We can’t find the correct information about the Social Security surplus. Please provide more details.
being used for such Federal spending. We talked a lot about it. In 1999, after years of wrangling, in a landmark budget package passed by both Chambers of Congress in 1995, the Federal Government finally achieved a balanced budget. With this good news, it became apparent that Congress and the President would not need to use the Social Security surplus for spending. This was made possible by our economic prosperity which guaranteed and generated a huge increase in tax revenues, which we know about, and in turn a massive on-budget surplus. Because the United States was running in the black for the first time in recent memory, Social Security surpluses were used to pay down the national debt instead of being used for spending. Indeed, since 1999, there has been a political consensus not to return to spending that surplus.

However, as economic prosperity, this Nation enjoyed as recently as months ago is fading, although I hope this is only a temporary situation. Surplus projections are likely to be revised downward. Yet, Congressional yearning for more spending has not abated. For fiscal year 2001, Congress, with the encouragement of the Clinton administration, increased nondefense discretionary spending 14.3 percent. That is something people have not taken into consideration. Nondefense discretionary spending in the last budget was 14.3 percent above the year before and increased overall spending by 8 percent, which was way above inflation. All of this was on top of large increases in the previous years’ budgets.

If we fund the education bill that the Senate recently passed, which increases spending by 62 percent or $14 billion, and if we spend the $38.4 billion increase in defense spending that the administration is calling about, we could end up spending a portion of the on-budget surplus of fiscal year 2003 and beyond. Part of the reason for this is the fact that the tax reduction was more front-end loaded than the President had originally planned.

Frankly, if the economy really falters, we could bump up against the Social Security trust fund next year. Nearly everyone in this Chamber agrees we should not spend that surplus, and the public has grown to expect that Congress won’t return to spending that surplus. At the moment, we are de facto at our disposal. The only exceptions to the trigger from West Virginia.

The PRESIDING OFFICER. The Senate was called to order at 10:01 a.m. Mr. Voinovich, I yield the floor.

Mr. Voinovich. I yield the floor.

The PRESIDING OFFICER. The PRESIDING OFFICER. The Senator from West Virginia.
Mr. BYRD. Did the distinguished Senator from Ohio offer his amendment?

THE PRESIDING OFFICER. Yes, he offered his amendment.

AMENDMENT NO. 865 TO AMENDMENT NO. 865

Mr. BYRD. Mr. President, on behalf of Senator CONRAD, I offer an amendment authored by Mr. CONRAD to be an amendment in the second degree to the amendment offered by Mr. Voinovich.

I ask unanimous consent that after the clerk states the title of this amendment, that it and the amendment in the first degree be temporarily laid aside.

THE PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will report the amendment. The assistant legislative clerk read as follows:

The Senate from West Virginia [Mr. BYRD] for Mr. CONRAD, proposes amendment numbered 865 to amendment No. 865.

The amendment is as follows:

(Purpose: To establish an off-budget lockbox to strengthen Social Security and Medicare)

Point of order, that would violate or amend section 310(d)(2),''.

'':''310(d)(2),''.

The amendment is as follows:

(Purpose: To establish an off-budget lockbox to strengthen Social Security and Medicare)

Senator from Ohio offer his amendment in the second degree, my amendment that struck the trust funds. I have offered, in the second degree, my amendment that would protect both the Social Security trust fund and the Medicare trust fund.

Unfortunately, as I said several moments ago with respect to where we find ourselves, after the budget resolution is passed, and with the anticipated reduction in the revenue forecast because of the slowdown in the economy, we see we are headed for being into the Medicare trust fund this year, the Medicare Control Act of 1985 is amended by striking "shall be included" and inserting "shall not be included in any".

(g) Medicare Trust Fund Exempt From Sequestration.—Section 255(g)(1)(B) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following:

"Medicare as funded through the Federal Hospital Insurance Trust Fund" the following: ""Federal Hospital Insurance Trust Fund"".

SEC. 04. Preventing on-budget deficits.

(a) Points of Order To Prevent on-Budget Deficits.—Section 312 of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended by adding at the end the following:

(b) Points of Order To Prevent on-Budget Deficits.—

1. Concurrent resolutions on the budget.

"It shall not be in order in the House of Representatives or the Senate to consider a concurrent resolution on the budget (or any amendment thereto or conference report thereon) or any bill, joint resolution, amendment, motion, or conference report that would violate or amend this section.

