE. Mr. President, for the information of all Senators, the Senate will resume consideration of the DeWine amendment regarding advocacy ads tomorrow morning. There will be up to 15 minutes of debate prior to a vote at 9:45 a.m. Following that vote, there will be up to 2 hours on a Harkin amendment on volunteer spending limits. Therefore, a second vote will occur before 12 noon on Thursday. Further amendments will be offered. Votes will occur throughout the day, and it is the intention of the managers and leaders to conclude this bill by tomorrow night. Therefore, votes could occur late into the evening tomorrow.

ADJOURNMENT UNTIL TOMORROW AT 9:30 A.M.

Mr. DEWINE. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:57 p.m., adjourned until Thursday, March 29, 2001, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate March 28, 2001:

EXECUTIVE OFFICE OF THE PRESIDENT

JOHN D. GRAHAM, OF MASSACHUSETTS, TO BE ADMINISTRATOR OF THE OFFICE OF INFORMATION AND REGULATORY AFFAIRS, OFFICE OF MANAGEMENT AND BUDGET, VICE JOHN T. SPOTILA, RESIGNED.

DEPARTMENT OF JUSTICE

DANIEL J. BRYANT, OF VIRGINIA, TO BE AN ASSISTANT ATTORNEY GENERAL, VICE ROBERT RABEN, RESIGNED.

CONFIRMATION

EXECUTIVE NOMINATION CONFIRMED BY THE SENATE MARCH 28, 2001:

DEPARTMENT OF STATE

GRANT S. GREEN, JR., OF VIRGINIA, TO BE AN UNDER SECRETARY OF STATE (MANAGEMENT).

EXTENSION OF REMARKS

HONORING LABOR LEADER CESAR CHAVEZ WITH A NATIONAL HOLIDAY

HON. CIRO D. RODRIGUEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. RODRIGUEZ. Mr. Speaker, I rise today to commemorate the lasting contributions of a true American hero, Cesar Chavez. On April 23, 1992, Cesar Estrada Chavez ended his 66-year crusade against injustice in much the same way he began it—quietly and peacefully. More than 40,000 people participated in his funeral, honoring a hero who brought dignity to the voiceless men, women, and children laboring in America's crop lands. Now, on the March 31st anniversary of his birth, Congress is slated to consider H. Con. Res. 3, the first step in establishing a permanent federal holiday to honor Cesar Chavez.

President Clinton posthumously awarded Cesar Chavez the Medal of Freedom in recognition of his outstanding contributions to American labor. Chavez was also inducted into the U.S. Labor Department's Hall of Fame, the first Hispanic to be given this honor. This weekend, I will proudly take to the streets of San Antonio, Texas, with thousands of South Texans to honor Cesar Chavez and La Causa during San Antonio's annual March for Justice.

Though awards and commemoration are important, Cesar Chavez did not seek out recognition for himself. Instead, he fought for what he called La Causa. For the millions of exploited and vulnerable farmworkers who, from dawn till dusk, plant, plow, and pick, La Causa was a tireless commitment to improving their plight, a recognition of the injustices they suffer.

His commitment transcended the hot, dusty fields. He was a husband, father, grandfather, labor organizer, community leader, and an icon for the ongoing struggle for equal rights and equal opportunity. Beyond agrarian America, he organized community voter registration drives, pushed for safer working conditions, and stood up to those who would deny his fellow laborers their basic human rights. The migrant schools he worked so hard to establish are a testament to his exhaustive efforts and a rare opportunity for many of America's laboring children to escape poverty.

Chavez rose from a fruit and vegetable picker to the head of the United Farm Workers of America (UFW). From the beginning, he worked to instill in the UFW the principals of non-violence practiced by Mahatma Gandhi and Dr. Martin Luther King, Jr. When the UFW began striking in the 1960s to protest the treatment of farm workers, the strikers took a pledge of non-violence. The 25 day fast Chavez conducted reaffirmed the UFW's commitment to this principle.

For those of us who lived through this tumultuous era, we heard of the great odds Chavez faced as he led successful boycotts of grapes, wine, and lettuce in an attempt to pressure California growers to sign contracts with the UFW. Through his boycott, Chavez was able to forge a national support coalition of unions, church groups, students, minorities, and consumers. By the end of the boycott everyone knew the chant that unified all groups, "Sí se puede."—yes we can. It remains a chant of encouragement, pride and dignity.

America has seen few leaders like Chavez. But his battle is not over. Those of us who continue his fight do so in order to give voices to the voiceless laborers no matter where they work or who they are. To honor his memory, Congress should pass H. Con. Res. 3, another step in the ongoing struggle to make his birthday a national day of remembrance.

In his own words, "I am convinced that the truest act of courage, the strongest act of humanity, is to sacrifice ourselves for others in a totally non-violent struggle for justice . . . to be human is to suffer for others . . . God help us be human." Let us take these words and move forward in our continuous struggle for justice.

IN TRIBUTE TO MIKE ROTKIN

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. FARR of California. Mr. Speaker, I rise today to honor a public servant of the highest order, a man who has given over two decades of his life to the community. Mr. Speaker, Mike Rotkin of Santa Cruz, California, has recently celebrated the milestone of twenty-one years of public service, a most commendable celebration.

After living in Santa Cruz since 1969, when he came as a graduate student to the University of California, Mr. Rotkin decided to put his activism into action. He began his civic life in 1977, when he was first elected to the Santa Cruz City Council. Since that time, he has served on various city commissions, including his time as Chairperson for the Metropolitan Transit Commission. Mike was elected Mayor of Santa Cruz in 1981, and has served two other terms as Mayor since then.

Mr. Rotkin's service extends beyond the role of politician. An active voice in the community, he regularly addresses city and national issues in letters to our local newspapers, and by enmeshing himself in a myriad of causes. His commitment to the community is demonstrated by his position as a Lecturer at the University of California, Santa Cruz, where he teaches and advises students on taking an active role in both the local and international realms. Indeed, many of his students have interned in my offices.

In a time when a lifelong career in public service is looked down upon, and activism and interest in government is declining, it is refreshing to see individuals like Mike Rotkin. I applaud his efforts over the past twenty-one years to work with and for the people of Santa Cruz, and I join his colleagues in thanking him for his tireless efforts.

INTRODUCTION OF THE ''CELLULAR TELECOMMUNICATIONS DEPRECIATION CLARIFICATION ACT''

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. CRANE. Mr. Speaker, I am pleased to join with Representative NEAL and Ms. JOHNSON, Ms. DUNN, and Mr. JOHNSON of the Committee on Ways and Means in introducing the "Cellular Telecommunications Depreciation Clarification Act." This legislation will amend the Internal Revenue Code to clarify that cellular telecommunications equipment is ''qualified technological equipment'' as defined in section 168(i)(2).

When an asset used in a trade or business or for the production of income has a useful life that extends beyond the taxable year, the costs of acquiring or producing the asset generally must be capitalized and recovered through depreciation or amortization deductions over the expected useful life of the property. The cost of most tangible depreciable property placed in service after 1986 is recovered on an accelerated basis using the modified accelerated cost recovery system, or MACRS. Under MACRS, assets are grouped into classes of personal property and real property, and each class is assigned a recovery period and depreciation method.

For MACRS property, the class lives and recovery periods for various assets are prescribed by a table published by the Internal Revenue Service found in Rev. Proc. 87–56, 1987–2 C.B. 674. This table lists various Asset Classes, along with their respective class lives and recovery periods. Rev. Proc. 87–56 does not specifically address the treatment of cellular assets, but rather addresses assets used in traditional wireline telephone communications.

These wireline class lives were created in 1977 and have remained basically unchanged since that time. In 1986, Congress added a category for computer-based telephone switching equipment, but there are no asset classes specifically for cellular communications equipment in Rev. Proc. 87–56. This is largely due to the fact that the commercial cellular industry was in its infancy in 1986 and 1987. Since the cellular industry was not specifically addressed in Rev. Proc. 87–56, the

cellular industry has no clear, definitive guidance regarding the class lives and recovery periods of cellular assets. Therefore, the Internal Revenue Service and cellular companies have been left to resolve depreciation treatment on an ad hoc basis for these assets as the industy has rapidly progressed.

The result is that both cellular telecommunications companies and the Internal Revenue Service are expending significant resources in auditing and settling disputes involving the depreciation of cellular telecommunications equipment. This process is obviously costly and inefficient for taxpayers and the Service, but it also leaves affected companies with a great deal of uncertainty as to the tax treatment, and therefore expected after-tax return, they can expect on their

The Treasury Department's ''Report to the Congress on Depreciation Recovery Periods and Methods'' tacitly acknowledges this point. In its discussion about how to treat assets used in newly-emerging industries, such as the cellular telecommunications industry, the report states:

> [t]he IRS normally will attempt to identify those characteristics of the new activity that most nearly match the characteristics of existing asset classes. However, this practice may eventually become questionable in a system where asset classes are seldom, if ever, reviewed and revised. The cellular phone industry, which did not exist when the current asset classes were defined, is a case in point. This industry's assets differ in many respects from those used by wired telephone service, and may not fit well into the existing definitions for telephony-related classes.

Rather than force cellular telecommunications equipment into wireline telephony ''transmission'' or ''distribution'' classes, a better solution would clarify that cellular telecommunications equipment is ''qualified technological equipment.'' The Internal Revenue Code currently defines qualified technological equipment as any computer or peripheral equipment and any high technology telephone station equipment installed on a customer's premises.

The cellular telecommunications industry has been one of the fastest growing industries in the United States since the mid-1980s, as evidenced by the following statistics:

The domestic subscriber population has grown from less than 350,000 in 1985 to 86 million by 1999, and is projected to grow to 175 million by 2007.

The industry directly provided 4,334 jobs in 1986, which grew to over 155,000 directly provided jobs and one million indirectly created jobs by 1999.

Capital expenditures on cellular assets exceeded $15 billion in 1999.

The rapid technological progress exhibited by the cellular telecommunications industry illustrates how the tax code needs to be flexible to adapt to future technologies and technological changes. Continued rapid advancement is on the horizon, including wireless fax, high-speed data, video capability, and a multitude of wireless Internet services. It is impossible in 2001 to anticipate properly the new equipment that will support this growth even two years hence. I urge my colleagues to support this important clarification to the tax law.

IN HONOR OF MS. JAZMYN SMITH

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. THOMPSON of Mississippi. Mr. Speaker, I rise today to pay tribute to a young Mississippi student from my district who has achieved national recognition for exemplary volunteer service in her community, Jazmyn Smith of Greenville, Mississippi has just been named one of my state's top honorees in The 2001 Prudential Spirit of Community Awards program, an annual honor conferred on the most impressive student volunteers in each state, the District of Columbia, and Puerto Rico.

Ms. Smith is being recognized for the creation of a youth service club that gives teens a safe and healthy social outlet while providing valuable volunteer service to the community.

In light of numerous statistics that indicate Americans today are less involved in their communities than they once were, it's vital that we encourage and support the kind of selfless contribution this young citizen has made. People of all ages need to think more about how we, as individual citizens, can work together at the local level to ensure the health and vitality of our towns and neighborhoods. Young volunteers like Ms. Smith are inspiring examples to all of us, and are among our brightest hopes for a better tomorrow.

The program that brought this young role model to our attention—The Prudential Spirit of Community Awards—was created by The Prudential Insurance Company of America in partnership with the National Association of Secondary School Principals in 1995 to impress upon all youth volunteers that their contributions are critically important and highly valued, and to inspire other young people to follow their example. Over the past six years, the program has become the nation's largest youth recognition effort based solely on community service, with nearly 100,000 youngsters participating since its inception.

Ms. Smith should be extremely proud to have been singled out from such a large group of dedicated volunteers. I heartily applaud Ms. Smith for her initiative in seeking to make her community a better place to live, and for the positive impact he has had on the lives of others. She has demonstrated a level of commitment and accomplishment that is truly extraordinary in today's world, and deserves our sincere admiration and respect. Her actions show that young Americans can—and do—play important roles in our communities, and that America's community spirit continues to hold tremendous promise for the future.

Mr. Speaker, I ask that you join me in saluting a great young role model, Ms. Jazmyn Smith.

RETIRING DEPUTY ADMINISTRATOR OF THE DRUG ENFORCEMENT ADMINISTRATION JULIO F. MERCADO

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. BARR of Georgia. Mr. Speaker, I have often said that one man can make a difference. And I will always hold on to that belief, because it goes to the very core of what America is all about. We are a free nation, fashioned out of the heroic efforts of men and women who never considered that failure was an option. Each one made a difference.

The recent retirement of Julio F. Mercado, the Deputy Administrator of the Drug Enforcement Administration, brings to a close a distinguished 28-year career in Law Enforcement. Julio Mercado served his country and he made a difference during the nearly three decades that he wore a badge and carried a gun. Special Agent Mercado is one of those American patriots who has always made a difference. Born in Puerto Rico and growing up in the South Bronx of New York City he knew why law enforcement must be a community-based effort, better than anyone else. The enforcement of the rule of law and community participation has been the hallmark of his career.

His concept of service to his country always transcended his own personal plans and desires; as you could ask his wife, Elizabeth, and his four children. His duty came first initially as a United States Marine, then as a dedicated lawman, and lastly, as a concerned and active citizen of this great nation. The men that served with him in the United States Marine Corps would have followed him anywhere . . . because he is a leader. The Policemen he served with in the 47th Precinct in the New York Police Department considered him a ''cop's cop''. His fellow D.E.A. agents knew that when Julio Mercado was on a case, everything would turn out alright and everyone would go home in one piece. There is no greater praise for a D.E.A. agent working the streets.

His technical and tactical competence set the standard for the men and women who followed him. His undercover work, in the most dangerous of situations, is the stuff that legends are made of. He rose to the very top of his profession in the D.E.A. by working harder than anyone else while always extending that helping hand to others at each and every opportunity. He risked his life in the line of duty on many occasions. He is

Julio Mercado has been recognized for his service by law enforcement organizations throughout the globe. Perhaps the Colombian Antinarcotics Agents said it best when last January, he was awarded the Distinguished Service Cross of the Colombian National Police, the highest award presented to an American. The citation described him as a law enforcement official of great courage, dedication and wisdom. These words came from a police force that has suffered over 5,000 policemen killed in the past decade, fighting the war on drugs. They more than anyone else, captured

the essence of what Julio F. Mercado has meant to international law enforcement. His name is spoken with great respect and warmth wherever honest cops gather. He is truly a ''cop's cop.''

I am proud to stand in the halls of the United States Congress to recognize Julio F. Mercado for his superb service to this great nation. He is a role model for young Americans. He grew up in the D.E.A. and the D.E.A. grew with him. The success of this great law enforcement agency is the culmination of the efforts of men and women like Julio Mercado. His story is an outstanding example of how one man, who came from humble beginnings, can serve his country and his fellow man and can truly make a difference. Our country owes him and his family, a great debt of gratitude.

JULIO F. MERCADO, DEPUTY ADMINISTRATOR, DRUG ENFORCEMENT ADMINISTRATION, U.S. DEPARTMENT OF JUSTICE

Julio F. Mercado began his law enforcement career with the New York Police Department, assigned to the 47th Precinct, in 1973. During that period, he worked with DEA as part of the Task Force. Mr. Mercado's employment with DEA commenced in 1979, with his assignment to the New York Field Division. During his tenure, he conducted nearly 700 undercover buys and had a 100% conviction rate. Mr. Mercado, who is fluent in the Spanish language, remained in New York until his assignment to San Juan, Puerto Rico, in 1984. He was promoted to Group Supervisor in 1987 and was transferred to the McAllen District Office, McAllen, Texas. In 1990, Mr. Mercado received his first Headquarters assignment and served as Staff Coordinator of the Heroin Investigations Section until 1992. Next, he was assigned to the Special Operations Division, where he served as the Deputy Chief. In 1995, Mr. Mercado was promoted to Assistant Special Agent in Charge, Caribbean Division, San Juan, Puerto Rico. During this assignment he became involved in many high-profile cases, as well as community drug education and prevention programs in Puerto Rico.

