

provide for reconciliation pursuant to section 104 of the concurrent resolution on the budget for fiscal year 2002; as follows:

Strike all after the first word and insert the following:

**SECTION 1. SHORT TITLE; ETC.**

(a) **SHORT TITLE.**—This Act may be cited as the “Economic Insurance Tax Cut of 2001”.

(b) **AMENDMENT OF 1986 CODE.**—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) **SECTION 15 NOT TO APPLY.**—No amendment made by this Act shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

**SEC. 2. 10-PERCENT INCOME TAX RATE BRACKET FOR INDIVIDUALS.**

(a) **RATES FOR 2001.**—Section 1 (relating to tax imposed) is amended by striking subsections (a) through (d) and inserting the following:

“(a) **MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING SPOUSES.**—There is hereby imposed on the taxable income of—

“(1) every married individual (as defined in section 7703) who makes a single return jointly with his spouse under section 6013, and

“(2) every surviving spouse (as defined in section 2(a)), a tax determined in accordance with the following table:

<b>“If taxable income is:</b>	<b>The tax is:</b>
Not over \$19,000 .....	10% of taxable income.
Over \$19,000 but not over \$45,200 .....	\$1,900, plus 15% of the excess over \$19,000.
Over \$45,200 but not over \$109,250 .....	\$5,830, plus 28% of the excess over \$45,200.
Over \$109,250 but not over \$166,500 .....	\$23,764, plus 31% of the excess over \$109,250.
Over \$166,500 but not over \$297,350 .....	\$41,511.50, plus 36% of the excess over \$166,500.
Over \$297,350 .....	\$88,617.50, plus 39.6% of the excess over \$297,350.

“(b) **HEADS OF HOUSEHOLDS.**—There is hereby imposed on the taxable income of every head of a household (as defined in section 2(b)) a tax determined in accordance with the following table:

<b>“If taxable income is:</b>	<b>The tax is:</b>
Not over \$14,250 .....	10% of taxable income.
Over \$14,250 but not over \$36,250 .....	\$1,425, plus 15% of the excess over \$14,250.
Over \$36,250 but not over \$93,650 .....	\$4,725, plus 28% of the excess over \$36,250.
Over \$93,650 but not over \$151,650 .....	\$20,797, plus 31% of the excess over \$93,650.
Over \$151,650 but not over \$297,350 .....	\$38,777, plus 36% of the excess over \$151,650.
Over \$297,350 .....	\$91,229, plus 39.6% of the excess over \$297,350.

“(c) **UNMARRIED INDIVIDUALS (OTHER THAN SURVIVING SPOUSES AND HEADS OF HOUSEHOLDS).**—There is hereby imposed on the taxable income of every individual (other than a surviving spouse as defined in section 2(a) or the head of a household as defined in section 2(b)) who is not a married individual (as defined in section 7703) a tax determined in accordance with the following table:

<b>“If taxable income is:</b>	<b>The tax is:</b>
Not over \$9,500 .....	10% of taxable income.
Over \$9,500 but not over \$27,050 .....	\$950, plus 15% of the excess over \$9,500.
Over \$27,050 but not over \$65,550 .....	\$3,582.50, plus 28% of the excess over \$27,050.
Over \$65,550 but not over \$136,750 .....	\$14,362.50, plus 31% of the excess over \$65,550.
Over \$136,750 but not over \$297,350 .....	\$36,434.50, plus 36% of the excess over \$136,750.

**“If taxable income is:**

Over \$297,350 .....	\$94,250.50, plus 39.6% of the excess over \$297,350.
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“(d) **MARRIED INDIVIDUALS FILING SEPARATE RETURNS.**—There is hereby imposed on the taxable income of every married individual (as defined in section 7703) who does not make a single return jointly with his spouse under section 6013, a tax determined in accordance with the following table:

<b>“If taxable income is:</b>	<b>The tax is:</b>
Not over \$9,500 .....	10% of taxable income.
Over \$9,500 but not over \$22,600 .....	\$950, plus 15% of the excess over \$9,500.
Over \$22,600 but not over \$54,625 .....	\$2,915, plus 28% of the excess over \$22,600.
Over \$54,625 but not over \$83,250 .....	\$11,882, plus 31% of the excess over \$54,625.
Over \$83,250 but not over \$148,675 .....	\$20,755.75, plus 36% of the excess over \$83,250.
Over \$148,675 .....	\$44,308.75, plus 39.6% of the excess over \$148,675.”

(b) **INFLATION ADJUSTMENT TO APPLY IN DETERMINING RATES FOR 2002.**—Subsection (f) of section 1 is amended—

(1) by striking “1993” in paragraph (1) and inserting “2001”,

(2) by striking “1992” in paragraph (3)(B) and inserting “2000”, and

(3) by striking paragraph (7).