2. Super Majority Requirement.—

(A) Point of Order.—Section 904(c)(1) of the congressional budget; or

(B) Waiver.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "313." after "313.

(c) Exclusion of Medicare Trust Fund from Congressional Budget.—Section 301(a) of the Congressional Budget Act of 1974 (2 U.S.C. 623(a)) is amended by adding at the end the following:

"(1) For purposes of Senate enforcement under this title, revenues and outlays of the Federal Hospital Insurance Trust Fund for each fiscal year covered by the budget resolution.

(b) Budget resolutions.—Section 301(i) of the Congressional Budget Act of 1974 (2 U.S.C. 623(i)) is amended by adding after paragraph (1) the following:

"(1) social security point of order.—It shall and inserting "social security and medicare points of order.—

(2) Social security.—It shall"; and

(2) inserting at the end the following:

"(2) medicare.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget (or amendment, motion, or conference report on the resolution) that would cause a decrease in surpluses or an increase in deficits of the Federal Hospital Insurance Trust Fund in any of the fiscal years covered by the concurrent resolution.

(e) Medicare Firewall.—Section 311(a) of the Congressional Budget Act of 1974 (2 U.S.C. 624(a)) is amended by adding after paragraph (3), the following:

"(4) enforcement of medicare levels in the senate.—After a concurrent resolution on the budget is agreed to, it shall not be in order in the 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 the applicable resolution.

(f) Balanced Budget and Emergency Deficit

CONGRESSIONAL RECORD—SENATE

July 9, 2001

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Mr. BYRD. Mr. President, very briefly, I thank Senator BYRD for introducing my amendment in the second degree to the amendment of the Senator from Ohio, and indicate to my colleagues the nature of the amendment. I think the Senator from Ohio is going in basically the right direction, but I do not think he is protecting both of the trust funds. I have offered, in the second degree, my amendment that would protect both the Social Security trust fund and the Medicare trust fund, and I think both are in danger. I think both are in danger.
and Social Security trust fund next year and for all the years that follow. That is before any appropriations have passed. That is before the President’s major request for additional defense spending.

We are already in trouble. We are already headed for raiding the trust funds of Medicare and Social Security. So I am glad the Senator from Ohio has sent up an amendment. I have provided an amendment in the second degree that I think is stronger and provides additional protection and acknowledges that we have a responsibility not just to the Social Security trust fund but to the Medicare trust fund as well.

**AMENDMENT NO. 867**

Mr. CONRAD. If I could at this moment, on a separate matter, I send an amendment to the desk to the underlying bill. This amendment is to provide for funding for a situation that we have just encountered on one of the Indian reservations in my State, the Turtle Mountain Indian Reservation. It is offset so it does not add to the overall cost of the supplemental. But we have found a situation that is extraordinarily serious on the Turtle Mountain Indian Reservation.

Very briefly, I will just describe that and then end so my colleague from Missouri, who is seeking recognition, can gain the floor.

Over 200 homes on the Turtle Mountain Reservation are infested with black mold; 40 percent of them that have been tested have the worst kind of black mold. This is throughout the structures. It is in the basements. It is running up the studs, in the ceilings, in the insulation. People in these homes are sick. We have had two infants die. People who are in the families and medical experts on the reservations believe the deaths are related to the conditions in these homes.

It is because of extraordinarily wet conditions in that part of our State. We have had 7 years of wet conditions. It is as though these houses are in a sponge and the sponge is full and the houses are wicking up the surface water. In fact, if you look in the crawl spaces of these homes, they are filled with water and that water has found its way up through the entire structure and has created the perfect environment for this black mold growth.

We have had the CDC there, the Corps of Engineers, and FEMA. It is a crisis situation that requires emergency housing for some 200 families.

The tribal chairman told me he is about to move people into a school gymnasium because the conditions in these homes are so bad.

I went there personally over the break. I can testify it is the worst situation I have ever seen. I have dealt with black mold in our own home here in Washington, DC, in just one small area, where seven times our home flooded because the city sewer system could not handle torrential downpours here. We are the low spot on the block. It cost me $4,000 and three contractors to fix just the small part of one corner of our house.

These are houses that have it throughout. The basements are loaded with black mold. It is in the studding. In fact, you can see it in the beams across the ceilings of these homes.

In every home we went into, people testified to the illnesses. In fact, the tribal chairman himself is ill from these circumstances.

This is an emergency situation that simply must be addressed. Obviously, the committee could not have known about it because nobody knew about it. But I offer that amendment for that purpose, and I thank my colleagues.