Mr. Mercado was selected as Special Agent in charge, Dallas Field Division, Dallas, Texas, on February 21, 1997, and reported on May 25, 1997. On November 2, 1999, Mr. Mercado was named Acting Deputy Administrator of the DEA and was confirmed by the U.S. Senate as Deputy Administrator on June 29, 2000. He was sworn in on September 12, 2000.

Mr. Mercado is a member of the Greater Dallas Crime Commission; the Texas Police Chiefs Association; the International Association of Chiefs of Police; the League of United Latin American Citizens, and the Texas Narcotics Officers Association. He attended John Jay College in New York, with a major in Criminal Justice.

Mr. Mercado and his wife, Elizabeth, have four children and four grandchildren.

HONORING MR. JOHN YOUNGER OF NASHVILLE, TENNESSEE ON THE OCCASION OF HIS RETIREMENT

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. CLEMENT. Mr. Speaker, I rise today to honor Mr. John Younger of Nashville, Tennessee, on the occasion of his retirement. John Younger's thirty-year career in education has fittingly culminated in his most recent position as headmaster at Franklin Road Academy (FRA). Younger has risen to the top of his profession both in the public and private school systems.

John Younger is well respected by his peers and former students as a master educator. In fact, Mr. Younger taught me as a student at Hillsboro High School. We've been privileged to work together over the years in many capacities. I consider him a good friend and mentor.

Younger earned a B.S. degree from Middle Tennessee State University (MTSU) and a Master's of Mathematics and Educational Administration from George Peabody College. He is the Chairman of the Board of the Tennessee Teachers Credit Union and also chairs the Personnel Committee at Christ Episcopal Church.

Mr. Younger is a familiar face to students in Nashville. Beginning at the teaching level, he spent a number of years as an educator in the Davidson County Metropolitan School System teaching mathematics at both Hillsboro and Issac Litton High Schools, as well as coaching football, basketball and track.

His move to the administrative level came in 1965, when he was named assistant principal for Highland Heights Junior High School. In 1967 he became principal at Bellevue High School overseeing more than 750 seventh through twelfth grade students.

Due to his outstanding performances, Younger was recruited for the ''central office'' at Metro Schools, where he initially served as Supervisor of Mathematics. In this position, he developed the math curriculum, selected textbooks, assigned teachers, and coordinated staff development for the entire Metro School System.

Continuing with Metro Schools, Younger was named Director of Employer Relations, where he negotiated for all employees in the school system, developed personnel policies, and resolved grievances. In 1978, Younger became the Assistant Superintendent for Business Services where he was responsible for all business and financial activities of Metro Schools. Again climbing in Metro Schools, he was named Assistant Superintendent for Administrative Services, accountable for school programs involving 67,000 students before retiring from the public school system.

However, Younger returned to education when approached by the Board of Trustees at FRA in 1994 to become the Director of Business and Finance. Soon after making the transition to Franklin Road Academy (FRA) he was asked to spearhead an effort to construct a new middle school and fine arts center. His time at FRA has proven extremely fruitful and produced much growth.

Further, he has been active in civic and community organizations, serving on the boards of the PENCIL Foundation, the American Heart Association, the East Nashville YMCA, and the Old Hickory Country Club. Additionally, he is past president of the Tennessee Association of School Business Officials.

John Younger has been recognized for his outstanding contributions to the educational field numerous times by his peers. These awards include: Tennessee's Outstanding Achievement Award from Governor Ned Ray McWherter in 1992; Educational Administrator of the Year for Metropolitan Nashville Schools; Distinguished Service Award and Life Membership Award from the Tennessee Association of School Business Officials; and Distinguished Member Award from the Southeastern Association of School Business Officials.

Younger's wife Jessica is a teacher with experience in both public and private schools throughout Middle Tennessee. They have one daughter, Mary Clare, of Knoxville.

Although John Younger is a man of stature in the community, he is never too busy to stop and listen to students or serve those around him. His life is a true success story—one of joy, humility, faith, friendship, and truth. I wish him the best in his retirement and all of his future endeavors.

BLUE COLLAR GOVERNMENT EMPLOYEES DESERVE BETTER

HON. CIRO D. RODRIGUEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. RODRIGUEZ. Mr. Speaker, I rise on behalf of the 225,000 blue-collar employees who work for the federal government. These trade, craft, and labor employees are essential to our federal government's daily operation, yet we are not treating them with respect and dignity by paying them fairly under the Federal Wage System. Today I am introducing legislation, the Federal Wage Worker Pay Fairness Act of 2001, which addresses the fundamental problems with our federal wage system.

Blue-collar federal employees, a majority of whom work for the Department of Defense (DoD) and the Department of Veterans Affairs (VA), are key to the security and defense of our nation. They perform a range of duties critical to the success of military missions and the safety of our soldiers. They maintain our tanks and fighter planes, they repair ships and they handle munitions. It is by their sweat and hard work that we show our commitment to and support of our armed forces.

Wage grade employees in the VA are the men and women who work to fulfill America's promise to our veterans. Many of these workers are veterans themselves. They are the food service employees who prepare and deliver the nourishment veterans need to heal and recover from illness. They are the housekeepers who do the dirty and often hazardous work of maintaining a safe and clean hospital. They are the carpenters, mechanics, and electricians who keep the VA hospitals operating 24 hours-a-day, seven days a week.

The pay for wage grade employees is supposed to be set according to local prevailing rates—rates which compare to the same types of jobs performed by their non-federal counterparts. But for too long, federal employees have not been compensated at prevailing rates. They are not making a living wage. Many of the wage grade workers at the lower grades cannot afford the premiums on their federal health insurance plans. Some are even

eligible for food stamps and hover just above the poverty level.

The Federal Wage System for these dedicated and hardworking employees is a failure. It is time to do the right thing for these workers.

The American Federation of Government Employees, AFL–CIO, the largest federal employee union, has been vigilant in urging Congress to provide the needed redress to the injustices in the Federal Wage System. My legislation, the Federal Wage Worker Pay Fairness Act of 2001, does so and is supported by AFGE.

First, the bill would guarantee wage grade workers an annual pay raise.

Unlike their white-collar co-workers, wage grade employees are not guaranteed any annual pay raise. The nationwide General Schedule (GS) and locality pay raise we in Congress approve every year are not given to federal employees in blue-collar occupations.

It is unfair for the federal government to single out one segment of its workforce for impoverishment. A basic across the board pay adjustment each year is necessary to offset increases in their federal health care premiums as well as general increases in the cost of living. No employee of the U.S. government should see steady decreases in purchasing power from persistent wage stagnation.

Wage grade workers have seen their paychecks purchase less and less. For example, from 1984 to 1999, the pay of a General Schedule–11, step 4, employee at Warner Robins Air Force Base, in Georgia, kept pace with inflation. The pay of a Wage Grade–10, step 2, employee fell by about half. In other words, the wage grade employee's wage increases only made up for half of the increase in prices measured by the Consumer Price Index. And this loss of purchasing power doesn't even reflect the skyrocketing costs of federal health care premiums, which rose by 30 percent in the past few years.

Providing all federal blue collar workers with a minimum annual wage adjustment equal to General Schedule increases is budget neutral because of the federal government's budget assumes that wage grade workers would be awarded the GS pay raise.

Second, the legislation would lift the caps on blue-collar pay increases.

On top of not being guaranteed an annual GS pay raise, any raise blue collar workers can receive is capped at the average nationwide GS pay raise. This is unfair and wrong. If federal agencies are to remain competitive we must stop imposing an artificial and arbitrary cap on blue-collar pay raises.

Third, my legislation would end the discriminatory practice of paying Department of Defense wage grade employees less than their counterparts in VA by restoring Monroney requirements to DoD.

The ''Monroney amendment'' to the Federal Wage Schedule requires the government to look outside the relevant wage survey area if there is an insufficient number of analogous private sector jobs to calculate blue-collar pay. This requirement is logically necessary to ensure that the prevailing wages are based on comparable work.

In 1985, the law was amended to exclude DoD from the Monroney amendment's requirement. As a result, in San Antonio, a Wage Grade–11, step 5 blue-collar worker in the VA or other federal departments earn $18.26 an hour but his or her counterpart in DoD earns $.69 less an hour, or $17.57. On overtime, that 69 cent differential becomes $1.04 an hour in lost pay. While 69 cents an hour or $1.04 an hour more may not seem much, it adds up for individual employees who are trying to support their families.

Fourth, the legislation would simplify the data collection and administration of the Federal Wage Schedule.

The bill would consolidate the areas surveyed for wage rates from the current 133 localities in the Federal Wage Schedule to the 32 localities drawn by the federal salary council used to set the pay for virtually every other federal employee under the Federal Employees Pay Comparability Act (FEPCA). These 32 regions are a more modern and accurate reflection of contemporary labor markets and commuting patterns. Simplifying the areas of data collection used to calculate wage schedules from 32 localities rather than 133 would yield considerable savings.

The legislation would also transfer responsibility for data collection from the lead agency, the Department of Defense, to the Bureau of Labor Statistics. This federal agency collects data used for other federal pay systems, most notably the GS white collar system. It already conducts data collection in the relevant localities, matching federal and non-federal jobs. While this change would impose new costs on the BLS, the consolidation of localities means that the cost of data collection to the government will go down overall.

Mr. Speaker, the single most important measure of a pay-setting system—for either white or blue-collar workers—is whether it allows workers to earn sufficient income to support a family in a decent fashion. Does it produce at least a stable standard of living? Does it hold out the hope that in good economic times, improvements in the standard of living are possible? Our current system does not.

The Federal Wage Worker Pay Fairness Act of 2001 would correct the fundamental errors in the current pay-setting system for federal blue-collar workers to ensure that they have a chance at a decent and stable standard of living. I urge my colleagues to support this legislation on behalf of our nation's federal workforce.

IN TRIBUTE TO JADE MANSFIELD

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. FARR of California. Mr. Speaker, I rise today to honor the life of Jade Allison Mansfield, a woman who lived a rich and service-filled life before suddenly passing away at the age of forty-one. Uniformly described as a pillar of the community, Jade's drowning on February 19 is a very unfortunate loss to south Monterey County. Jade personified the best in civic spirit and was well-known throughout south Monterey County for the many diverse causes she undertook in order to better her community.

Jade, a lifelong resident of Monterey County, was born in Salinas on December 9, 1959. She served for four years in the United States Air Force as a crew chief and aircraft mechanic for the F4 fighting jet. While managing a successful bakery in Palo Alto, Jade earned a degree in Political Science from California State University San Francisco and a Doctor of Jurisprudence Law from Monterey College of Law.

Upon completion of her law degree, Jade embarked on an impressive career of community service, volunteering her services to low-income senior citizens at a local non-profit legal services office. She eventually became Legal Service's for Seniors' full time attorney, assisting dozens of clients a year in her work to protect seniors against elder abuse and financial scams.

In addition to her work on behalf of the elderly, Jade ran a law practice assisting low-income clients in south Monterey County, providing much-needed legal assistance to those least able to obtain it. Prior to earning her law degree, she worked in the Monterey County government, helping those who needed aid.

Her generosity of spirit and her commitment to her community are further demonstrated by the active role she undertook in her neighborhood, and the answering support she showed towards her grandmother. Jade worked hard in her role as President of her rural homeowners association, and was tireless in ensuring that her neighbors had clean water and in providing other small services. She happily took on the responsibility of managing her grandmother's affairs when her grandmother was no longer able to care for herself; in this service she donated many hours each week to visiting and caring for her grandmother.

Jade deeply touched the lives of those around her; her intelligence, wit, and absolute joy in life were truly remarkable. Her recommitment to assisting others was manifest in all aspects of her life. Jade's passing is a terrible loss throughout Monterey County, but especially to her friends and family, the legal community, the elderly, and the countless others who knew or were assisted by her. Her energy, tenacity, and kindness will be deeply missed by all who knew her.

INTRODUCTION OF ''THE INTERNATIONAL COMPETITIVENESS ACT''

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. CRANE. Mr. Speaker, today I am introducing the International Competitiveness Act, along with my colleagues Congresswoman JENNIFER DUNN, Congressman ADAM SMITH, and Congressman RICHARD HASTINGS. This legislation would eliminate an irrational provision in our tax code that reduces the amount of foreign capital flowing into the United States, and redirects some of the capital that flows in away from U.S.-based mutual funds toward foreign-based mutual funds.

Under present law, most kinds of interest income and short-term capital gains received directly by a foreign investor or received through a foreign mutual fund are not subject to the 30 percent withholding tax on investment income. However, interest income and short-term capital gains earned by a U.S. mutual fund on its holdings are recharacterized as dividend income when distributed to a foreign investor and is therefore subject to the withholding tax.

Mutual funds are very popular tools for investors. Many foreign investors, like U.S. investors, prefer to rely on professional managers of mutual funds in choosing an appropriate portfolio, rather than having to do the research themselves. However, a foreign investor looking to invest in the U.S. currently has two options. The first option is to pay a steep withholding tax on all income and short-term capital gains earnings from a U.S. mutual fund, or invest through a foreign mutual fund. Few foreign investors are willing to bear a 30 percent withholding tax, and so they either invest through the foreign mutual fund or forego investing in the United States. Either way, the real loser is the United States.

As Chairman of the Ways and Means Subcommittee on International Trade, I also look at this issue from a trade policy perspective lens. And this lens shows me that we have in this tax provision an artificial barrier to the free flow of trade in the form of financial services and to the free flow of capital. In this respect the current income tax clearly gives foreign mutual funds as competitive advantage with no compensatory advantage gained by any American interest whatsoever.

Mr. Speaker, I believe this legislation makes good sense as tax policy, trade policy, and economic policy, and I urge my colleagues to lend it their support.

IN HONOR OF MS. QUEENEICE GANISON

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. THOMPSON of Mississippi. Mr. Speaker, I rise today to pay tribute to a young Mississippi student from my district who has achieved national recognition for exemplary volunteer service in her community. Queeneice Ganison of Greenville, Mississippi has just been named one of my state's top honorees in The 2001 Prudential Spirit of Community Awards program, an annual honor conferred on the most impressive student volunteers in each state, the District of Columbia and Puerto Rico.

Ms. Ganison is being recognized for coordinating a project to combat underage drinking, which included developing and presenting workshops and slide shows to area middle school and high school students.

In light of numerous statistics that indicate Americans today are less involved in their communities than they once were, it's vital that we encourage and support the kind of selfless contribution this young citizen has made. People of all ages need to think more abut how we, as individual citizens, can work together at the local level to ensure the health and vitality of our towns and neighborhoods. Young volunteers like Ms. Ganison are inspiring examples to all of us, and are among our brightest hopes for a better tomorrow.

The program that brought this young role model to our attention—The Prudential Spirit of Community Awards—was created by The Prudential Insurance Company of America in partnership with the National Association of Secondary School Principals in 1995 to impress upon all youth volunteers that their contributions are critically important and highly valued, and to inspire other young people to follow their example. Over the past six years, the program has become the nation's largest young recognition effort based solely on community service, with nearly 100,000 youngsters participating since its inception.

Ms. Ganison should be extremely proud to have been singled out from such a large group of dedicated volunteers. I heartily applaud Ms. Ganison for her initiative in seeking to make her community a better place to live, and for the positive impact she has had on the lives of others. She has demonstrated a level of commitment and accomplishment that is truly extraordinary in today's world, and deserves our sincere admiration and respect. Her actions show that young Americans can-and do-play important roles in our communities, and that America's community spirit continues to hold tremendous promise for the future.