(c) **CONFORMING AMENDMENTS.**—

(1) The following provisions are each amended by striking “1992” and inserting “2000” each place it appears:

- (A) Section 25A(h).
- (B) Section 32(j)(1)(B).
- (C) Section 41(e)(5)(C).
- (D) Section 42(h)(3)(H)(i)(II).
- (E) Section 59(j)(2)(B).
- (F) Section 63(c)(4)(B).
- (G) Section 68(b)(2)(B).
- (H) Section 132(f)(6)(A)(ii).
- (I) Section 135(b)(2)(B)(ii).
- (J) Section 146(d)(2)(B).
- (K) Section 151(d)(4).
- (L) Section 220(g)(2).
- (M) Section 221(g)(1)(B).
- (N) Section 512(d)(2)(B).
- (O) Section 513(h)(2)(C)(ii).
- (P) Section 685(c)(3)(B).
- (Q) Section 877(a)(2).
- (R) Section 911(b)(2)(D)(ii)(II).
- (S) Section 2032A(a)(3)(B).
- (T) Section 2503(b)(2)(B).
- (U) Section 2631(c)(2).
- (V) Section 4001(e)(1)(B).
- (W) Section 4261(e)(4)(A)(ii).
- (X) Section 6039F(d).
- (Y) Section 6323(i)(4)(B).
- (Z) Section 6334(g)(1)(B).
- (AA) Section 6601(j)(3)(B).
- (BB) Section 7430(c)(1).

(2) Subclause (II) of section 42(h)(6)(G)(i) is amended by striking “1987” and inserting “2000”.

(d) **ADDITIONAL CONFORMING AMENDMENTS.**—

(1) Section 1(g)(7)(B)(ii)(II) is amended by striking “15 percent” and inserting “10 percent”.

(2) Section 1(h) is amended by striking paragraph (13).

(3) Section 3402(p)(1)(B) is amended by striking “7, 15, 28, or 31 percent” and inserting “5, 10, 15, 28, or 31 percent”.

(4) Section 3402(p)(2) is amended by striking “15 percent” and inserting “10 percent”.

(e) **DETERMINATION OF WITHHOLDING TABLES.**—Section 3402(a) (relating to requirement of withholding) is amended by adding at the following new paragraph:

“(3) **CHANGES MADE BY SECTION 2 OF THE ECONOMIC INSURANCE TAX CUT OF 2001.**—Notwithstanding the provisions of this subsection, the Secretary shall modify the ta-

bles and procedures under paragraph (1) through the reduction of the amount of withholding required with respect to taxable years beginning in calendar year 2001 to reflect the effective date of the amendments made by section 2 of the Economic Insurance Tax Cut of 2001, and such modification shall take effect on the first day of the first month beginning after the date of the enactment of such Act.”

(f) **EFFECTIVE DATES.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2000.

(2) **AMENDMENTS TO WITHHOLDING PROVISIONS.**—The amendments made by paragraphs (3) and (4) of subsection (d) shall apply to amounts paid after December 31, 2000.

**SA 688.** Mr. GRAHAM proposed an amendment to the bill H.R. 1836, to provide for reconciliation pursuant to section 104 of the concurrent resolution on the budget for fiscal year 2002; as follows:

Beginning on page 64, line 17, strike all through page 66, before line 2, and insert:

**Subtitle B—Reduction of Gift Tax Rate**  
**SEC. 511. REDUCTION OF GIFT TAX RATE AFTER REPEAL.**

On page 66, line 2, strike “(d)” and insert “(a)”.

On page 67, line 1, strike “(e)” and insert “(b)”.

Beginning on page 67, line 12, strike all through page 68, line 6, and insert:

(f) **EFFECTIVE DATE.**—The amendments made by this section shall apply to gifts made after December 31, 2010.

On page 68, strike the table between lines 14 and 15, and insert:

<b>“In the case of estates of decedents dying during:</b>	<b>The applicable exclusion amount is:</b>
2002 and 2003 .....	\$1,000,000
2004, 2005, and 2006 .....	\$2,000,000
2007, 2008, 2009, and 2010 .....	\$3,000,000.”

Beginning on page 70, line 20, strike all through page 79, line 6.

**NOTICE OF HEARINGS**

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI, Mr. President, I would like to announce for the information of the Senate and the public that the hearing previously scheduled before the Committee on Energy and Natural Resources for Tuesday, May 22 at 2:30 p.m. in SH-216 has been rescheduled for Wednesday, May 23, 2001 at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, D.C.

The purpose of this hearing is to receive testimony on the Administration’s National Energy Policy report.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, 364

Dirksen Senate Office Building, Washington, D.C. 20510-6150.

For further information, please call Trici Heninger, Staff Assistant, or Bryan Hannegan, Staff Scientist, at (202) 224-4971.