The PRESIDING OFFICER. The clerk will report the amendment.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator will suspend until the clerk reports the amendment.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD] proposes an amendment numbered 867.

Mr. STEVENS, Mr. President, I ask unanimous consent these amendments not be read. They are being offered for purposes of qualification under the jurisdiction.

The amendments are as follows:

**AMENDMENTS NO. 868 AND NO. 869, EN BLOC**

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Provided, that the entire amount made available for programs administered by the Department of Housing and Urban Development under the Community Development Block Grant Program for emergency housing on the Turtle Mountain Indian Reservation, there shall be made available $50,000,000 through the Indian community development block grant program under the Housing and Community Development Act of 1974.

Amendments made available for programs administered by the Department of Housing and Urban Development for fiscal year 2001 shall be reduced on a pro rata basis by $10,000,000. The Federal Emergency Management Agency shall provide technical assistance to Indians with respect to the acquisition of emergency housing on the Turtle Mountain Indian Reservation.

Amendments made available, to the Department of Defense for the following purposes, and for Mr. MCCAIN, proposes amendments numbered 868 and 869, en bloc.

The amendments are as follows:
AMENDMENT NO. 869

(Purpose: To provide additional funds for military personnel, and to reduce the amount in the Treasury that is to be disbursed for military personnel, and for other purposes)

After section 3002, insert the following:

SEC. 3003. (a) In addition to the amounts appropriated for the Department of Defense for fiscal year 2001 by other provisions of this Act or the Department of Defense Appropriations Act, 2001 (Public Law 106-259), funds are hereby appropriated, out of any funds in the Treasury not otherwise appropriated, to the Department of Defense for the fiscal year ending September 30, 2001, for purposes under headings in the Department of Defense Appropriations Act, 2001, and in amounts, as follows:

1. Under the heading "MILITARY PERSONNEL, NAVY", $191,000,000, of which $1,000,000 shall be available for the supplemental subsistence allowance under section 402a of title 37, United States Code.

2. Under "MILITARY PERSONNEL, MARINE CORPS", $21,000,000.

3. Under the heading "RESERVE PERSONNEL, NAVY", $1,800,000, which shall be available for enhancement of force protection for United States forces in the Persian Gulf region and elsewhere worldwide.

4. Under the heading "OPERATION AND MAINTENANCE, NAVY", $43,000,000.

5. Under the heading "OPERATION AND MAINTENANCE, AIR FORCE", $397,000,000.

6. Under the heading "OPERATION AND MAINTENANCE, MARINE CORPS", $6,000,000.

7. Under the heading "OPERATION AND MAINTENANCE, AIR FORCE", $397,000,000.

8. Under the heading "OPERATION AND MAINTENANCE, MARINE CORPS", $6,000,000.

9. Under the heading "OTHER PROCUREMENT, NAVY", $45,000,000, to remain available for obligation until September 30, 2003, which shall be available for enhancement of force protection for United States forces in the Persian Gulf region and elsewhere worldwide.

(b) The amount appropriated by chapter 10 of title II to the Department of the Treasury for Departmental Offices under the heading "SALARIES AND EXPENSES" is hereby reduced by $30,000,000.

(c) The matter in chapter 11 of title II under the heading "NATIONAL AERONAUTICS AND SPACE ADMINISTRATION HUMAN SPACE FLIGHT" shall not take effect.

(RESCISSION)

(d) Of the unobligated balance of the total amount in the Treasury that is to be disbursed from special accounts established pursuant to section 756(e) of the Tariff Act of 1930, $200,000,000 may not be disbursed under that section.

(RESCISSIONS)

(e) The following amounts are hereby rescinded:

1. Of the funds appropriated to the National Aeronautics and Space Administration under the heading "HUMAN SPACE FLIGHT" in the Departments of Veterans Affairs and Housing and Urban Development, and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-377), the following amounts:

- From the amounts for the life and microgravity research mission for the human space flight, $40,000,000.
- From the amount for the Electric Auxiliary Power Units for Space Shuttle Safety Upgrades, $19,000,000.
- From the amount appropriated to the Department of Commerce for the National Institute of Standards and Technology under the heading "INDUSTRIAL TECHNOLOGY SERVICES" in the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-553, $7,000,000 for the Advanced Technology Program.
- From the funds appropriated to the Department of Commerce for the International Training and Employment Services under the heading "OPERATIONS AND ADMINISTRATION", $19,000,000 of the amount available for Trade Development.
- From the funds appropriated by chapter 1 of the Emergency Steel Loan Guarantee and Emergency Oil and Gas Guaranteed Loan Act of 1996 (Public Law 104-56), $25,500,000.
- From the funds appropriated to the Department of Transportation for the Maritime Administration under the heading "MARITIME GUARDIAN PROGRAM ACCOUNT" in the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-553), $21,000,000.
- From the funds appropriated for the Export-Import Bank under the heading "SUBSIDY APPROPRIATIONS" in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2001 (as enacted into law by Public Law 106-429), $50,000,000.
- From the funds appropriated to the Department of Labor for the Employment and Training Administration under the heading "TRAINING AND EMPLOYMENT SERVICES" in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-554), $21,000,000.

(f) The pending amendment is laid aside.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. CRAIG, proposes an amendment numbered 87.1

The amendment is as follows:

(Purpose: To decrease and rescind the amount designated by Congress as an emergency requirement in fiscal year 2001, and related amounts designated by Congress as an emergency requirement in fiscal year 2002, by $30,000,000. The entire amount is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1995 (2 U.S.C. 901(b)(2)(A)).

NATIONAL FOREST SYSTEM

For an additional amount for the "National Forest System" to repair damage caused by ice storms in the States of Arkansas and Oklahoma, $10,000,000, to remain available until expended: Provided, That the entire amount is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1995 (2 U.S.C. 901(b)(2)(A)).

AMENDMENT NO. 87

Mr. STEVENS. Mr. President, I send an amendment to the desk for the Senator from Idaho, Mr. CRAIG, and ask that it be qualified.

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

The pending amendment is laid aside.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. CRAIG, proposes an amendment numbered 87.

The amendment is as follows:

(Purpose: Regarding the proportionality of the level of non-military exports purchased by Israel to the amount of United States cash transfer assistance for Israel)

On page 29, between lines 2 and 3, insert the following:

For an additional amount for "Capital Improvement and Maintenance" to repair damage caused by ice storms in the States of Arkansas and Oklahoma, $1,000,000, to remain available until expended: Provided, That the entire amount is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1995 (2 U.S.C. 901(b)(2)(A)).
VA-HUD subcommittee, we will look into this serious problem he has outlined. We thank him and commend him for bringing it to the attention of this body.

I have two measures.

First, I don’t believe there is a Member of this body who has waterways in his or her State who doesn’t understand the importance of the work done by the U.S. Army Corps of Engineers. Within the beltway, however, items such as flood control and river transportation are viewed as some sort of luxury we can do without. We can’t do without them. I have been there, I have seen the devastation and the heartbreak. I have seen the families in great crisis. I have seen the farms and the homes and the communities destroyed. Unless you have been there, you cannot really believe.

Clearly, the view in some eastern editorial boardrooms is rather clouded, and elite drawing rooms can’t see that there are people who live and work along and depend upon the river. These are the people about whom we should be concerned.

I invite those who can tell us how to manage the rivers to come out and take a look at our rivers sometime. They might be very surprised at what they find.

In the State of Missouri, we have nearly 1,000 miles of land bordering the Missouri and Mississippi Rivers. Water transportation is low cost, safe, fuel efficient, and provides an insurance policy against runaway shipping costs charged by railroads that otherwise would face no competition. The environmental community assumes that monopolists don’t raise prices. They do. But on the environmental side, to put the cost of water transportation in perspective. One medium-sized 15-barge tow carries the same amount of grain as 870 trailer tractor trucks. Clearly, this comparison demonstrates the fuel efficiency and clean air benefits to the environment. It also reduces congestion, reduces highway wear and tear, improves safety, and costs less.

In Missouri, one-third of our agricultural production comes from the 100-year-flood plain. The Washington Post, that will be the food comes from the grocery store and not the farm, believes that this land should not be in production and flood protection should be a low priority.

Those who criticize the projects administered by the Corps typically do it from a safe distance. One of the biggest critics of the Corps in the Midwest sits safely behind a 500-year urban flood wall.

Policymakers in Washington stress the need for additional power production that is good for the environment but propose inadequate budgets and policies for hydropower generation.