Mr. Speaker, I ask that you join me in saluting a great young role model, Ms. Queeneice Ganison.

INTRODUCTION OF LEGISLATION SEEKING TO RESTORE THE UNITED STATES ASSAY COMMISSION

HON. STEVEN R. ROTHMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. ROTHMAN. Mr. Speaker, I rise today to announce my introduction of a House Resolution designed to re-authorize the creation of the United States Assay Commission, an American institution that was initiated in 1792.

The Assay Commission was authorized by the original Mint Act of April 2, 1792 and continued to meet each year (with the exception of 1815) until about 20 years ago, when it was finally abolished in 1980. During that time, it was the oldest continually operating committee in the federal government and brought in outside people to maintain oversight over the operations of the U.S. Mint.

Originally authorized as part of the nation's first Mint Act of April 2, 1792, the purpose of the Assay Commission was to examine the nation's coins on an annual basis and certify to the President, Congress, and the American people that gold and silver coins had the necessary purity, the proper weight, and necessarily, value.

Among the earliest members, statutorily, were Thomas Jefferson, James Madison, James Monroe, Alexander Hamilton, and even the Chief Justice of the Supreme Court. Starting about 140 years ago, some members of the general public were invited to participate, and at the time that the Coinage Act of 1873 was passed, it was codified that the President had the right to appoint members of the Assay Commission from the general public at large. That practice continued for more than a century, though after 1970 there were no longer silver coins to review.

By the time that the Assay Commission was abolished in the Carter Administration as part of the President's re-organization project, it no longer served any valid function because the U.S. Mint was no longer producing gold or silver coinage—whether of a circulating or of a commemorative nature.

Starting in 1982, the Mint began anew producing contemporary commemorative coinage from .900 fine silver. By 1984, gold commemorative coins for the Olympic games were added, and since then the U.S. Mint has produced hundreds of millions of dollars worth of retail sales of gold, and silver commemorative coinage. Since 1986, the Mint began producing gold, silver and platinum bullion coins which are now widely traded all over the world.

Mr. Speaker, I recall that in the mid-1980's, lacking outside oversight, a problem was discovered in one of the Mint's bullion products. It appears, from the official Mint records, that some fractional gold eagle coins (those weighing less than an ounce) did not have the proper fineness or weight in gold. Because of this, there was a serious marketing problem in the Far East, as confidence in this uniquely American product diminished.

Today, the United States Mint is a business that, were it in privately controlled hands, would constitute a Fortune-500 corporation.

It has come to my attention that an informal, ad hoc group of former Presidential appointees, all former Assay Commissioners, have suggested that it is time for the Mint to have the oversight of the Annual Assay commission. In fact, this distinguished group reiterated their concern this past summer at a reunion meeting held in the Assay Room of the Philadelphia Mint in conjunction with the American Numismatic Association's anniversary convention.

Service on the commission is essentially an honorary task, as the members of the committee have historically paid for all of their own expenses, including their transportation costs and overnight stay at Philadelphia's Mint when necessary.

There are obviously minor costs associated with it, but each of these is quite capable of being covered by the Mint's rotating Enterprise fund.

Mr. Speaker, an article advocating the restoration of the annual Assay Commission written by Fair Lawn, New Jersey Mayor, David L. Ganz, appeared in Numismatic News, a weekly coin hobby periodical. I would ask that this article be reprinted, in full, in the CONGRESSIONAL RECORD.

In the course of two centuries of existence, more than a thousand individuals served on the annual Assay Commission. During the era when the Mint was active in promoting commemorative coinage, they constituted a group who not only participated in their government first hand, but also thereafter served as good-

will ambassadors for the products of the United States Mint.

The Mint has dozens of products that it offers to collectors, and since the 50 state quarter program began, the ranks of those collecting coins has grown from three to five million Americans to more than 125 million people collecting state quarters. Some of those state quarters are made of coin silver, and having citizens retain some oversight over these coins not only keeps consumer confidence in the Mint's operations high, but affords the rare opportunity for citizens to regularly, and actively, participate in their government.

I urge my colleagues to help me re-authorize the Assay Commission by cosponsoring the legislation that I have introduced today.

[From the Numismatic News, Oct. 5, 1999]

TIME TO CONSIDER REVIVING THE ASSAY COMMISSION

(By David L. Ganz)

Let me set the stage. A quarter century ago this past February, Richard Nixon was in the final throes of his star-crossed Presidency, though no one yet suspected that Watergate was about to become his ultimate downfall and lead to probable impeachment. American coinage of 1974 was devoid of silver, and private gold ownership had been illegal since 1933, except for rare and unusual gold coin of that era or earlier, unless the Office of Domestic Gold & Silver Operations gave a rarely sought, seldom-granted license to acquire the particular specimen. As Washington hunkered down for a difficult winter storm, the White House press office was readying a press release that would surprise many for the number of Democrats and other non-supporters of President Nixon that were to be listed—not the so-called Enemy's List, but actually a designation to public service.

The weeks before had been trying for the applicants, many of whom had written letters, sent resumes, asked political contacts for a personal boost, responded to background checks that were initiated by government staff, followed up by security agencies interested in potential skeletons that could prove embarrassing to the White House if found in a presidential appointee. First inklings of what was to transpire probably came to most individuals in the form of a telephone call on Friday, Feb. 8 from Washington, asking if the prospect could be available for official travel the following week on Tuesday. Arrangements were strictly on your own, as were virtually all of the associated expenses in traveling to Philadelphia. What this preparation was for was the Trial of the Pyx, the annual Assay Commission, a tradition stretching back to 1792, and at that time, the oldest continually operating commission in the Untied States government.

First of the commissions, which were mandated by the original Coinage Act of April 2, 1792 were deemed so essential to the confidence of the public in the national money that section 18 of the legislation directed that the original inspectors were to include the chief Justice of the United States, the Secretary and Comptroller of the Currency, the Secretary of the Department of State, and the Attorney General of the United States. This was neither a casual request nor one that was considered so unimportant an aide could attend. The statute is explicit: this who's who ''are hereby required to attend for that purpose'', meaning that in July of 1795, chief justice John Jay, Secretary of State Edmund Randolph, Treasury Secretary Alexander Hamilton, Attorney General William Bradford may have gathered.

In the Jefferson Administration, consider this remarkable group: Chief Justice John Marshall; Secretary of State (and future president) James Madison; Secretary of the Treasury Albert Gallatin, Attorney General Caesar Rodney might all have been there. By 1801, the statute had been amended to add the United States District Judge for Pennsylvania as an officer at the Annual Assay, and by the time that the Act of January 18, 1837 was approved, the cabinet officials and the Chief Justice were omitted in favor of the U.S. District Court Judge from the Eastern District of Pennsylvania (the state having been divided in half for judicial purposes), other governmental officials, and ''such other persons as the President shall, from time to time, designate for that purpose, who shall meet as commissioners, for the performance of this duty, on the second Monday in February, annually. . . . .'' Flash forward to 1974. The call comes from Washington. A trek begins to Philadelphia, where it has begun to snow. Dozens of people from all across the country come to serve on the Assay Commission, all traveling at their own expense.

Starting in the midst of the Truman Administration, a serious numismatist or two had begun to be appointed. Some who assisted the government in some numismatic or related matter were similarly given the honor. Among the early appointees: Max Schwartz (1945), the New York attorney who later became ANA's legal counsel; Ted Hammer (1947), John Jay Pittman (1947), Adm. Oscar Dodson (1948), and Hans M.F. Schulman (1952). Some came by air (from California); others drove. I came by train, on Amtrak's Metroliner, leaving from New York's Penn Station and arriving an hour and a half later at Philadelphia's station by the same name. Those who came in February, 1974, gathered on Tuesday evening, Feb. 12, at the Holiday Inn off Independence Mall, and unlike years when there were only one or two hobbyists, this was a banner year. (I almost did not attend; having started law school just three or four weeks before, I had to petition the Dean of the School to permit the attendance lapse and honor the presidential appointment).

My classmates, as we have referred to ourselves over the succeeding quarter century, included some then and future hobby luminaries: Don Bailey (former officer of Arizona Numismatic Association), John Barrett (member of several local clubs), Dr. Harold Bushey, Sam Butland (Washington Numismatic Society V.P.), Charles Colver (CSNA Secretary), David Cooper (CSNS v.p.), George Crocker (S.C.N.A. president), Joe Frantz (OIN Secretary), Maurice Gould (ANA governor), Ken Hallenbeck (past president, Indiana State Numismatic Assn.). Also: Dr. Robert Harris, Jerry Hildebrand (organizer World Coin Club of Missouri), Richard Heer, Barbara Hyde (TAMS Board member, sculptor), Philip Keller (past president of the American Society for the Study of French Numismatics), Reva Kline (member of several upstate New York coin clubs), Stewart Koppel (past president, Aurora, Ill. Coin Club), Charles M. Leusner (Delaware Co. Coin Club). Rounding out the Commission: Capt. Gary Lewis (past president of Colorado-Wyoming Numismatic Association), Fred Mantei (past president Flushing Coin Club), Lt. Col. Melvin Mueller (member of many local and regional clubs), James L. Miller (COINage Magazine publisher), John Muroff (Philadelphia Coin Club member), and Harris Rusitzsky (Rochester Numismatic Association member). I was also a member (law student and former assistant editor, Numismatic news).

This rather remarkable group of men and women, the White House and Mint joint announcement announced, were appointed by the President ''from across the nation . . . the 25 Commissioners, working in such varied fields as medicine, dentistry, law, engineering, forestry research and the military, share a common interest in coins and the science of numismatics.'' Early in its history, and indeed, into the first half of the 20th century, the appointees were either political themselves, or politically connected. Ellen (Mrs. Irving) Berlin, Commissioner 1941, was one example; Mrs. Norweb (1955) was another. So was Sen. H. Willis Robertson (1962), chairman of the

But that does not say that the description of the work done by the Assay Commission remains irrelevant. To the contrary, unlike 1974 which examined the non-precious metal coinage of 1973, today there are silver, gold and platinum bullion coins, and numerous commemorative coins, and related items that circulate the world-over. There is accountability within the Mint, but at present, the Mint's primary accountability is to Congress, and to the coinage subcommittee in the House, and the larger Senate Banking Committee on the other side of Capitol Hill. If there is a problem, it remains largely unknown to the public at large, except in case of acute embarrassment.

In April, 1987 for example, the U.S. mint was accused of having grossly underweight fractional gold coins—a move that nearly scuttled the entire effort of the program to market into the Far East. The Assay Commission having been abolished in 1980, there was no voice of authoritative reassurance, for the Mint denied that there was even a problem—when it was clear that the fractionals had not been properly assayed and were lightweight in their gold content.

Abolition of the Assay Commission came in two stages. In 1977, President Jimmy Carter declined to name any public members to the Commission, ending a practice of more than 117 years duration. Then, F.T. Davis, director of the General Government Division of the President's Reorganization Project, got into the act. ''We are conducting an organizational study of the Annual Assay Commission,'' he wrote me on Sept. 6, 1977. ''The study will focus on possible alternative methods of carrying out the functions of the Commission.'' I prepared a memorandum for Davis at his request, answering several specific questions, careful to take no position on its continued validity. Earlier in the year, in a major law review article proposing a ''Revision of the Minting & Coinage Laws of the United States'' which was published in the Cleveland Law Review, I had essentially concluded that it was a political choice to decide whether or not to continue the two-century old commission. Davis asked if the mission of the Assay Commission was essential. I replied ''More aptly, the question is whether or not assaying of coins is essential. The answer is an unqualified yes to that.'' Indeed, that Mint regularly conducts assays of its coin product as a means of assuring quality. (The 1987 foul-up was an administrative problem; the gold coins were assayed and came up short, but a decision was made to circulate them, anyway). Davis also asked what the function of the Commission should be in the succeeding two years if it was continued. I suggested that the law be ''rewritten to provide for compositional analysis of all subsidiary coinage plus the dollar coin''.

The die was already cast, however, and the Carter Administration (having already declined to name public members) simply let the Assay Commission whither away until, in 1980, it expired with the passage of Public Law 96–209 (March 14, 1980). The irony is that only a short time later, the Mint was once again producing precious metal coinage. As the new millennium is on the verge of commencement, a movement initiated by former commissioners (most of whom are members of the Old Time Assay Commissioner's Society, OTACS for short), has talked about proposing revitalization of this old commission. There are reasons why it could succeed, and some why it should. There are a number of reasons why the Assay Commission ought to be reconstituted, and any proposal to do so will require a legislative initiative in Congress. Toward that goal, I was asked by an ad hoc advocacy group to try my hand at it. If you've got an interest in the Assay Commission, perhaps you'd care to send a note to your Congressman or Senator (U.S. Capitol, Washington, D.C. zip for the House 20515. Senate 20510) with a copy of this article, and the draft legislation. You can encourage them to do the rest.

TRIBUTE TO KATHLEEN ROMIG OF ROYAL OAK, MI

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. LEVIN. Mr. Speaker, I rise to honor Kathleen Romig of Royal Oak, Michigan who has been selected as one of the 12 George J. Mitchell Scholars for 2001. Kathleen was identified in a nationwide competition organized by the United States-Ireland Alliance, a non-partisan, non-profit organization based in Washington, DC.

The scholarship is named in honor of Senator Mitchell's contribution to the Northern Ireland peace process. Scholarships are awarded to individuals between the ages of 18 and 30 who have demonstrated intellectual distinction, leadership potential and commitment to community service.

I first met Kathleen in 1996 in my congressional office where she was introduced to public service and social action. She was one of our youngest interns, an eager learner, a fine writer, and a compassionate young woman.

Kathleen is a Michigan State University senior and the University's first recipient of the George J. Mitchell Scholarship. During the one-year program, she will pursue a master's degree in social policy at the University College in Cork. She will have formal courses of study, seminars and independent research in her thesis area of social policy.

In her application essay, Kathleen wrote,

> There are alternative ways of viewing the problems of juvenile justice and alternative methods of solving it. Some of the most compelling are being discussed and tested in Ireland and Northern Ireland right now. One such alternative is restorative justice, a fascinating approach that seeks to balance the needs of offenders, victims and communities.

After graduation, Kathleen hopes to work in Washington, DC, and continue her interest in juvenile justice dealing with the plight of disadvantaged children.

Kathleen is also the recipient of the 2000–2001 Jeffrey Cole Excellence Award, the Walter and Pauline Adams Scholarship, the Gordon and Norma Guyer Public Policy Internship, and the Royal Oak Rotary Club and Oakland County MSU Alumni Association Scholarships. She is a member of the MSU Honors College, Phi Beta Kappa and a National Merit Scholar.

Mr. Speaker, I ask my colleagues to join me in congratulating Kathleen Romig, a exceptional young woman who has a passion for learning and a commitment to social justice. I wish her good health, happiness, and success as she embarks on new challenges as a George J. Mitchell Scholar.

75TH ANNIVERSARY OF THE FIRST PRESBYTERIAN CHURCH OF BALDWIN

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mrs. MCCARTHY of New York. Mr. Speaker, the First Presbyterian Church of Baldwin on St. Luke's Place will celebrate its 75th anniversary on Sunday, May 20, 2001. The church's history and the congregation's contributions to Baldwin and the Long Island community are remarkable and noteworthy.

A new church became a necessity in November 1923. A development of nearly 300 homes had been built north of the railroad, but the five churches in Baldwin were located south of the railroad. The expanding community recognized the need for a new church, and they began to use the Fire Department on Baldwin Avenue for Sunday School and church worship services. On May 14th, the church was recognized by the Brooklyn-Nassau Presbytery with a charter membership of fifty-nine people.