#### SUBCOMMITTEE ON WATER AND POWER

Mr. SMITH. Mr. President, I would like to announce for the information of the Senate and the public that the oversight hearing regarding the Lower Klamath River Basin which had been previously scheduled for Wednesday, May 23, 2001 at 2 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, D.C. has been postponed until further notice.

For further information, please call Trici Heninger, Staff Assistant, or Colleen Deegan, Counsel, at (202) 224-8115.

#### AUTHORITY FOR COMMITTEES TO MEET

##### COMMITTEE ON ARMED SERVICES

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, May 17, 2001, at 4:30 p.m., in executive session to consider certain pending nominations.

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

##### COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on the nominations of Michael Powell, Kathleen Abernathy, Kevin Martin, and Michael Copps to be members of the Federal Communications Commission on Thursday, May 17, 2001, at 9:30 a.m.

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

##### COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet to conduct a hearing on Thursday, May 17, at 9:30 a.m. to receive testimony regarding the following nominees:

Linda Fisher to be Deputy Administrator, Environmental Protection Agency;

Jeffrey Holmstead to be Assistant Administrator for Air and Radiation, Environmental Protection Agency;

Stephen Johnson to be Assistant Administrator for Toxic Substances, Environmental Protection Agency; and

James Connaughton to be a Member, Council on Environmental Quality.

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

##### COMMITTEE ON FOREIGN RELATIONS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be author-

ized to meet during the session of the Senate on Thursday, May 17, 2001, at 2 p.m. and 4 p.m. to hold two hearings as follows: at 2 p.m., in room SD-419, the Honorable William J. Burns, of the District of Columbia, to be Assistant Secretary of State for Near Eastern Affairs; and at 4 p.m. in room SD-419, Mrs. Christina B. Rocca, of Virginia, to be Assistant Secretary of State for South Asian Affairs; and Mr. Walter H. Kansteiner, of Virginia, to be Assistant Secretary of State for African Affairs.

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

##### COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, May 17, 2001 at 10 a.m. for a hearing to consider the nominations of John D. Graham to be Administrator of the Office of Information and Regulatory Affairs at the Office of Management and Budget, Stephen A. Perry to be Administrator of the General Services and Angela Styles to be Administrator of the Office of Federal Procurement Policy.

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

##### COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on Addressing Direct Care Staffing Shortages during the session of the Senate on Thursday, May 17, 2001, at 9:30 a.m.

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

##### COMMITTEE ON THE JUDICIARY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, May 17, 2001 at 10 a.m., in SD-226.

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

##### SELECT COMMITTEE ON INTELLIGENCE

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, May 17, 2001 at 2 p.m. to hold a closed hearing on intelligence matters.

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

##### SPECIAL COMMITTEE ON AGING

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet on Thursday, May 17, 2001 from 9:30 a.m.-12 p.m. in Dirksen 562 for the purpose of conducting a hearing.

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

##### SUBCOMMITTEE ON INTERNATIONAL TRADE AND FINANCE

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Sub-

committee on International Trade and Finance of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on May 17, 2001 to conduct a hearing on "Reauthorization of the U.S. Export-Import Bank."

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

#### PRIVILEGES OF THE FLOOR

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the following employees of the Joint Committee on Taxation be allowed on the Senate floor for the duration of the debate on the tax RELIEF bill: Robert Bailey, Thomas A. Barthold, Ray Beeman, John Bloyer, Roger Colinvaux, H. Benjamin Hartley, Harold E. Hirsch, Deirdre James, Lauralee A. Matthews, Patricia McDermott, Brian Meighan, John Navratil, Joseph W. Nega, Samuel Olchyk, Lindy L. Paul, Oren S. Penn, Cecily W. Rock, Mary M. Schmitt, Todd C. Simmens, Carolyn E. Smith, and Barry L. Wold.

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

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the following interns of the Senate Finance Committee be allowed on the Senate floor for the duration of the debate on the tax RELIEF bill: Michael Whitmore, Zachary W. Paulson, and Paul Raak.

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

#### APPOINTMENTS

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, in accordance with 22 U.S.C. 1928a-1928d, as amended, appoints the following Senators as members of the Senate Delegation to the NATO Parliamentary Assembly during the First Session of the 107th Congress, to be held in Vilnius, Lithuania, May 27-31, 2001: The Senator from Ohio (Mr. VOINOVICH), the Senator from Maryland (Mr. SARBANES), the Senator from Maryland (Ms. MIKULSKI), and the Senator from Illinois (Mr. DURBIN).

#### EXECUTIVE SESSION

#### EXECUTIVE CALENDAR

Mr. GRASSLEY. In executive session, I ask unanimous consent that the Senate proceed to the consideration of the following nominations: Calendar Nos. 47, 49, and 78. I further ask unanimous consent that the nominations be confirmed, the motions to reconsider be laid upon the table, any statements relating to the nominations be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.