In the last Administration, policy and budgets to undermine the Corps where almost an annual event. Regrettably, the most recent budget proposed for fiscal year 2002 shows no recognition of how important the mission of the Corps is. I have a flood control project in Kansas City that will protect industries employing 12,000 people. The budget request for 2002 asks for enough money to keep the contractors busy for a fraction of the year. So not only is the project delayed, and not only does delay subject the citizens to prolonged flood risk unnecessarily, but the delay increases the cost of the project which I would expect the number-crunchers at OMB to find worrying if nothing else gets their attention.

Regrettably, the supplemental request does not include one red cent for operations and maintenance for the Corps of Engineers notwithstanding flood control, navigation, hydropower generation and environmental needs resulting from Midwestern flooding on the upper Mississippi, a Pacific earthquake which occurred in February, Tropical Storm Allison which occurred weeks ago as well as remaining problems associated with Hurricane Floyd and ice storms in the South.

Specifically, there are needs estimated to be: $50 million in response to the Midwest floods; $47 million in the Southwest impacted by ice storms; $37 million for the Atlantic Seaboard in response to Hurricane Floyd and other weather events; $59 million for the Pacific Northwest for earthquake damage, stabilize hydropower facilities and correct major environmental deficiencies; and $30 million in response to the tropical storm which occurred early this month that affected Galveston and the New Orleans District.

My office has made inquiries at several districts that serve Missouri and have learned that they expect to be out of O&M funds to dredge the Mississippi River in a matter of weeks, which will risk the operation of water commerce on the nation’s most important waterway.

When weather events occur, sediments build up, damage is done to levees and engineering structures such as string dams, repair necessary and resources to dredge our ports and rivers necessary.

The House recognized this omission and included an additional $130 million for O&M for the Corps. Their markup occurred before I had any idea of what Allison had left behind.

I do not want to have to wait for economic decline, either regional or national, to try to make the case that we cannot continue to take our factors of production for granted. The growing capacity of policymakers and the media from the history and reality behind food, energy, and natural resource production in this country must be corrected. It will either be corrected ahead of a crisis or in response to a crisis. We have a strong economy for a reason and if we don’t take care of our infrastructure, we will go into economic decline for a reason.

While we are undermining our infrastructure, competing nations are upgrading theirs. How many states have to have their lights turned out before we consider how are factories are powered, how our trucks are fueled and how our homes are heated? I regret that the need for efficient transportation, energy, and property is a case that must be made but we can take action now for a fraction of what neglect, inaction and apathy will cost us later.

I know there is a bipartisan recognition that our infrastructure is growing old and not serving the American people adequately. While there has always been bipartisan support for the Corps, I fear that the budgets do not match the need.

Over the last two years Corps projects have experienced a series of weather-related events that have left much of our water resources infrastructure in an alarming state of disrepair. In the most severe cases, temporary repairs were made to correct immediate hazards to public health and safety, while other work still awaits adequate funding. Harbor channels have lost sufficient depth and width for safe navigation, rivers are choked with debris, embankments are dangerously eroded, power outages are more frequent, and environmental preservation measures are short-changed. Unless the Corps receives supplemental funding, many navigation channels will not be able to accommodate normal commercial flow and flood control projects will be in serious jeopardy of failure. Recent damages and deterioration of hydroelectric facilities coupled with the national energy crisis have underscored the urgent need to undertake necessary repairs to hydropower projects in the Pacific Northwest.

While I will withhold offering an amendment at this time, I will do what I can do in conference to urge conferees to accept the House correction of the omission. I seek unanimous consent that the pending amendment be set aside.

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

Mr. BOND. Mr. President, my second bill deals with the defense budget. While the administration’s request for a supplemental appropriations bill for the Department of Defense includes what the administration believes is the
minimum needed to get by for the remainder of this fiscal year (01). I respectfully disagree with their definition of "minimum."

Although we are hearing promises of an amended '02 budget with a huge defense plus-up, it is clear that the Defense Department appropriations bill for 2002 may indeed be the last of the 13 appropriations bills we will consider this year. That unfortunate timing may threaten the availability of all the extra funds many believe the Pentagon desperately needs. Simply put, there is no guarantee that the money the Pentagon needs will be there when the Senate takes up the amended Defense appropriation bill for 2002.

We must stop kicking the can down the road with promises to our forces—their need is urgent, they need help now. The money will only continue to worsen, we need to act now.

Just last week, the Navy's top officer, Admiral Vern Clark, said he is trying to rid the United States Navy of the "psychology of deficiency"—the accepted rate of resource shortages as a normal condition.