The congregation and church building went through many changes over the years. In 1926, the congregation held its first worship service in its own portable ''building,'' which had been moved from Queens to Baldwin. This became too crowded for the growing membership, and the cornerstone for a new church building was laid on November 30, 1930. The St. Luke's Place building was completed in 1931. Although badly damaged by a fire in 1940, it remains the central structure of the church to this day.

By 1960, membership was nearing 900. An education building had been built 10 years earlier to accommodate the growing Sunday School. Many organized groups were founded for both adults and children, and church facilities were being used by community groups. A new sanctuary was added in 1961, and considerable renovations to the original building were made. A church member opened a full-time state licensed nursery school, now in the thirty-seventh year of operation.

Today, the First Presbyterian Church of Baldwin at 717 Luke's Place is a mini-complex of buildings that serves the community not only as a Christian congregation, but as a meeting place for many non-religious groups such as the Girl and Boy Scouts, and Alcoholics and Gamblers Anonymous. The nursery school provides pre-school education for seventy-five three and four year olds.

I congratulate the entire congregation, past and present, on their remarkable achievement and contribution to Long Island.

TRIBUTE TO AUSTIN ''BUSTER'' AND DELORES WORKING

HON. BILL LUTHER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. LUTHER. Mr. Speaker, I would like to take the opportunity today to recognize Austin ''Buster'' Working and his wife Delores for their hard work and dedication on behalf of Minnesota's veterans.

Buster and Delores were recently chosen to lead Pup Tent 11, the Honor Degree of the VFW and its Auxiliary. Their long years of proudly serving Minnesota's veterans make them uniquely qualified to hold the important positions of Commander and President. They have continuously served our veterans with dedication and commitment. For example, during the past 20 years, Buster has organized over 18,000 hospital visits to Minnesota veterans. Delores has baked and delivered over 31,000 cookies to Minnesota Veterans homes. These tireless efforts, paired with enthusiastic selfless service and a willingness to invest personal time and energy, serve as an outstanding example of the spirit of volunteerism that we should foster today.

Mr. Speaker, I am proud of my constituents. Buster and Delores are serving those who served our country. I can think of no better way to show our gratitude to those who risked their lives for our freedom. I thank them for their service.

THE BIKE COMMUTER BILL

HON. EARL BLUMENAUER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. BLUMENAUER. Mr. Speaker, today, Congressman MARK FOLEY and I are introducing legislation to extend commuter benefits to bicyclists. This important legislation includes bicycles in the definition of transportation covered by the qualified transportation fringe benefit.

Currently, employers may offer a Transportation Fringe Benefit to their employees for commuting to work. Employees who take advantage of this benefit may receive a tax exemption benefit totaling $175 for participating in qualified parking plans or $65 for transit or car-pool expenses. Employees may also opt to take cash compensation instead, which is subject to employment taxes. The Bike Commuter Bill would extend these same Transportation Fringe Benefits to employees who choose to commute by bicycle.

It's time to level the playing field for bicycle commuters. At a time when communities

across the country are seeking to reduce traffic congestion, improve air quality, and increase the safety of their neighborhoods, bicycles offer a wonderful alternative to driving for the more than 50% of the working population who commute 5 miles or less to work. The Federal Government should do its part to support these goals by providing transportation benefits to people who choose to commute in a healthy, environmental, and neighborhood-friendly fashion.

According to the Bureau of Transportation Statistics, bicycles are second only to cars as a preferred mode of transportation, demonstrating their potential for commuter use. Many Americans own one or more bicycles, but limit their use to recreational purposes.

This legislation is an important step in making the Federal Government a better partner for more livable communities.

RECOGNIZING 75 YEARS OF COMMUNITY SERVICE BY THE ST. HELENA ROTARY CLUB

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize the St. Helena Rotary Club and its members as they celebrate the 75th Anniversary of this honorable organization.

Throughout its 75-year history, the St. Helena Rotary Club has served our community with distinction. Over the last decade, the Club has raised over one million dollars for philanthropic purposes in the Napa Valley.

As a native of St. Helena, I have seen firsthand the positive contributions the Club has made, especially to the youth of our community. Their annual Winter Ball has always been a fabulous event that is indispensable in benefiting local organizations like the St. Helena Boys and Girls Club and the St. Helena Public Schools' Foundation.

Along with 29,000 clubs in 161 countries, the St. Helena Rotary Club and its members have honored the Rotary promise to develop the opportunity for service, maintain high ethical standards, apply stewardship in personal, business and community life, and to advance understanding, goodwill and peace through fellowship and the ideal of service.

Mr. Speaker, I am honored to recognize the 75 years of immeasurable contributions the St. Helena Rotary Club has made to our community.

ROY E. DISNEY CENTER FOR THE PERFORMING ARTS

HON. HEATHER WILSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mrs. WILSON. Mr. Speaker, Disney is a name that promises a special kind of magic—real magic—to the children of every generation and every age around the world. Today, the Disney Magic is finding a special home in New Mexico . . . the land of enchantment.

''It's not hard to make decisions when you know what your values are,'' Roy Disney says, and he put his values to work with his decision to provide substantial financial support to the National Hispanic Cultural Center in Albuquerque.

Groundbreaking ceremonies were held last week for the Roy E. Disney Center for the Performing Arts. The center will include a 700-seat proscenium theater, a 300-seat film and video theater, and a 150-seat black box theater. Edward Lujan, chairman of the National Hispanic Cultural Center, said Mr. Disney is being saluted not only for his personal financial support of the facility but for the assistance he gave in raising other funds.

With his generosity, Mr. Disney proves himself a worthy heir to the name made famous by his uncle, Walt Disney, and his father, Roy O. Disney. They would be proud to see their name on the marquee of this facility which celebrates the genius and dreams of Hispanic culture. The mission of the facility is not only to educate all Americans about the unique contributions of Hispanics to the American story, but to nurture the wide ranging talents emerging in the Hispanic community.

I'm proud, too, to stand with Mr. Disney in making this dream come alive. Several months ago, the House approved my request for $1.5 million in federal funds for the Center.

Mr. Disney began his career working as an assistant film editor on the ''Dragnet'' TV series, and later was assistant film editor of two classic and Oscar-winning Disney films, ''The Living Desert'' and ''The Vanishing Prairie.''

As chairman of Disney's Feature Animation Division, Mr. Disney personally produced a new golden age of Disney features, including The Little Mermaid and Beauty and the Beast. But it was with Fantasia 2000 that Mr. Disney fulfilled the long-deferred dream of his Uncle Walt and immortalized his own creative talent.

Mr. Disney's gift to the National Hispanic Cultural Center is truly a gift to the diverse community of New Mexico and a gift to the nation, and we thank him for it.

INTRODUCTION OF A BILL TO ELIMINATE TAXES ON TIPS UP TO $10,000

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. HUNTER. Mr. Speaker, today I am introducing a bill that will benefit millions of Americans directly, substantially and quickly, including most notably single mothers and students. Furthermore, this legislation will lift some of the heavy burden of government off thousands of small businesses.

My bill is very simple. It calls a tip what it is: a gift. All tips given, not to exceed $10,000 annually, would be tax free. This puts hundreds of dollars a month back where it belongs, with the individual who earned it.

Those who work in the service sector, who rely principally on tips to supplement their income, work in a system transacted largely in cash. Accounting for small amounts of cash for income tax purposes is not only unworkable, it is unenforceable, even if a paperwork scheme could somehow be conceived. Small amounts of cash, received through hundreds and hundreds of transactions, and almost never while standing behind a cash register, should not be taxable. Washington bureaucrats lack an understanding as to just how impractical the present system is to all those who labor so hard for their tips. The system simply breaks down.

Tips cannot possibly be reported accurately, and law-abiding citizens who work for tips do not wish to be labeled cheaters by people who don't understand the realities of their work. It is time to change that. My bill caps the tax-free earnings of those who make waiting on tables a career in high-end restaurants and resorts, at $10,000. But for the 95% of those in the service sector who receive tips, it's time to change the tax law covering income from tips.

Under current law, service employees who typically earn tips are assumed to have made at least 8 percent of their gross sales in tips. This tax is applied regardless of the actual level of the tip. Further, if the service personnel earns more than 8 percent in tips they are expected to report them accordingly. The end result for these employees, many of whose base salaries do not exceed minimum wage, is that they may have to pay taxes on income they didn't receive.

In addition, accounting for tips and gross sales is a burden on every restaurant, bar or other small business whose employees are regularly tipped. They are constantly under threat of an audit, where the IRS will hold their business responsible if the agency determines tip skimming to have occurred.

By putting in place a reasonable annual cap and strictly defining a tip, this tax relief bill is clearly focused on low- to middle-income households. According to the industries involved, most of the employees that will be helped are either students or single mothers. In addition, most of the employees are at the beginning of their careers.

Those in the service sector who rely on tips to supplement their income are a special breed of people. Those who work for tips see a direct relationship between effort and reward like few others. Night after night, day after day, weekend after weekend, the millions of bell hops, valet parking attendants, coat checkers, taxi drivers, hairdressers, bartenders, waiters and waitresses are on the job, working hard and providing vital services to people of every walk of life.

Let us give a break to those who labor so hard for their living. Let's show them for a change that the Federal Government is not so out of touch and understands the special needs of those at the beginning of their career. The time has come for government to get out of the way of our Nation's most prolific entrepreneurs, service personnel and their employers. I hope other Members will join with me in this common sense proposal that will help millions of hard working Americans.

CELEBRATING THE CAREER OF HARRIS COUNTY COMMISSIONER JIM FONTENO

HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. GREEN of Texas. Mr. Speaker, at the end of his current term Harris County Commissioner Jim Fonteno will retire. Commissioner Fonteno is currently in his 26th year as Precinct Two Commissioner. He was first elected in 1974 and has won re-election terms in 1978, 1982, 1986, 1990, 1994, and 1998. On April 12, 2001, the South Houston Chamber of Commerce will honor him, and I am proud to join them in paying tribute to Commissioner Fonteno for his dedication and commitment to public service.

For most of his life, Commissioner Fonteno has served both his country and the residents of Harris County. He is a veteran, having served in the United States Army and in the Merchant Marine. He also served as a Municipal Court Judge for the City of Baytown from 1957 to 1958. Later, he served two terms 1970–1974, as Port Commissioner, Port of Houston Authority, but resigned the position to seek the office of County Commissioner. Jim Fonteno is also a licensed auctioneer and has used his skill to raise over $4 million for various non-profit charitable events, churches, clubs and organizations.

Commissioner Fonteno is committed to his constituents. Not only does he touch the lives of many underprivileged boys and girls, he has an unwavering commitment to our senior citizens.

He is the founder and developer of various outstanding senior citizen programs in Harris County's Precinct Two, including East Harris County Senior Citizens, a non-profit corporation. The East Harris County Senior Citizens sponsors various activities throughout the year, including, trips to sporting events and the Houston Livestock Show and Rodeo. Another popular activity is the Senior Citizen Olympics, which is held annually. These fun-filled events have provided both social and physical interaction among senior citizens. In addition, 280 food baskets are provided to senior citizens during the holiday.

Commissioner Jim Fonteno also spent much time in developing the the well-being of our youth. The East Harris County Youth Program, which he founded, is dedicated to serving, the needs of Harris County Precinct Two youth. The program originated as a pilot program comprised of a summer camp at J.D. Walker Community Center and an after-school program at Cloverleaf Elementary School.

The single most important role of the East Harris County Youth Program is to serve as a vehicle that makes learning fun. Designed to be a resource, not a substitute for school systems, the program is a strong proponent of students staying in school. Although academic achievements receive top priority, the East Harris County Youth Program also puts an emphasis on physical activity.

Mr. Speaker, it is clear that we will have a tremendous void as the result of Commissioner Fonteno's retirement. I am sure that I speak for many when I say that his tireless work will not soon be forgotten, and we are all thankful to him. I would like to personally wish him and his wife JoAnn well in this new stage of their lives, and hope that he continues to be a strong presence in Harris County.

U.S.-MEXICO POULTRY TRADE

HON. RICHARD W. POMBO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. POMBO. Mr. Speaker, I would like to call the House's attention to one of the agricultural success stories of the last decade. I refer to this nation's poultry trade with Mexico, a trade that has benefited both nations tremendously and that today finds itself charting new paths for the future.

Mexico in the late 1980s emerged as an important new market for U.S. poultry products. Mexican meat processors began buying large quantities of turkey and chicken cuts, including mechanically de-boned meat, from the United States. Much of this poultry meat was used to make the sausage, hot dogs, bologna and turkey ham products demanded by Mexican consumers.

There was for a time a concern that NAFTA might slow this progress. The agreement was written in the infancy of the U.S.-Mexican poultry trade, and NAFTA's authors did not foresee the explosion in Mexican demand for U.S. poultry. The agreement set a quota for duty-free poultry exports to Mexico that was far too small and set the over-quota tariff at a staggering initial rate of 269 percent. In fact, that over-quota tariff does not drop below 49.4 percent until it ultimately is removed in 2002.

Fortunately, the fears raised by NAFTA were not realized. The Mexican government has recognized the demand for poultry and has allowed a much higher level of duty free poultry imports than NAFTA requires. The results of this policy have been spectacular—and the primary beneficiary has been the Mexican economy and the Mexican people.

Mexico's processed meat industry has doubled during the last five years and now creates jobs—directly or indirectly—for 290,000 people. Annual sales of processed meat, including processed poultry products, have reached $1.3 billion annually and are climbing. The consumption of meat protein products in Mexico has increased significantly, and the cost to Mexican consumers has been kept low.

Obviously, this has made the Mexican market a critical one for the U.S. poultry industry. Mexico now purchases about 10 percent of all U.S. poultry, and is the third largest export market for American poultry. For the turkey industry, the market is even more significant. Mexico is by far the biggest purchaser of U.S. turkey, consuming almost 10 percent of all the turkey produced in the United States and accounting for 55 percent of all our turkey exports.

Mr. Speaker, this success story needs to be continued. Mexico is undergoing historic political changes, and indications so far are that the Fox administration is continuing to maintain a positive policy toward poultry imports. However, there is certain to be continued pressure on the new government from some who want to eliminate competition in the market for processed meat.

Mexico's meat processors cannot meet their consumers' needs or price expectations without continuing waivers on the NAFTA quotas for U.S. poultry products. The Mexican government has understood this for the last seven years, and they are to be commended for putting the broader needs of their nation's consumers and the entire economy ahead of parochial political considerations. Also, our Agriculture Department and the Office of the Trade Representative are to be congratulated for the time and attention they devote to ensuring fair and open trade between our two countries.

The U.S. and Mexican poultry and meat processing industries recognize the importance of continuing this trade relationship. The two industries are signing an agreement pledging to work with their respective governments for a policy of open and unrestricted trade of poultry products.

As we wait for that goal to become a reality, we want to express our appreciation for the hard work of the Mexican government and our own trade officials for the accomplishments to this point in promoting prosperous poultry trade between our two countries.

HONORING VINCENT COSMANO, BAND DIRECTOR OF O'FALLON TOWNSHIP HIGH SCHOOL

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. COSTELLO. Mr. Speaker, I rise today to ask my colleagues to join me in honoring Vince Cosmano on his retirement and the 30 years of service he has given to O'Fallon Township High School in O'Fallon, Illinois.

The second of five children, born to James and Jean Cosmano of Chicago, Vince came from a family proud of their Italian heritage. As a youth, Vince was an achiever, performing in the high school band and attaining the rank of Eagle Scout. His passion for teamwork was shaped during his high school years where he excelled in football and swimming. Learning and an education were highly valued traits in the Cosmano household, Vince's brothers Don and Bill chose careers in education and his sister Jean Marie and youngest brother Richard succeeded in their respective fields of work.