Sadly, Mr. President, this "psychology of deficiency" has not only infected the culture of our Armed Forces, but I am afraid it has become the culture.

The vast majority of the enlisted troops and officers on active duty today know only a culture of getting by on the minimum funding possible. They call it "doing more with less," but the reality has been for almost a decade now, one of "doing too much with too little."

That is simply unacceptable. Every day, soldiers, sailors, airmen and marines risk their very lives for the values that have made this country the moral beacon of freedom the world has every known.

And in exchange for their lives, what do we do? We give them barely enough money to train you properly to do your job,” what do you think the effect is on morale? The impact is devastating. That is what each of our armed forces has so much difficulty holding onto: Retaining its most skilled workers.

Our U.S. Air Force is currently operating and maintaining the oldest fleet in our history. On average, our aircraft are about 22 years old and are getting older. An aging fleet costs more, both in effort and dollars, to operate and maintain.

Last year, while we flew only 97 percent of our programmed flying hours, doing so cost us 103 percent of our budget. Over the past 5 years, our costs per flying hour have risen almost 50 percent. That is a terrible cycle: Older planes cost more to maintain, which robs money from accounts to buy new planes, and so on. It is a death spiral for our Air Force.

Time and again history has shown us the folly of funding our troops as if peace will persist forever, as if war will never come. I thought this country learned that lesson in the opening days of the Korean war when Americans were caught unprepared, underequipped, and undertrained, and many paid with their lives.

I know the President of the United States knows this. I know Secretary of Defense Rumsfeld knows this. These are good men who know it is time to get the U.S. military on a more solid footing. I have worked closely with them in the past. I will continue to work with them. They will find me to be their most effective supporter in this effort. But we can no longer afford to wait. We must act now.

That is why I am rising today to offer an amendment to add $1.45 billion to the fiscal year 2001 supplemental appropriations for the Defense Department. The amendment seeks to add the funds to the Defense Department that are needed, and can be spent, in what remains of the fourth quarter of the current fiscal year.

The amendment includes funds that will be directed exclusively to the operations and maintenance accounts of each of the four services. This is money the Pentagon needs right now to ensure that critical repairs and training are not delayed further.
to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.  

(d) All of the funds appropriated and available under this section shall be obligated not later than September 30, 2001.

Mr. BYRD raised the floor.

The PRESIDING OFFICER. The Senator from Nevada.

AMENDMENT NO. 873

Mr. REID. Mr. President, I send an amendment to the desk for Senator HOLLINGS under my name under the authorized list.

The PRESIDING OFFICER. The assistant legislative clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. HOLLINGS, proposes an amendment numbered 873.

The amendment is as follows:

(Purpose: Ensuring funding for defense and education and the supplemental appropriation by repealing tax cuts for 2001)

At the appropriate place, insert the following:


(a) REPEAL.—

(1) IN GENERAL.—Section 101 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is repealed.

(2) APPLICATION OF CODE.—The Internal Revenue Code of 1986 shall be applied and administered as if such section 101 (and the amendments made by such section) had never been enacted.

(3) CONFORMING AMENDMENTS.—

(A) IN GENERAL.—Section 1(c) of the Internal Revenue Code of 1986 (relating to tax imposed) is amended by adding at the end the following new subsection:

(i) RATE REDUCTIONS AFTER 2001.—

``(1) IN GENERAL.—

(A) A IN GENERAL.—In the case of taxable years beginning after December 31, 2001—

(i) the rate of tax under subsection (a), (b), (c) and (d) on taxable income not over the initial bracket amount shall be 10 percent, and

(ii) the 15 percent rate of tax shall apply only to taxable income over the initial bracket amount but not over the maximum dollar amount for the 15 percent bracket.

(B) INITIAL BRACKET AMOUNT.—For purposes of this paragraph, the initial bracket amount is—

(i) $11,000 ($12,000 in the case of taxable years beginning before January 1, 2008) in the case of subsection (a),

(ii) $10,000 in the case of subsection (b), and

(iii) 1/2 the amount applicable under clause (i) (after adjustment, if any, under subparagraph (C) in the case of subsection (c) and (d).''

(ii) INFLATION ADJUSTMENT.—In prescribing the tables under subsection (f) which apply with respect to taxable years beginning in calendar years after 2001—

(i) the Secretary shall make no adjustment to the initial bracket amount for any taxable year beginning before January 1, 2009.