In college, Vince followed his passion, studying history at Illinois State University and playing the french horn. Fortunately, for the future high school band students at OTHS, Vince's love for music became his calling. He graduated from ISU with a B.S. in Education in 1965, followed by a Masters in Music Education in 1971. From 1965 to 1971, Vince taught school, first in Wyoming, then Piper City and later Chillicothe. O'Fallon, Illinois would soon welcome and embrace the dynamic Vince Cosmano to their music department.

In August of 1976, the music department at OTHS was poised for change. The newly established Panther football program was open for competition and Edward A. Fulton was moving from the High School music program to his roots in the junior high music program. The Marching Panthers Band of OTHS was just 10 years old. The Panthers first were served by John Albert, then Ed Fulton and then it came to Vince Cosmano. At that time, the band consisted of 130 members with a total of 4 buses and no equipment trucks. Vince debuted with the Panthers at the 1977 U of I field show competition, winning second place in field, third in parade and a drum major caption award.

The OTHS Marching Panthers have since garnered grand championships, national parades (including appearances at the Macy's and the Tournament of Roses parades), television appearances and hundreds of other awards. Through all of the trophies, awards and citations, the OTHS Marching Panthers have gained national renown and an even stronger program under Vince's direction. Currently, the music program is comprised of 250 students, six buses, three equipment trucks, legions of OTHS alumni with support from parents, colleagues, fans and friends.

Vince always credited the students of the Marching Panthers for their diligence and hard work—only with great reluctance did he ever accept individual recognition. He was previously named ''O'Fallon's Man of the Year'' and served as the President of the Illinois Music Educators Association, District 6. In 1999, the Illinois High School Association honored him as the state's Outstanding Music Educator. A national honor quickly followed as Vince was chosen as the Outstanding Music Educator for a seven state area by the National High School Association. Vince exemplifies the philosophy that hard work equals good things.

As Vince retires, he will enjoy time with his fiancee Sue and his three sons, Tim, Jeff and Patrick. His favorite teaching activities—concert band, music theory and private lessons—will be replaced by fishing, swimming and gardening. Vince will always be remembered as a man of presence and a man of action. Whether getting the students up at 4 a.m. to be ready to march in the Macy's parade or helping to take tickets at a Panther Football game, Vince was there.

It has been through his direct efforts that he has instilled the qualities of music and respect into the hearts of the many students he has touched.

Mr. Speaker, I ask my colleagues to join me in honoring Vince Cosmano and to recognize his commitment to community service.

TRIBUTE TO DAMON SZYMANSKI

HON. MARK GREEN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. GREEN of Wisconsin. Mr. Speaker, I'd like to say a few words today about one of my constituents, Damon Szymanski. Damon recently finished his 50th assignment as an ACDI/VOCA volunteer, a truly extraordinary achievement.

During Damon's missions, he has played a crucial role in helping improve agricultural development around the globe, particularly in central and eastern Europe. He has contributed dramatically to our national goal of opening global markets through an infusion of our values of democracy and economic freedom. Damon has served as a strong bridge between the United States and the rest of the world.

He is here in Washington this week to receive an award from ACDI/VOCA for his record of outstanding service. On behalf of all of us, I'd like to say ''thank you'' to Damon—for everything he's done to improve U.S. foreign relations and for everything he's done to improve the quality of life of people in other nations.

DR. THOMAS E. STARZL

HON. FRANK MASCARA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. MASCARA. Mr. Speaker, I would like to recognize Dr. Thomas E. Starzl for his leadership in the field of clinical medicine and his lifelong commitment to advancing the promise of organ transplantation.

Known as the ''father of transplantation,'' Dr. Starzl performed the world's first liver transplant in 1963 at the University of Colorado. Almost 20 years later, he would join the University of Pittsburgh School of Medicine and lead a surgical team at Presbyterian University Hospital (now UPMC Presbyterian) in performing the area's first liver transplant on February 26, 1981. That was the beginning of a transplant program and research institute led by Dr. Starzl that would pave the way for organ transplantation to become an accepted practice in the medical community. The internationally renowned program has performed over 11,000 lifesaving transplants, by far the most of any single program in the world, and influenced the careers of countless surgeons and physicians. Retired from clinical and surgical service since 1991, Dr. Starzl remains active in transplant research as director emeritus of the institute that was renamed in his honor in 1996.

On April 27 and 28, 2001, the Thomas E. Starzl Transplantation Institute and the University of Pittsburgh will hold a tribute event for Dr. Starzl. This tribute is called a ''Festschrift,'' which is a presentation of a collection of articles by colleagues, former students and others published in honor of a noted scholar. The event celebrates Dr. Starzl's 75th birthday and also marks the 20th anniversary of the first liver transplant performed in Pittsburgh. In addition to oral and visual presentations, the Festschrift will officially inaugurate the Starzl Prize in Surgery and Immunology and unveil a portrait of Dr. Starzl that will be displayed in the University of Pittsburgh School of Medicine.

Such an event is fitting for a man whose résumé includes more than 1,200 presentations; 22 editorial boards; membership in no less than 58 professional organizations; the authoring or co-authoring of more than 2,000 scientific articles and four books; 21 honorary doctorates and more than 175 awards and honors. Dr. Starzl has been a champion in advancing the science of organ transplantation, and in improving and saving the lives of countless people.

Today I ask my colleagues to join me in honoring Dr. Thomas E. Starzl, a true national hero.

TRIBUTE TO THE DELTA SIGMA THETA SORORITY

HON. JOSEPH M. HOEFFEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. HOEFFEL. Mr. Speaker, I rise today to honor the Delta Sigma Theta Sorority, Valley Forge Alumnae Chapter on their decade of public service.

In 1913, the Delta Sigma Theta Sorority was founded at Howard University by twenty-two African American Women. Since then, over 200,000 women have joined chapters all over the world. The Valley Forge Alumnae Chapter in my district was founded on February 10, 1991 by 27 civic-minded women who saw the need for public service in the western suburbs of Philadelphia.

The Valley Forge Alumnae Chapter has been active in a number of areas such as economic and educational development, international awareness and involvement, physical and mental health and political/international awareness. Through their efforts, they have successfully produced many community programs and projects. One such program, ''Patriots of African Descent,'' commissions artists in memory of African Americans who fought for our nation's independence.

I am pleased and honored to celebrate this outstanding occasion with the alumnae. They have played an important role in our community and for this they should be commended.

WOMEN'S CENTER OF MONMOUTH COUNTY CELEBRATES 25 YEARS OF SERVICE

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. HOLT. Mr. Speaker, I rise today in recognition of the Women's Center of Monmouth County's 25th Anniversary. Over the last quarter of a century, the Women's Center of Monmouth County (WCMC) has made a tremendous difference in the lives of women and their families throughout Monmouth County.

The WCMC is a New Jersey-based private, non-profit organization dedicated to ending domestic violence and sexual assault. Since its inception in 1976, the Center has helped more than 100,000 women, children and men gain control of their lives and stop the violence. Through the help of individuals, government agencies, small businesses and corporate

partners, the WCMC has had an open door to a safe shelter and critical services for victims of domestic violence and sexual assault.

According to the 1999 New Jersey Crime Clock, a rape occurs every six hours in New Jersey. In Monmouth County, 70 rapes and 12 sexual assaults were reported in 1999. In fiscal Year 2000, the WCMC Rape Care program received 1,201 calls, e-mails or walk-ins from women seeking assistance. A total of 298 survivors and their family members were accompanied to medical, legal and law enforcement agencies.

Services offered by the WCMC include a hotline, emergency shelter, transitional housing, counseling, crisis intervention, advocacy, education and prevention that help end the cycle of domestic violence and abuse. The Center works to mobilize concerned individuals, organizations, and civic and religious groups to end violence and abuse against women and children through public education, public policy reforms, and training of allied professionals. The Center also provides a liaison program to family and municipal courts and an art therapy program for children and non-offending, parents.

The WCMC has received three national awards: 1998 United States Crime Victim's Rights Service Award for Karen Wengret; the 1998 United States Sunshine Peace Award for Domestic Violence Administration and the 1999 American Art Therapy Award for Outstanding Programming for their Amanda's Easel program. The Center has also received numerous accolades from New Jersey and local organizations for community service and leadership.

For the past 25 years, the Women's Center of Monmouth County has provided a much-needed service for families affected by domestic violence or sexual assault. I urge all my colleagues to join me today in recognizing WCMC's dedication to ending domestic violence and sexual assault.

TESTIMONY BEFORE THE HOUSE COMMITTEE ON EDUCATION AND THE WORKFORCE HEARING ON H.R. 1, ''NO CHILD LEFT BEHIND''

HON. LAMAR S. SMITH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. SMITH of Texas. Mr. Speaker, I submit my testimony regarding H.R. 1 the No Child Left Behind Act. Thank you for the opportunity to testify on H.R. 1, the ''No Child Left Behind'' bill.

The President has made this legislation a priority because Americans are concerned about the quality of their children's education. They are also troubled about the decline in our nation's values and its effect on our children. Polls consistently reveal that virtue and ethics are issues of top concern. Parents should be the primary developers of character but educators play an increasingly important role.

Unfortunately, too many of our children are bombarded daily by negative influences. Society pays the price when we mock values. To reap the rewards of a virtuous society, we must sow the seeds of character when we educate children.

Communities across the nation recognize that character education is an integral part of a well-rounded curriculum. Our Nation's teachers are aware that character education helps to establish a set of standards for behavior, provide role models, and create caring environments. For instance, many students in Texas participate in character education programs and the lessons they learn now will serve them well in the future.

President Bush has made character education an important component of his education reform bill. By allocating $25 million to character education, States, local education agencies, parents and students will have an opportunity to promote character and values.

However, there are additional steps to be taken if we are to be

This legislation provides a grant to develop initiatives and disseminate up-to-date information about character education and also funds a study that will examine whether or not character education programs are successful and sustainable.

H.R. 1 calls for states to base their character education efforts on the findings of scientific research, yet educational experts have not been given the opportunity to develop those sound scientific conclusions. It is not even known where and how character education has found its greatest success. To support character education in its entirety, we must include research and the dissemination of useful information.

In our changing and challenging world, children need affirmation that society respects men and women of character. It is imperative that we teach our children the values that strengthen their character and make our country strong.

CONDEMNING THE RECENT ATTACKS IN ISRAEL

HON. DAVID VITTER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. VITTER. Mr. Speaker, I rise today to condemn the violent terrorist attacks that have wracked Israel and to extend my sympathy to the victims and their families. I would like to especially extend my condolences to Yitzhak Pas, who just two days ago lost his 10-month-old daughter and was himself shot in the legs by a Palestinian sniper.

The next day, Islamic Jihad executed two terrorist bombings that rocked Jerusalem, with the clear intention of taking more innocent Israeli lives. During Jerusalem's morning commute, a booby-trapped car was detonated at the side of a busy road, injuring five Israelis. Later in the afternoon, a suicide bomber boarded a bus loaded with students on their way to Hebrew University and detonated his nail-laden bag of explosives, injuring over thirty passengers.

Only PA Chairman Yasir Arafat can stop the violence, and of this he clearly has no intention. He has organized and instigated the violence since his rejection of peace at Camp David. I urge my colleagues to sign the Hyde/Lantos letter to President Bush, which calls for a reassessment of the U.S. relations with the Palestinian Authority, and reaffirms the United States' enduring support of Israel in this time of crisis.

IDAHO GIRL SCOUT HONOREES

HON. C.L. "BUTCH" OTTER

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. OTTER. Mr. Speaker, I would like to take a moment to recognize five outstanding Idaho women who are positive role models for young girls in the Gem State. Maria Berain, Sandra Bruce, Susan Eastlake, Marjorie Findlay, and Sam Sandmire portray a lifestyle to which young girls can look for inspiration. In a time of constant change and difficulties for our youth today, statistical evidence and observations show girls have a lack of everyday role models to look to. These women are leaders that all young people can look to and learn from.

They were recently recognized by the Girl Scouts of Silver Sage Council as Women of Today and Tomorrow. Each of them excels in their individual careers and positively impacts their communities.

Maria Berain is a mentor with the Boise State University College Assistance Migrant Program. She supports Hispanic women to pursue their college education by counseling them on study habits and course selection.

Sandra Bruce is president and CEO of Saint Alphonsus Regional Medical Center. In addition to guiding the hospital in growth and success she engages in civic organizations including Boise Public Schools Education Foundation and Boise Metro Chamber of Commerce.

Susan Eastlake is the founder of the Southeast Neighborhood Association and an Ada County highway District commissioner. She also has worked on the Simplot Sports Complex and on behalf of the Les Bois Soccer Tournament.

Marjorie Findlay was chosen to be the first woman senior warden of St. Michael's Cathedral. She is a two-term president of the Idaho Botanical Garden. Her many cultural and educational contributions include fund-raising for the Discovery Center and chairing UNICEF drives.

Sam Sandmire is the head gymnastics coach at Boise State University and part-owner of the Bronco Elite Arts and Athletics Club. She was voted conference Coach of the Year of 2000 and is recognized as an advocate for women in competitive sports.

Mr. Speaker, as you can see, these women have accomplished great things and are examples of hard work, character, and leadership. I congratulate them and am delighted to have them reaching out to share their values with today's youth. They are true assets to Idaho and the nation.

WEEMS GALLERY AND FRAMING

HON. HEATHER WILSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mrs. WILSON. Mr. Speaker, I wish to bring to your attention a woman in my home town of Albuquerque, New Mexico who has contributed much to our community. On March 20, 2001 Mary Ann Weems along with friends and family celebrated the 20th anniversary of Weems Galleries and Framing.

Inspired by her vision of a gallery that would warmly welcome anyone who found joy in art as an expression of life, Mary Ann began this journey toward excellence in the visual arts twenty years ago. Her first gallery was in a little-noticed shopping center, opened with borrowed money and lack of business experience. She won the confidence and trust of New Mexico artists and aficionados who joined in supporting her vision of making more art accessible to more people.

That vision led 10 years ago to the first Weems Artfest, now the nationally ranked annual event which attracts thousands of families and children to see and experience New Mexico art. The Artfest also provides an affordable venue for all kinds of artists to gain exposure for their talents. The Artfest benefits the whole community of artists by increasing awareness of their work, and by expanding the community of admirers who will pay a fair price for art that touches their spirit. Additionally, the Artfest hosts a charity event to raise funds for healthcare needs in our community, particularly for children.

By making art more accessible for children, Mary Ann gives every child who participates the chance to discover something wonderful in themselves. For children who face challenges, it's a discovery gives them powerful hope for their future. Mary Ann serves as my Chairperson for the Congressional Art Competition.

Mary Ann Weems earned her success in the visual arts the hard way, by trial and error and sheer grit. She achieved excellence in the visual arts by setting new standards for what a gallery can be, and what an art show can become, and making her vision real for the whole of New Mexico's art community.

Please join me in recognizing the achievements of this business woman, Mary Ann Weems.

IN HONOR OF THE RETIREMENT OF LYNN SELMSER

HON. MICHAEL N. CASTLE

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. CASTLE. Mr. Speaker, I wish to recognize today Ms. Lynn Selmser for over 27 years of service to Members of the House of Representatives. As Chairman of the Subcommittee on Education Reform of the Education and the Workforce Committee, I have worked with Lynn only a few years, but I can say that her reputation as a talented and knowledgeable member of the Committee staff is well deserved.

Lynn began her Capitol Hill career in the personal office of Illinois Rep. Robert McClory in 1974. She stayed with Rep. McClory for over seven years.

Next, Lynn worked in the personal office of Pennsylvania Rep. Bill Goodling, her hometown representative. She stayed in Rep. Goodling's personal office until January 1989, when she moved to the Committee on Education and Labor staff, which is now the Committee on Education and the Workforce.

During her time with the Committee, Lynn has educated me and many other Members of Congress on the intricacies of quite complex issues. She has covered issues and programs such as Child Nutrition, Impact Aid, Juvenile Justice, and child and adult literacy. I know all of the Members of the Committee will be at a disadvantage without her institutional knowledge and advice on these issues.

I believe that Lynn is most proud of her work on family literacy issues. Lynn worked on this issue on behalf of Rep. Goodling from 1988, when he originally sponsored what became the Even Start Act. She cares deeply about improving the literacy of adults as a way to improve literacy in children, and I understand that she plans to continue to promote adult literacy following her retirement from the Committee staff.

I know many Members of Congress and staffers, along with her friend and former boss, Rep. Goodling, join me in thanking Lynn for her many years of service and wishing her a relaxing and well-deserved retirement.

HONORING FAYETTEVILLE FIRE CHIEF DUKE ''PETE'' PINER

HON. ROBIN HAYES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. HAYES. Mr. Speaker, I rise today to honor Fayetteville Fire Chief Duke J. ''Pete'' Piner, who will retire on April 1, 2001, after more than 37 years of service.

Chief Piner, 63, joined the Fayetteville Fire Department in 1964, following his father into the firefighting profession after a stint in the United States Navy and working briefly as an electrician.

Almost 25 years to the day, on March 22, 1989, Piner became chief of the department. In the words of Fayetteville City Manager Roger Stancil, Chief Piner quickly established himself as a team player among city management. ''His leadership extended throughout the city,'' said Stancil. ''He was someone you could call on to accomplish a mission anywhere within the city government.''

Chief Piner's vision led to many innovations for the fire department. During his tenure, the Fayetteville Fire Department built new stations to expand its service area, successfully merged with volunteer fire departments in neighborhoods annexed by the city, developed a state-of-the-art hazardous materials response team, and began to utilize more modem technology. In fact, Chief Piner played a key role in modernizing the city's communications capabilities so that various city departments, state, and county agencies could communicate with one another during a crises or disaster situation.

I ask that all my colleagues join me in honoring Chief Duke J. ''Pete'' Piner for 37 years of remarkable public service to the people of Fayetteville, North Carolina.

A TRIBUTE TO JORGE MAS SANTOS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Ms. ROS-LEHTINEN. Mr. Speaker, it is with great pleasure and admiration that I congratulate Jorge Mas Santos on being honored for receiving the National Community Service Award by the Simon Wiesenthal Center.

As the son of a Cuban immigrant, Jorge Mas Santos learned to appreciate the freedoms and opportunities in our country, and realized that the dreams of liberty and democracy that his father had for his native land of Cuba would never be possible under the tyrannical regime of Fidel Castro. His ambition to fulfill his father's aspirations to help the thousands of Cubans migrating from the island seeking freedom has resulted in countless programs and activities that have benefited not only Cuban-Americans but also every citizen in South Florida.

Among his illustrious accomplishments, Jorge is the founder and chairman of Neff Rental; Chairman of the Board of the Cuban American National Foundation; Chairman of MasTec Inc.; and Executive Director of the Mas Family Foundation. Through this Foundation, the Mas Family Scholarships has awarded over $500,000 to students who had little hope of obtaining higher education. He is deeply involved in community and civic activities as a member of the University of Miami President's Council and of Nova Southeastern University's Board of Trustees. Jorge's current multi-million dollar restoration project is to fulfill his late father's dream of turning The Freedom Tower, which is included in the National Registry of Historic Places, into an educational center and museum, scheduled for completion in late 2001.

Jorge has achieved a multitude of honors. His love and dedication to the cause of freedom has touched the lives of so many and has won him respect and admiration. I want to join with his family, friends and colleagues in celebration of this wonderful award and I wish him every future success.

RE-OPENING OF SPAG'S OF SHREWSBURY, MASSACHUSETTS

HON. JAMES P. McGOVERN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. McGOVERN. Mr. Speaker, I rise today to join the community of Shrewsbury, Massachusetts in celebrating the Grand Re-Opening of Spag's—a store that has become one of the biggest tourist attractions in New England.

Founded in September 1934, Anthony ''Spag'' Borgatti set-up shop, on a 35 dollar loan from his mother, in a garage at 193 Boston Turnpike, using empty wooden crates as tables and display cases. Since that time, Spag's has become a retailing phenomenon that turned into a multi-million dollar enterprise. Spag believed in the words he spoke so often, ''Business is not just about dollars and cents, it's about people. Customers are people, employees are people, suppliers are people; and we all need each other.''

Spag's has stayed true to its founding basic principal of serving the working man by providing ''quality goods at rock bottom prices''. Today we celebrate the achievement that this retailing enterprise has accomplished and wish them well as they continue to serve their community.

Mr. Speaker, it is with tremendous pride that I recognize the employees of Spag's and the Borgatti Family for their past success and to thank them for the role they play, not only as a retail shopping enterprise, but also as a good neighbor always willing to help those in need. I congratulate them on their accomplishments and wish them well.

INTRODUCTION OF THE GLOBAL HEALTH ACT

HON. JOSEPH CROWLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. CROWLEY. Mr. Speaker, I am introducing legislation to address an issue that is receiving much needed attention by the international community and the U.S. government. That issue is global health. Men, women and children all over the world are struggling with the impact of an HIV/AIDS pandemic in Africa that threatens to engulf parts of Asia over the next few years and destabilize regional security on each of these continents. The former Soviet Union has one of the most rapidly growing number of HIV/AIDS cases in the world and has already overwhelmed its already faltering health care infrastructure.

The people of these and those in other developing countries are struggling with the fact that more than ten million children die before their 5th birthday each year from preventable diseases in developing countries. They are struggling with the continued impact of global infectious diseases such as tuberculosis, malaria, other infections that threaten their lives, the lives of their children, the viability of their villages, their economies, their national security.

Epic threats to the health of people all over the world continue to challenge governments, domestic infrastructures and societies on a rapidly growing scale. Their crisis is our crises. The stability of the region is at risk and with that, our interests in the stability of governments in Africa.

Despite these daunting facts, there is something we can do. Unprecedented opportunities exist today to improve health around the world and the U.S. must maintain its leadership role on these issues. It is in our interest to do so. Our borders are not impervious to these global health threats. To address these global health threats, I am introducing the Global Health Act of 2001.

During the 106th Congress, over 75 members of Congress and 152 organizations joined me in support of the Global Health Act of 2000 and we are reintroducing this legislation this year to reaffirm our commitment to improve the health of men, women and children around the world.

Today, I am joined by 52 of my colleagues in introducing bipartisan legislation to increase the U.S. commitment to global health by $1 billion dollars over FY 2001 appropriated levels. With these additional funds, our commitment to global health will be authorized at $2.55 billion.

Mr. Speaker, I would like to thank the fifty-two cosponsors of the Global Health Act of 2001. These cosponsors represent a broad cross section of the House; Democrats and Republicans, members of the Women's Caucus, the Progressive Caucus, the Black Caucus, Appropriators and Authorizers, who recognize the need and importance of an increased commitment to global health.

I ask that a copy of the Global Health Act be printed in the RECORD following my remarks.

We are joined in this effort by over 70 international organizations and two coalitions committed to global health, such as the Global Health Council, Save the Children, the Christian Children's Fund, and the American Foundation for AIDS Research, and the list is growing every day.

I have included that list of the global health organizations, faith-based organizations and development NGOs that support this legislation and ask that it be entered into the RECORD.

What does the Global Health Act do?

The Global Health Act of 2001 provides an additional $1 billion to the global health programs of the Federal Government. This includes a $275 million increase for HIV/AIDS, a $100 million increase for maternal health, a $200 million increase for family planning, a $225 million increase for child survival, and a $200 million increase for infectious diseases.

While other legislation will seek to target specific diseases, the Global Health Act understands the interconnectedness of health and seeks an increase for all of the global health programs that play an important role in improving the health of men, women and children around the world.

It also calls for increased coordination between the different government agencies administering health programs.

The HIV/AIDS pandemic is the greatest public health disaster to face mankind since the bubonic plaque. Already, 58 million people have been infected or died as a result of HIV/AIDS and more than 95 percent of new infections occur in developing countries. Sub-Saharan Africa has been the hardest hit and in South Africa it is estimated that 10 percent of its 45 million people are infected with the virus.

But, the pandemic is not limited to Africa: Asia will soon have more new HIV infections than any other region and Russia is the new ''hot spot'' for the disease. The disease is ravaging families and communities and young people have been particularly devastated. Every minute, five young people contract HIV/AIDS somewhere in the world and in Southern Africa it is projected that more than half of today's teenagers will become infected and die of AIDS.

UNAIDS has estimated that it would take $3 billion to address HIV/AIDS in Africa alone (excluding access to drugs) and at this time the international community is providing less than $1 billion a year for HIV/AIDS programs in the developing world.

The world looks to the United States to be a leader and now is the time for the United States to significantly expand its support for global HIV/AIDS programs. The creation of new drugs and vaccines cannot stand alone and we must also invest in the development of public health infrastructure.

This infrastructure will be important as we continue to expand investment in treatment and care programs. In addition, 42 million children will be orphaned by HIV/AIDS by 2010 and we must be prepared to provide good health care to these children across the health spectrum.

All children of the world need our support. As we approach the 10-year anniversary of the World Summit for Children, we must make a strong commitment in their future by investing in the world's children. Ten million children die before their 5th birthday each year in developing countries from preventable diseases, such as pneumonia, diarrhea and measles. Yet, funding for the core child survival program remained fairly stable in the FY 2001 budget. Without additional funding, the successful child survival programs will not continue to provide needed services for young girls and boys in developing countries. Through its research and development programs, the United States has developed interventions that work. Clean water and sanitation prevent infections, and oral rehydration therapy (a simple salt sugar mixture taken by mouth, which costs only pennies) has been proven to be among the most effective public health interventions ever developed.

Immunization programs have also proven to be successful and almost 75 percent of children are immunized today in developing countries.

Annually, immunizations avert two million childhood deaths from measles, neonatal tetanus, and whooping cough. The success of these programs is striking and the U.S. should reaffirm its commitment to children as we meet with other world leaders at the UN Special Session for Children in September, 2001.

Another equally compelling problem that has not yet been given the recognition it deserves is the death of 600,000 women each year during pregnancy and childbirth—one woman every minute.

Over 80 percent of these deaths are due to complications that are routinely prevented in the developed world, such as obstructed labor, infections and unsafe births. 99 percent of these 600,000 deaths could be averted.

Of all the health statistics monitored by the World Health Organization, the figures on materal mortality reveal the largest discrepancy between developed and developing countries.

Women in developing countries are 18 times more likely to die during childbirth than

women in developed countries. This disparity does not need to continue. The WHO has identified a package of health interventions that for a cost of $1–3 per mother, could save the lives of countless mothers and their children.

This small investment in mothers will have an enormous impact on the families of tomorrow.

Other interventions, such as family planning, also play a large role in protecting the integrity of a family.

One third of the world's population is between the ages of 10 and 24. As these young people begin to raise families, the demand for safe voluntary family planning services will increase dramatically.

Many women will choose to have children and over 200 million will become pregnant in the coming year.

But, following the birth of a healthy child, many couples prefer to delay or cease childbearing. About a quarter of a billion couples around the world find themselves in this situation and they do not have access to voluntary contraceptive methods. As a result, many pregnancies are unplanned or unwanted.

The World Bank has found family planning to be one of the best ways to improve maternal and child health and it is time for the U.S. to signficantly expand funding and support for the international family planning programs at the U.S. Agency for International Development and increase the U.S. allocation to the United Nations Population Fund.

The final important piece of the Global Health Act is the increased funding for programs that address infectious diseases.

My own district was surprised and concerned when West Nile Encephalitis entered our community during the Summer of 1999. This incident reminded us that infectious diseases know no geographic boundaries, and are crossing U.S. borders with greater frequency.

Tuberculosis has re-emerged on the world stage in deadlier and more drug resistant forms.

With the appearance of multi-drug resistant tuberculosis, and its spread to Europe and the U.S., we face the possibility that this could again become a leading killer. But, through effective collaborative projects, the United States has been able to leverage its support for infectious disease programs and rates of malaria and polio are decreasing.

In just the past ten years, the number of polio cases worldwide has fallen by almost 50 percent and the death toll from malaria has been reduced by 97 percent. These partnerships have proven to be very fruitful and are a model for future U.S. action on infectious diseases.

With the resources provided under the Global Health Act and the coordination and assistance of other nations, we can make a profound difference in the health and wellbeing of millions of the world's poorest citizens.

Without good health, a nation will be unable to support a healthy and strong economy.

It is in our national and economic interests that the U.S. support increased funding for global health so that today's healthy children can be tomorrow's healthy world partners.

Mr. Speaker, I urge my colleagues to support this important legislation.

ORGANIZATIONS ENDORSING THE GLOBAL HEALTH ACT OF 2001

1. Adventist Development and Relief Agency.
2. Advocates for Youth.
3. Africa Faith & Justice Network.
4. African Services Committee, Inc.
5. Alan Guttmacher Institute.
6. Alliance Lanka.
7. American Association for World Health.
8. American Association of University Women.
9. American Foundation for AIDS Research.
10. American International Health Alliance Organization.
11. American Society of Tropical Medicine and Hygiene.
12. AmeriCares.
13. Andean Rural Health Care.
14. Asian and Pacific Islander Wellness Center.
15. Association of Public Health Laboratories.
16. Association of Reproductive Health Professionals.
17. Association of Schools of Public Health.
18. Baertracks.
19. The Centre for Development and Population Activities—CEDPA.
20. Catholics for a Free Choice.
21. Center for Reproductive Law and Policy.
22. Center for Women Policy Studies.
23. Christian Children's Fund.
24. Concern Worldwide U.S., Inc.
25. CONRAD Program.
26. Cross-Cultural Solutions.
27. Elizabeth Glaser Pediatric AIDS Foundation Organization.
28. Family Care International.
29. Female Health Company.
30. FOCAS.
31. Global AIDS Action Network.
32. Global AIDS Alliance.
33. Global Health Council.
34. Infectious Diseases Society of America.
35. InterAction.
36. International Trachoma Initiative.
37. International Women's Health Coalition.
38. Institute for Global Health.
39. John Snow, Inc.
40. Journalists Against AIDS Nigeria.
41. Management Sciences for Health.
42. National Abortion and Reproductive Rights Action League.
43. National Association of People with AIDS.
44. National Audubon Society.
45. National Family Planning and Reproductive Health Association.
46. National Latina/o Lesbian, Gay, Bisexual, and Transgender Organization.
47. Programs for Appropriate Technology in Health.
48. Pathfinder International.
49. Physicians for Social Responsibility.
50. PLAN International.
51. Population Action International.
52. Population Institute.
53. Population Leadership Program.
54. Project Hope.
55. Religious Action Center of Reform Judaism.
56. San Francisco AIDS Foundation.
57. Save the Children.
58. United Methodist Church, General Board of Church and Society.
59. U.S. Coalition for Child Survival (see members list below).
60. U.S. Committee for UNFPA.
61. U.S. Fund For UNICEF.
62. Uganda Youth Anti-AIDS Association.
63. Union of American Hebrew Congregations.
64. Unitarian Universalist Service Committee.
65. University of North Carolina at Chapel Hill.
66. White Ribbon Alliance for Safe Motherhood (see members list below).
67. Women's EDGE.
68. World Neighbors.