(ii) the cost-of-living adjustment used in making adjustments to the initial bracket amount for any taxable year beginning after December 31, 2008, shall be determined under subsection (f) by substituting '2007' for '1992' in subparagraph (B) thereof, and

(iii) such adjustment shall not apply to the amount referred to in subparagraph (B)(ii).

If any amount after adjustment under the preceding sentence is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.

(2) REDUCITIONS IN RATES AFTER DECEMBER 31, 2001.—In the case of taxable years beginning in a calendar year after 2001, the corresponding percentage specified for such calendar year in subsection (b) (as determined after making any such adjustment) shall be substituted for the otherwise applicable tax rate in the tables under subsections (a), (b), (c), (d), and (e).

The corresponding percentages shall be substituted for the following:


<table>
<thead>
<tr>
<th>Year</th>
<th>28%</th>
<th>31%</th>
<th>36%</th>
<th>39.6%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002 and 2003</td>
<td>27.0%</td>
<td>30.0%</td>
<td>35.0%</td>
<td>38.6%</td>
</tr>
<tr>
<td>2004 and 2005</td>
<td>25.0%</td>
<td>28.0%</td>
<td>33.0%</td>
<td>35.0%</td>
</tr>
<tr>
<td>2006 and thereafter</td>
<td>25.0%</td>
<td>28.0%</td>
<td>33.0%</td>
<td>35.0%</td>
</tr>
</tbody>
</table>

(3) ADJUSTMENT OF TABLES.—The Secretary shall make an adjustment under subsection (f) to carry out this subsection.

(B) CONFORMING AMENDMENTS.—

(i) Subparagraph (B) of section 1(g)(7) of such Code is amended by striking '15 percent' in clause (ii)(II) and inserting '10 percent'.

(ii) Section 1(b) of such Code is amended—

(I) by striking '28 percent' both places it appears in paragraphs (1)(A)(ii)(I) and (1)(B)(i) and inserting '25 percent', and

(II) by striking paragraph (13).

(iii) Section 531 of such Code is amended by striking 'equal to' and all that follows and inserting 'equal to the product of the highest rate of tax under section 1(c) and the accumulated taxable income.'.

(iv) Section 541 of such Code is amended by striking 'equal to' and all that follows and inserting 'equal to the product of the fourth lowest rate of tax applicable to any of the 3 lowest income brackets in the table under section 1(c) and the net proceeds of the sale or exchange of personal holding company income.'.

(v) Section 3402(p)(1)(B) of such Code is amended by striking five percent and inserting 'seven percent, any percentage applicable to any of the lowest income brackets in the table under section 1(c)'.

(vi) Section 3402(p)(2) of such Code is amended by striking '15 percent' and inserting '10 percent'.

(vii) Section 3402(q)(1) of such Code is amended by striking 'equal to 28 percent of such payment' and inserting 'equal to the product of the third lowest rate of tax applicable under section 1(c) and such payment'.

(viii) Section 3402(r)(3) of such Code is amended by striking '31 percent' and inserting 'the fourth lowest rate of tax applicable under section 1(c)'.

(ix) Section 3406(a)(1) of such Code is amended by striking 'equal to 31 percent of such payment' and inserting 'equal to the product of the fourth lowest rate of tax applicable under section 1(c) and such payment'.

(x) Section 1327 of the Revenue Reconciliation Act of 2001 is amended by striking '28 percent' and inserting 'the third lowest rate of tax applicable under section 1(c) of the Internal Revenue Code of 1986'.

(C) EFFECTIVE DATES.—

(i) IN GENERAL.—Except as provided in clause (ii), the amendments made by this paragraph shall apply to taxable years beginning after December 31, 2001.

(ii) AMENDMENTS TO WITHHOLDING PROVISIONS.—The amendments made by clauses (v), (vi), (vii), (viii), (ix), (x), and (x) of subparagraph (B) shall apply to amounts paid after December 31, 2001.

(b) RESERVE FUND FOR DEFENSE AND EDUCATION.—Subtitle B of title II of H. Con. Res. 53 (107th Congress) is amended by inserting at the end the following:

'SEC. 219. STRATEGIC RESERVE FUND FOR DEFENSE AND EDUCATION.

If legislation is reported by the Committee on Appropriations of the Senate or the Committee on Appropriations of the House of Representatives, or an amendment thereto is offered or a conference report thereon is submitted, that would increase funding for defense or education, the chairman of the appropriate Committee on the Budget shall revise the aggregates, functional totals, allocations, and other appropriate levels and limits in this resolution for that measure by non-placing the amounts from the reserve fund set aside.'
an amount equal to $150,000,000 is rescinded through proportional reductions to the portions of such accounts that contain such funds.