MEMBERS OF THE U.S. COALITION FOR CHILD SURVIVAL

Academy for Educational Development, Adventist Development and Relief Agency, Aga Khan Foundation USA, Bread for the World, CARE Tajikistan, Children's Global Health and Education Network, Christian Children's Fund, CORE Group, Elizabeth Glaser Pediatric AIDS Foundation, Environmental Health Project, Freedom from Hunger, Global Health Council, Grantmakers in Health, Johns Hopkins University/School of Public Health; KRA Corp., Health Program, March of Dimes, Merck, PLAN International, Save the Children, US Fund for UNICEF, Voice of America, as of 3/28/01,

MEMBERS OF THE WHITE RIBBON ALLIANCE FOR SAFE MOTHERHOOD

Academy for Nursing Studies, Advance Africa, Adventist Development and Relief Agency (ADRA), Aisyiyah, Indonesia, AIWC, American Association of World Health, American College of Nurse Midwives (ACNM), American Women's Association, Indonesia, APIK, Arthik Samata Mandal, Association of Women's Health, Obstetric, & Neonatal Nurses, Association for Maternal and Child Health Concern in Nigeria, AusAID WHFW Project/OPCV.

Biodun Mat/Eye Clinic, North Tougu, The Ghana Registered Midwives Assoc., BKKBN (National Family Planning Coordinating Board), BKOW (Coordinating Body of Women's Organizations, West Java), Cambodian Midwives Association, Canadian Women's Association, Indonesia, CARE, CARE—India, CASP, Catholics for Contraception, Center for Development Control, Center for Development and Population Activities (CEDPA), Centre For Human Survival, Nigeria, Center for Reproductive Law and Policy (CRLP), CHETNA, Child Survival Collaborations and Resources (CORE) Group, Christian Association of Nigeria, CMAI, Christian Children's Fund, Community Based Health Care Women's Group, Kimilili, Kenya, CRS.

DFID, EEC, Engender Health, Equilibres et Populations, France, Family Care International, Federal Women's Association of Muslim, FK–PKMI (Collaborative Forum—for the Promotion of Community Health, Indonesia), Ford Foundation, Indonesia,

Jakarta International School, JHPIEGO, Indonesia, Johns Hopkins University—PCS, Johns Hopkins University—School of Public Health, JHU/CCP, Kalyanamitra, La Leche League International, Linkages Project/Academy for Educational Development, Local Government Service Commission, Nigeria, Loma Linda School of Public Health, Mamta Health Institute for Mother and Child—India, Market Women's Association, Nigeria, Matrika, MILES Production, Indonesia, Mitra Perempuan (Wone in Sisterhood), MNH Program Indonesia, MotherCare/John Snow International (JSI), Indonesia, National Union of Teachers, Nigeria, NGO Networks for Health, NGO Networks for Health, Armenia, Nurses Association, Nigeria, Organization For Student Health Care Services, Monrovia, Liberia.

Pacific Institute for Women's Health, PATH, Indonesia, Pathfinder International,

PFI, Pita Putih-Indonesia, PLAN International, POGI (Association of Specialists in OB/GYN, Indonesia), Population Council, Population Reference Bureau, Population Services International, Prerana, PRIME/Intrah, Project Hope, PSS, Pusat Komunikaski Jender dan Kesehatan (Center for Communications in Health and Gender Issues, Indonesia), RSB, Boedi Kemuliaan (Boedi Kemuliaan Maternity Hospital).

Safe Motherhood Initiative (SMI)—USA, Safe Motherhood Action Group—Nigeria, San Bernardino Coalition for Safe Motherhood, Save the Children, Shell Nigeria (Women's Programme, Community Development Department), SIDA, Soroptimist International of Indonesia, State Ministry of Women's Empowerment, Indonesia, TNAI, U.S. Pharmacopeia, White Ribbon Alliance—India, Women's Empowerment in Politics, Indonesia, World Vision, Yayasan Melati, YMCA, Zambian Enrolled Nurses/Midwives working at the University Teaching Hospital, Zambia White Ribbon Alliance for Safe Motherhood.

LEGISLATION CLARIFYING THE INCOME FORECAST METHOD

HON. MARK FOLEY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. FOLEY. Mr. Speaker, Congressman BECERRA and I introduced legislation today to clarify the income forecast method.

As Chairman of the House Entertainment Industry Task Force, I have understood that changes made in the Small Business Job Protection Act of 1996 that modified depreciation under the income forecast method have had unintended consequences for the movie industry. Our legislation corrects those consequences.

The ''income forecast'' method is a method for calculating depreciation under section 167 for certain property, including films. Under the income forecast method, the depreciation deduction for a taxable year for a property is determined by multiplying the cost of the property by a fraction, the numerator of which is the income generated by the property during the year and the denominator of which is the total forecasted or estimated income to be derived by the property during its useful life. The total forecasted income to be derived from a property is based on conditions known to exist at the end of a period for which depreciation is claimed and these could be revised upward or downward at the end of a subsequent taxable year based on additional information that becomes available since the last estimate. In the case of films, income to be taken into account means income from the film less the expense of distributing the film, including estimated income from foreign distribution or other exploitation of the film including future television exhibition.

The Small Business Job Protection Act addressed the income forecast method in order to make the formula a more appropriate method for matching the capitalized costs of certain property with the income produced by such property. While the new law modified the method by including all estimated income generated by the property, however, it made no changes to the treatment of participations.

Projected participations—such as percentages of the gross receipts due an actor—have been included as part of the total cost of a film ever since studios have been forced to forecast the total revenues of a film under the income forecast method. But the Internal Revenue Service (IRS) has indicated that it will disallow participations as part of a film. Participations were not an issue addressed by modification to the income forecast method. Studios have negotiated their complex transactions based on the clear and well-established principle that the cost of a film includes participations.

The legislation that we have introduced today will ensure that participations are a part of the total cost of a film. First, the legislation would guarantee that income-contingent costs are includible in basis, thereby accepting the conclusion of Transameric Corp. v. U.S. The legislation provides that the depreciation allowance, as so determined, will apply notwithstanding section 404 or section 419. There would be ''no inference'' clause with regard to films placed in service after the effective date to the 1996 amendments to section 167 (that is, films placed in service after September 13, 1995).

Second, the look-back regime is tightened in two ways: (i) a third recomputation year is added; and (ii) the 10 percent de-minimis rule is applied on an annual basis not on a cumulative basis in the recomputation year. Thus, if the taxpayer initially estimates that the film's ultimate income will be $1,000X and the estimated ultimate income in year two is increased or decreased by more than 10 percent, then the look-back computation is required for that last year. The 10 percent threshold then applies to the new estimated ultimate income.

This legislation was the result of consultations with the staff of the Committee on Ways and Means and the Joint Committee on Taxation. An analysis was done of the legislation for films in the following three situations: (1) where the film takes off late; (2) where the film falls short of expectations; and (3) where the film exceeds expectations. For each scenario, calculations were done using escalating income-contingent costs, and provided calculations on both an annual basis and a cumulative basis of accounting for adjustments to forecasted revenues. The conclusion confirmed that the legislative changes would not create distortion under the income forecast method.

We look forward to working with the Committee on Ways and Means to find the appropriate legislative vehicle to address this technical correction that will reiterate Congressional intent on changes made to the income forecast method in the Small Business Job Protection Act.

THE IMPORTANCE OF COMMUNITY HEALTH CENTERS

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. BILIRAKIS. Mr. Speaker, today, I would like to discuss the importance of community health centers.

Since 1965, America's health centers have delivered comprehensive health and social support services to people who otherwise would face major financial, social, cultural and language barriers to obtaining quality, affordable health care.

Health centers serve those who are hardest to reach. They are located in America's inner cities, isolated rural areas, and migrant farmworker communities—areas with few or no physicians and other health and social services. Community health centers are not-for-profit health care providers and are required by law to make their services accessible to everyone, regardless of their ability to pay.

There are more than 1,000 community health centers located in every state, the District of Columbia, Puerto Rico, Guam, and the U.S. Virgin Islands. Collectively, these centers serve as a health care safety net for more than 11 million patients, over 4 million of whom are uninsured.

Health centers foster growth and development in their communities. Over $14 billion in annual economic activity is generated by health centers in many of America's most economically depressed communities, and they employ over 50,000 people and train thousands of health professionals and volunteers.

Community health centers offer a wide range of preventative and primary medical and dental care, as well as health education, community outreach, transportation, and support programs. Health centers focus on wellness and early prevention—the keys to cost savings in health care. Through innovative programs in outreach, education and prevention, health centers reach out and energize communities to meet urgent health needs and promote greater personal responsibility for good health.

For less than one dollar per day for each person served (less than $350 annually), health centers provide quality primary and preventive care to low-income, uninsured and under-insured individuals and families. Through reductions in hospital admissions and less frequent use of costly emergency room visits for routine services, health centers save the American health care system almost billions each year.

Health centers provide quality care to millions of Americans who lack health coverage. However, they cannot continue to expand care to the growing number of uninsured patients who seek assistance without a significant increase in their appropriations.

President Bush recognized the importance of health centers with his recent proposal to double the number of patients health centers serve over the next five years. I strongly support this proposal, and an increase in funding this year is the first step needed to reach this goal.

Today, America's health centers are the family doctor and health care provider for over 10 million people. Expanding the role of community health centers is a proven, viable, and cost effective way to bring quality health care to uninsured patients and medically underserved communities.

TRIBUTE TO LOIS PEARSALL

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. BARCIA. Mr. Speaker, I rise today to pay tribute to Lois Pearsall upon the occasion of her retirement as a rural development specialist with the United States Department of Agriculture in Caro, Michigan. Lois has given 35 years of dedicated service to her country through her employment with various governmental agencies since 1965.

Lois began her government career as a clerk stenographer with the Joint Chiefs of Staff and Department of the Army at the Pentagon in Washington, D.C. before relocating to Michigan in 1970. Since then, her unparalleled devotion to addressing the needs of Michigan residents has earned her many awards for both the quality and effectiveness of her work.

Over the years, Lois has set the standard in her service to the residents of mid-Michigan, consistently going well above and beyond the basic requirements of her job to aid those faced with financial hardship. In her role in the Rural Housing Program and Farmer Loan programs, she played an integral part in providing shelter and economic stability to some of the more vulnerable citizens of our communities. She has been a vital and tireless leader in securing decent, safe and affordable housing in rural Michigan.

Most recently, Lois has worked as a loan specialist for the Multi-Family Housing Program. Overseeing the management of more than 250 apartment projects in the Lower Peninsula of Michigan, Lois has spent countless hours and expended considerable energy in guiding innumerable communities, borrowers, tenants and management companies into housing partnerships to put roofs over the heads of a considerable number of families throughout the state.

All those who have benefitted from Lois' efforts no doubt also owe a debt of gratitude to her husband, Al, and son, Albert, for their willingness to share Lois' time and talents for the benefit of the commonwealth. Lois will be the first to acknowledge that Al's and Albert's work on the family farm gave her the time and freedom to help other farm families, friends, neighbors and strangers achieve their dreams.

I ask my colleagues to join me in extending our deep appreciation to Lois and her family for outstanding service and wishing them well in all future endeavors.

TRIBUTE TO SAL TORRES

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. LANTOS. Mr. Speaker, I invite my colleagues to join me today in paying tribute to Gonzalo "Sal" Torres, an extraordinary city councilman and community leader from Daly City, California. Sal, who also served as Mayor of Daly City, was recently re-elected to the city council and has been honored as "one of the top 20 lawyers under 40" by the newspaper California Law Business.

Sal has demonstrated his commitment to excellence and his civic concern since he was a student of psychology at UCLA. He received the Chancellor's Marshall Honors for his academic accomplishment as well as his participation in various community service projects, including the Amigos Del Barrio Tutorial program. Sal was the Director of this excellent program which matched over 200 under privileged elementary school students with college students who offered various types of academic support. Sal's civic concern with the Hispanic community continued following his graduation from UCLA in 1983 in his work with Hispanic Consumer Advocates, the first consumer affairs radio show in Los Angeles to be broadcast entirely in Spanish.

Mr. Speaker, Sal earned awards for scholarship and advocacy on many occasions during his legal education at the University of San Francisco School of Law. These awards included the Judge Harold J. Haley Award and the Student Bar Association Award. Today Sal puts his legal education to good use as Assistant General Counsel to Tomen Agro Inc., where he handles international commerce, anti-trust and trademark matters, and public relations.

The heavy demands of his profession have in no way limited Sal's commitment to community service. If anything, the list of community activities in which Sal has been involved has grown since the beginning of his professional career. Sal has been an active participant in the State Bar Association's Human Rights Committee and the Volunteer Legal Services Program of the San Francisco Bar. He has volunteered to take San Mateo youths on probation to clean up graffiti as part of Daly City's anti-graffiti program. He is also the mentor for Unity 2000, an organization that aspires to change negative stereotypes about local teenagers.

Sal has also been the General Counsel to San Mateo County's Latino Leadership Council, a remarkable organization that strives to educate the general public on social, political, and economic issues that affect the Latino community. He worked as the Newsletter Editor and as one of the Directors of the San Francisco La Raza Lawyers Association. Sal also managed to find time to host a weekly public affairs television show that focuses on issues of concern to the Latino community. This already extensive list only begins to describe Sal's endeavors to improve the community and the lives of those around him.

Mr. Speaker, Sal's service and dedication to Daly City deserves special commendation. He was first elected to the City Council in 1996. The economic prosperity which the city has enjoyed has given him and his fellow council members an opportunity to make an important contribution to the health and vitality of the city. Daly City has been able to implement a $40 million capital improvement program that is creating new community centers, libraries, and improved parks and playgrounds.

Sal has also demonstrated the capacity to handle crisis situations. He worked to secure funds from the Federal Emergency Management Agency (FEMA) which helped to evacuate and reimburse the residents of 30 seaside homes that were dangerously close to slipping off a cliff following severe winter storms. The residents of Daly City are truly fortunate to have Sal's energy and intelligence to advocate their interests.

Mr. Speaker, I am pleased to have this opportunity to pay tribute to Sal Torres. He has been an outstanding leader whose civic concern and whose dedication to public service should be an inspiration for all of us. I think the advice that Sal gives to the teenagers whom he mentors best describes this spirit: "Never give up. Follow your heart. If you are persistent and believe in your heart that you can do it, nothing can ever stop you."

PERSONAL EXPLANATION

HON. ALLEN BOYD

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. BOYD. Mr. Speaker, I was unavoidably delayed on Roll Call vote 50. Had I been present, I would have voted yea on Roll Call vote 50.

PERSONAL EXPLANATION

HON. BETTY McCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Ms. McCOLLUM. Mr. Speaker, on March 23, 2001, I regrettably missed a recorded vote on Roll Call 60. Had I been present, I would have voted "yea."

LET'S SUPPORT COMMUNITY HEALTH CENTERS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. TOWNS. Mr. Speaker, I want to join my colleagues in stressing the importance of funding community health centers at a level of at least $175 million for FY 2002. In my home State of New York, we provide over 164,000 residents who are uninsured or Medicaid recipients with health care services. Low-income New Yorkers are dependent on these centers for important services like, immunizations, breast and cervical cancer exams as well as treatment for asthma, diabetes and heart disease.

Communities served by community health centers make a real difference in the quality of life for that community. For example, infant mortality rates have been shown to be 10 to 40 percent lower than communities not served by health centers. Health center patients have lower hospital admission rates and shorter hospital stays, and make more appropriate use of emergency room services. Moreover, centers have significantly increased the use of preventive health services like pap smears, mammograms, and glaucoma screening services among the populations they serve. The

centers have also made significant strides in preventing anemia and lead poisoning. And finally, centers have been reported to make the benefits of public insurance programs available to more eligible children and adults. The HHS inspector general recently commended health centers for their successful efforts in finding thousands of children and adults who are eligible for, but not enrolled in, the Medicaid and S–Chip program and assisting them to enroll in these programs.