On page 36, line 9, strike "$300,000,000" and insert "$450,000,000.

AMENDMENT NO. 875

Mr. REID. Mr. President, I ask unanimous consent that the amendment be set aside, and I send an amendment to the desk on behalf of Senator JOHNSON.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. JOHNSON, proposes an amendment numbered 875.

The amendment is as follows:

(Purpose: To amend the Higher Education Act of 1965 to make certain interest rate changes permanent)

At the appropriate place, insert the following:

SEC. 1. EXTENSION OF INTEREST RATE PROVISIONS.

(a) TECHNICAL CORRECTION.—Paragraph (6) of section 455(b) of the Higher Education Act of 1965 (20 U.S.C. 1087e(b)), as redesignated by section 8301(c)(1) of the Transportation Equity Act for the 21st Century (Public Law 105–178; 112 Stat. 498) is redesignated as paragraph (7) of that section.

(b) EXTENSION.—

(A) AMENDMENTS.—Sections 427A(a), 428C(c)(1), 438(b)(2)(I), and 455(b)(6) of such Act (20 U.S.C. 1077a(a), 1078-3(c)(1), 1087–1(b)(2)(I), 1087b(b)(6)) are each amended by striking "and before July 1, 2003," each place it appears.

(B) Section 438(b)(2)(I) of such Act is amended—

(i) by striking the subparagraph heading and inserting the following: "INTEREST RATES FOR NEW LOANS ON OR AFTER OCTOBER 1, 1998.

(ii) in clause (i), by striking "2000," and inserting "2000-2009"

(C) Section 455(b)(6) of such Act is amended—

(i) by striking the paragraph heading and inserting the following: "INTEREST RATE PROVISION FOR NEW LOANS ON OR AFTER OCTOBER 1, 1998.

(ii) in clause (i), by striking "2000," and inserting "1999"

Mr. REID. Mr. President, this amendment for Senator JOHNSON preserves a bipartisan compromise achieved in the 1998 Higher Education Act that reduced and stabilized higher education loan interest rates. The amendment that has been offered amends the Higher Education Act to continue the current student loan interest rate formulas, preserving the successful system that helps put millions of students through school every year.

The budget resolution includes a Technical Reserve Fund that makes it possible to fix the problem in 2001 before a crisis develops in 2003 when the current formula for calculating interest rates is due to expire. But the reserve fund in the resolution will expire early next year. Therefore, action is needed now so that Congress and the financial aid community can turn to improving financial aid programs all over this country

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. REID. Mr. President, in relation to the amendment I offered on behalf of Senator HOLLINGS, the record should reflect that I have spoken to the Senator from South Carolina on several occasions today. He feels very strongly about the subject matter of this amendment. I am glad I had this slot available for the Senator, and I am happy to have offered this amendment on his behalf. Senator HOLLINGS will be available to speak more on the subject at a later time.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

The Senator from North Carolina. Mr. HELMS. I ask it be in order for me to deliver my remarks seated at my desk.

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

RES IPSA LOQUITUR

Mr. HELMS. Mr. President, the July edition of the American Legion magazine features a remarkable statement of obvious truth by a much maligned American who deserves far better than the petty sniping he endures at the hands of cunning politicians and the media, neither of whom would acknowledge the truth if they fell over it in the middle of the street.

U.S. Supreme Court Justice Clarence Thomas pulled no punches in this article. His piece in the American Legion magazine was headed, appropriately, "Courage v. Civility." Mr. Justice Thomas knows a good bit about both. He is, himself, a civil gentleman who possesses great courage.

The subhead on his piece pinpoints a great deal about how a good many American freedoms are being lost. One of the things he says is, those who censor themselves put fear ahead of freedom. I will quote briefly from two or three statements made by the distinguished Justice of the Supreme Court. He said:

I do not believe that one should fight over things that don’t really matter. But what about things that do matter? It is not comforting to think that the natural tendency inside us is to settle for the bottom, or even the middle of the stream.

This tendency, in large part, results from an overemphasis on civility. None of us should be uncivil in our manner as we debate issues of consequence. No matter how difficult it is, good manners should be routine. But what about things that don’t really matter. But what about things that do matter? It is not comforting to think that the natural tendency inside us is to settle for the bottom, or even the middle of the stream.