In addition, we need to ensure that the reauthorization of the health centers program under section 330 of the Public Health Act occurs early during the 107th Congress. I especially want to stress the need to restore authority for facility construction and renovation as well as an appropriate allocation among the community, migrant, homeless and public housing health center programs.

Mr. Speaker, I look forward to working with my colleagues on Energy and Commerce's Subcommittee on Health to fully support community health centers and I urge my colleagues to actively support this critical health care program which provides so much in the way of services to low-income Americans.

IN MEMORY OF EL PASO CITIZEN AND WWII VETERAN FRANCISCO TORRES

HON. SILVESTRE REYES

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. REYES. Mr. Speaker, I would like to take this opportunity to recognize a proud and distinguished individual from my district of El Paso, Texas who passed away earlier this month. Mr. Francisco Camargo Torres was a longtime resident of El Paso and was a devoted member of the Catholic Church. When the time came for our young men and women to answer the call of duty during World War II, Mr. Torres proudly offered service to his country as a member of the U.S. Army Air Corps.

Mr. Torres returned home a hero with several decorations including the American Defense Ribbon, the Asiatic Pacific Theater Ribbon, the European African Middle Eastern Theater Ribbon, the Good Conduct Medal and four Overseas Bars. Mr. Torres leaves a proud and honorable legacy for his family, friends, and for his nation to admire. The service he offered to his country is one that we, as a nation, recognize as the greatest sacrifice for the survival of freedom and liberty. Mr. Torres fought against the enemies of the United States and did so with distinction.

Upon his return home, Mr. Torres worked for and retired from the Southern Pacific Railroad. He returned to his community and worked to ensure its growth and prosperity. Mr. Torres is survived by his wife Roselia V. Torres, his sons Jose Francisco, Victor, Rosendo, Armando, and Jaime, daughter Lilia Maria Carter, 16 grandchildren and two great grandchildren.

Mr. Speaker, individuals such as Mr. Torres chose to fight for the freedom of their country and returned to help build its future. The Torres family can rest assured that posterity is well served by Mr. Torres' accomplished life. Mr. Torres was laid to rest in Fort Bliss National Cemetery and his legacy and blessings to the city of El Paso and the family survived by him will never be forgotten. I honor this veteran and citizen of my district and offer my most sincere condolences to his family.

IN SUPPORT OF H.R. 1261, ENCOURAGING ALTERNATIVE WATER SOURCES FOR SOUTHERN CALIFORNIA

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. HORN. Mr. Speaker, in 1996, Congress passed the Reclamation Recycling and Water Conservation Act to help western communities conserve precious water supplies by encouraging water reuse. The Act authorized a number of new projects, including a water desalinization project proposed by the city of Long Beach and the Metropolitan Water District of Southern California. The Act limited the federal cost share requirements to 50 percent of total project costs.

At the time of the Act's passage, the projected costs for the Long Beach desalinization project were estimated to be $27 million. The expectation at the time was that the desalinization project would process roughly 5 million gallons of water each day. Given the limitations in the Act, the federal government's responsibility was limited to $13.5 million.

Since the original authorization, the project's sponsors have increased the scope of the project. Today, the plans call for processing 40 million gallons of water per day, an eightfold increase over the original projections. In turn, this has dramatically increased the total project cost, to well over $100 million.

Private resources have been identified to cover the increase in costs. However, there is concern that the federal cost share provision may be overly broad, imposing responsibility for up to $50 million on the Federal Bureau of Reclamation.

The legislation that I have introduced today would clarify and emphasize that the contribution of the federal government today is exactly the same as it was five years ago: not more than $13.5 million. It is, quite simply, a technical correction or clarification of the original authorization. And, in this day of fiscal restraint, is the type of restraining legislation that my colleagues should be eager to support. I look forward to working with my colleagues, particularly those in water-scarce communities, to enact this legislation and, ultimately, to develop alternative water resources.

H.R. 1261 is below:

H.R. 1261

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LIMIT ON FEDERAL COST OF THE LONG BEACH DESALINIZATION RESEARCH AND DEVELOPMENT PROJECT.

Section 1605(b)(2) of the Reclamation Projects Authorization and Adjustment Act of 1992 (43 U.S.C. 390h–3(b)(2)) is amended by striking ''50 percent of the total'' and inserting ''the lesser of 50 percent of the total or $13,500,000''.

PERSONAL EXPLANATION

HON. CLIFF STEARNS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. STEARNS. Mr. Speaker, on rollcall nos. 62, 63 and 64 I was detained to speak to the "World Sports Clinic" for the Disabled Veterans of America.

Had I been present, I would have voted yea on all three.

STANLEY B. GREENBERG HIGHLIGHTS HAIDER'S CONTINUING RACISM, ANTI-SEMITISM, AND XENOPHOBIC IN AUSTRIA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. LANTOS. Mr. Speaker, in the last Congress we voted to adopt a resolution which expressed the serious concern of this house for the inclusion of the FPO political party in the government of Austria. At that time, the House expressed "its opposition to the anti-democratic, racist and xenophobic views that have been expressed by Jeorg Haider and other leaders of the FPO, and, because of these publicly expressed views, to state its opposition to the party's participation in the Austrian Government."

It was my hope in introducing that resolution and in bringing about the debate it in this house that the leaders of the FPO and the people of Austria would move away from the racist, anti-Semitic, and xenophobic rhetoric that has so tarnished and tainted the image of Austria. I regret, Mr. Speaker, that our efforts have not had their fully desired effect, but there has been some indication of progress—not with the FPO and its leader Jeorg Haider, but perhaps with the people of Vienna.

In yesterday's issue of *The New York Times*, American pollster and political analyst Stanley B. Greenberg—the husband of our distinguished colleague from Connecticut, ROSA DELAURO—wrote a particularly insightful piece about his own personal experiences in the last few weeks in Austria. His report indicates that the venomous anti-Semitism, anti-foreign rhetoric continues to pollute the speeches of Jeorg Haider and other leaders of the FPO. At the same time the people of Vienna in last Sunday's mayoral election gave the FPO 8 percent fewer votes than the party received in the previous election. I welcome that trend, but I also wish to note the one fifth—20 percent—of the voters in Vienna, a sophisticated and cosmopolitan city of international reputation, cast their ballots for the FPO and its racist and xenophobic platform.

Mr. Speaker, I submit Stan Greenberg's excellent personal essay from the March 27th issue of *The New York Times* to be placed in

the RECORD, and I urge my colleagues to give thoughtful consideration to his excellent article.

[From The New York Times, March 27, 2001]

A STRANGE WALTZ IN VIENNA

(By Stanley B. Greenberg)

VIENNA.—I am an American Jew, yet found myself in Vienna under attack by Jörg Haider, one of Europe's more notorious anti-Semitic politicians. I was in Vienna doing what I normally do, conducting polls and providing advice to political leaders and their campaigns—this time for the Social Democratic candidate for mayor, the incumbent, Michael Häupl. I had provided similar services for Bill Clinton and Al Gore, Tony Blair, Nelson Mandela and Ehud Barak. As a rule, I keep to the background, offering my ideas privately and far away from the TV cameras. Vienna was to be different.

Mr. Haider led the Freedom Party to prominence by attacking foreigners and Jews, expressing admiration for some of Hitler's policies and championing some populist ideas of his own. His party got 27.9 percent of the vote here in the local election in 1996.

Speaking before his party convention, Mr. Haider declared, ''Häupl has a strategist called Greenberg,'' eliciting giggles in the room. ''He specially flew him in from the East Coast.'' For Mr. Haider, ''East Coast'' means New York City and powerful Jews, the people who brought down Austrian president Kurt Waldheim and have tried to extract reparations for the Jewish victims of Nazi aggression. Mr. Haider spoke more about the foreigner, then intoned: ''Dear friends, you have the choice on 25 March between spin-doctor Greenberg from the East Coast or the Viennese hearts.'' This was greeted by massive applause.

I was not alone in the line of fire; Haider had singled out Ariel Muzicant, leader of the Jewish community in Vienna, for derision. He scoffed at his given name, which is also the name of a popular washing powder. And Mr. Haider wondered mockingly how ''anyone with such a name can have such dirty hands,'' economically summoning up the ''pollution'' fears and class-struggle stereotypes of 1930's anti-Semitism.

Mr. Haider's candidate in Vienna, Helene Partik-Pablé, spoke of foreigners who ''won't integrate.'' ''They carry on with their own life-style,'' she said. ''That leads to tensions involving noise, dirt and so on.'' She further declared, ''We need to introduce zero immigration.''

My first reaction was a certain pride in being attacked by Mr. Haider. But that was bravado, on the whole. The refrain of ''East Coast'' was unnerving.

One Saturday, after touring the city, I went to the Naschmarkt. The air carried many inviting scents—Austrain sausages on the grill, and Chinese stir-fry, the fruity tang of olives pickling in open tubs, Turkish döner rotating on a vertical skewer. So many aromas, most of which Mr. Haider would wish away. I accidentally bumped into Mayor Häupl, who was campaigning there. A few of the TV cameras turned to film me, and I did my best to disappear without seeming to pull a trench coat across my face. I was determined to avoid becoming a TV image two weeks before the election.

The notion entered my mind of other Jews hiding, seeking anonymity, in an earlier age. But I soon realized I was in a different time. I have been given the chance—denied my relatives in Eastern Europe, decades ago—to fight. With polls and focus groups, I helped develop issues and themes to deny Mr. Haider what he trives on, namely voters frustrated and alienated and looking for foreigners to blame. The Social Democrats made a new effort to harness social changes that many Austrians find frightening—by encouraging high-technology employment, investing more in schools and public transport and enhancing retirement security.

I also came to realize that I was not alone in Austria. Mr. Haider closed his campaign with a flurry of neighborhood rallies continuing the refrain about the ''East Coast.'' The Social Democrats finished with a rally of some 2000 supporters jammed into the Museumsquartier, the Hapsburgs' former stables. Mayor Häupl concluded his last campaign address with a warning about Mr. Haider: ''His attacks against the East Coast and against our consultant Greenberg, against the president of the Jewish community'' make him ''personally responsible'' for ''anti-Semitism'' ''This policy is against all of us,'' Mayor Häupl said.

On Sunday Vienna voters made their choices. Mr. Haider's Freedom Party lost almost one-third of its support, plummeting eight percentage points from the previous high. The Social Democrats made historic gains, taking up those eight points and winning an absolute majority on the city council.

I could focus on the fact that, last Sunday, one in five people in one of Europe's most tolerant and progressive cities voted for the anti-Semite. But I prefer to dwell on the fact that I had the opportunity to help drive back one of the dark forces of our time and I did not fight alone.

IN RECOGNITION OF PRESTOLITE WIRE CORPORATION RECEIVING THE GEORGIA OGLETHORPE AWARD FOR PERFORMANCE EXCELLENCE

HON. SAXBY CHAMBLISS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. CHAMBLISS. Mr. Speaker, I want to recognize Prestolite Wire Corporation, the year 2000 recipient of the Georgia Oglethorpe award for performance excellence. Prestolite is the first manufacturing and small industry applicant to receive the state's highest honor.

The Georgia Oglethorpe award is open to business, industry, government, education, healthcare, and non-profit organizations and is awarded for performance excellence.

I would like to commend all the people of Prestolite Wire Corporation on their outstanding performance and operation that makes them the sole recipient of the award for the manufacturing, small industry category. This award should make everyone involved with Prestolite proud to be a part of a corporation to earn such a prestigious award.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, March 29, 2001 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 3

9:30 a.m.

Appropriations

Labor, Health and Human Services, and Education Subcommittee

To hold hearings to examine issues surrounding Alzheimer's Disease.

SH–216

Energy and Natural Resources

To hold hearings to examine national energy policy with respect to impediments to development of domestic oil and natural gas resources.

SD–628

10 a.m.

Judiciary

To hold hearings to examine online entertainment and related copyright law.

SD–226

Appropriations

Energy and Water Development Subcommittee

To hold oversight hearings to examine issues surrounding nuclear power.

SD–124

Finance

To hold hearings to examine the process of finding successful solutions relative to Medicare and Managed Care.

SD–215

10:30 a.m.

Foreign Relations

Business meeting to consider proposed legislation to amend U.S. anti-drug certification procedures; S.Res.27, to express the sense of the Senate regarding the 1944 deportation of the Chechen people to central Asia; S.Res.60, urging the immediate release of Kosovar Albanians wrongfully imprisoned in Serbia; S.Con.Res.7, expressing the sense of Congress that the United States should establish an international education policy to enhance national security and significantly further United States foreign policy and global competitiveness; S.Con.Res.23, expressing the sense of Congress with respect to the involvement of the Government in Libya in the terrorist bombing of Pan Am Flight 103; and the nomination of William Howard Taft, IV, of Virginia, to be Legal Adviser of the Department of State.

SD–419

2 p.m.

Judiciary

Technology, Terrorism, and Government Information Subcommittee

To hold hearings to examine the Hart-Rudman Report, with respect to homeland defense.

SD–226

APRIL 4

9:30 a.m.
Armed Services
SeaPower Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 2002 for the Department of Defense and the Future Years Defense Program, focusing on shipbuilding industrial base issues and initiatives.
SR–222

Health, Education, Labor, and Pensions
To hold hearings to examine the constitutionality of employment laws, focusing on states rights and federal remedies.
SD–430

10 a.m.
Finance
To hold hearings to examine certain issues with respect to international trade and the American economy.
SD–215

Judiciary
Antitrust, Business Rights, and Competition Subcommittee
To hold hearings to examine competitive choices concerning cable and video.
SD–226

2 p.m.
Judiciary
Immigration Subcommittee
To hold hearings to review certain issues with respect to immigration policy.
SD–226

APRIL 5

10 a.m.
Judiciary
To hold hearings to examine Department of Justice nominations.
SD–226

APRIL 24

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Bureau of Reclamation, of the Department of the Interior, and Army Corps of Engineers.
SD–124

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of the Interior.
SD–138

APRIL 25

10 a.m.
Judiciary
To hold hearings to examine the legal issues surrounding faith based solutions.
SD–226

Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of the Army.
SD–192

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Corporation for National and Community Service.
SD–138

1:30 p.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Agriculture.
SD–138

APRIL 26

2 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Nuclear Security Administration, Department of Energy.
SD–124

MAY 1

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for certain Department of Energy programs relating to Energy Efficiency Renewable Energy, science, and nuclear issues.
SD–124

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Forest Service, Department of Agriculture.
SD–138

Judiciary
To hold hearings to examine high technology patents, relating to business methods and the internet.
SD–226

MAY 2

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Veterans Affairs.
SD–138

MAY 3

10 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Agriculture, focusing on assistance to producers and the farm economy.
SD–138

2 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for Department of Energy environmental management and the Office of Civilian Radio Active Waste Management.
SD–124

MAY 8

10 a.m.
Judiciary
To hold hearings to examine high technology patents, relating to genetics and biotechnology.
SD–226

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Energy.
SD–124

MAY 9

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Aeronautics and Space Administration.
SD–138

MAY 10

10 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Food and Drug Administration, Department of Health and Human Services.
SD–138

MAY 16

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Federal Emergency Management Agency.
SD–138

JUNE 6

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Science Foundation and the Office of Science Technology Policy.
SD–138

JUNE 13

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Environmental Protection Agency and the Council of Environmental Quality.
SD–138

JUNE 20

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Housing and Urban Development.
SD–138