few minutes I have left. I think these standard of living issues are the critical issues. I think, unfortunately, Jeff Faux is right, neither party is telling the story that gives people any confidence that much is going to happen that is good for them. And I think we could do better, all of us.

And in addition, the one other issue that we did not get the job done on, and it is critically important, is campaign finance reform. When I go into cafes in Minnesota, this is one thing I don't gloat about. I am not even pleased to say it, but it is true. Because it is aimed at me. It is aimed at all of us. The vast majority of people I talk to in cafes believe both parties now—they just sort of view the Government as being controlled by wealthy financial interests. They just feel locked out. They feel like it is for big players and heavy hitters. And, you know what, all of us have to raise money. That's what we have to do. That's not the point. I did. We all do. That's the system right now.

We should change this. We didn't, not this time. We come back to it next year. But this is a real important issue and it is not that people don't care about it. They care about it deeply and desperately. And I think they want to believe in the political process. They want to believe in Government. But we are going to continue to see a tremendous amount of cynicism and apathy and disengagement and disillusionment unless we get as much of this money out of politics as possible. We know what the criterion is. We have talked about it enough. It is time to really move forward. It can't just be like a piece of legislation where we maybe do one thing but then all the money shifts somewhere else. Then people will just be even more disillusioned. I think this is a core issue.

There are a lot of good things all of us could do here. A lot of good things get trumped by big money in politics.

Mr. President, I will conclude—how much time do I have left?

The PRESIDING OFFICER. The Senator has 1 minute and 41 seconds.

Mr. WELLSTONE. Let me just conclude by thanking all the conferees on the Labor, Health and Human Services appropriations bill, especially for all the women and men in the Parkinson's community who worked so hard to make sure that we have some clear directive to NIH about making sure that there will now be some real investment of resources in research to find the cure to Parkinson's disease. It has been one of the greatest lobbying efforts I have ever seen here. It was citizen lobbyists, people who struggle with this disease, who once upon a time were kind of embarrassed to be public and be out and about. People have been there.

All of you in the Parkinson's community, you have set a really good model for the Nation. Because if we had more people like you coming to Washington, DC, it would be a better Congress.

We need to get a lot more ordinary citizens coming to Washington or meeting with us back in our States. I just hope more and more people will be like that. It was a really fine victory.

Mr. President, I presume then there will not be an opportunity—my colleagues are on the floor as well—we are not going back to fast track, is that correct?

The PRESIDING OFFICER. Correct.

Mr. WELLSTONE. And there is not an opportunity to offer amendments? I ask the majority party as to when I might have an opportunity to offer an amendment to fast track? I will do it later—I see my colleagues on the floor—but will there be an opportunity?

The PRESIDING OFFICER. As was indicated to the Senator, the Chair does not think that has been arranged, and it will depend upon the instructions from the leader.

Mr. WELLSTONE. I yield the floor.

EXTENSION OF MORNING BUSINESS

Mr. ROTH. Mr. President, I ask unanimous consent that morning business be extended until 3:30 p.m.

The PRESIDING OFFICER (Mr. KYL). Is there objection? Without objection, it is so ordered.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

UNANIMOUS-CONSENT REQUEST—H.R. 2676

Mr. KERREY. Mr. President, I ask unanimous consent that the Senate proceed immediately to H.R. 2676, the IRS Restructuring Act of 1997 by discharging this legislation from the Senate Finance Committee to which it was referred on Thursday; that the bill be read a third time and passed and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. ROTH. Mr. President, I rise to object to the unanimous-consent request made by my distinguished colleague, Senator BOB KERREY. The process of his seeking a UC agreement and my objecting is into its fourth day now. I do want to say publicly that I appreciate the civil and courteous manner in which the process has unfolded.

It is my opinion that what unites Senator KERREY and me is more significant than what divides us. His successful commission has done essential work in uncovering weaknesses and shortcomings within the IRS. The 3 days of hearings we held in the Finance Committee disclosed others. Both of us are well aware of the changes that must be made within the agency.

Senator KERREY is right when he says the vast majority of our colleagues would vote to pass the legislation which passed the House by a vote of 426 to 4. Indeed, when one looks at the abuses and inefficiency of the IRS, it is hard to resist the argument that any reform is better than no reform at all. Senator KERREY is correct in saying that the legislation he proposes would make important reforms to the IRS, but he is also right in saying that the legislation is not complete. It has weaknesses, and I must emphasize very, very serious weaknesses.

Mr. President, the simple truth is that I am not willing to compromise on real reform. I am not willing to rush into legislation that does not go far enough to address the changes that must take place within the agency, especially when rushing in will adversely impact the potential of passing real reform later. The fact is, this reform falls short of what we need to accomplish.

The New York Times reports that ''tax experts across the country say the practical benefits of the [legislation advocated by Senator KERREY] will be minor.'' According to Stuart E. Seigel, a former chief counsel of the IRS, ''Most of the bill's provisions are very limited and will not have a significant impact on most taxpayers.''

Senator KERREY suggests that each day the Senate delays in passing what the New York Times calls minor changes, some 150,000 people will be affected as they continue to receive notices from the IRS. Yet, another report in the Times makes it clear that ''the provisions in [this 'watered down'] bill are [so] narrowly drawn [that it] would affect relatively few people.''

Senator KERREY himself has made it clear that ''this [bill] doesn't go far enough.'' The Wall Street Journal of November 3, 1997. And Newsweek reports that the strong measures aimed at reform have been eviscerated.

The question all of this begs is simple: Why compromise? If Senator KERREY suggests this bill doesn't go far enough, if we have a growing consensus among tax practitioners, taxpayers, and the media that the bill is deficient, and if we have the conviction in Congress and the sentiment at home that something significant must be done, why are we willing to compromise?

The bottom line, Mr. President, is that I am not willing to compromise. Some would suggest that half a loaf is better than none; that we can come back and stiffen up this legislation later.

Well, we know where that will lead. If we pass this reform legislation, then those who are not anxious to pass further reforms will resist a new bill. The truth is that we will get only one real chance to reform the IRS, and we had better do it right.

There are several significant issues we need to address. We should begin by giving the oversight board called for in this legislation, and if we adopt such a board, the authority to look at audit and collection activities. More than 70 percent of Americans think poor treatment in audits occurs fairly regularly, yet this legislation expressly prohibits the oversight board from having jurisdiction over audits and enforcement.

This is just the beginning, Mr. President. Let's include a provision to ensure that all taxpayers have due process and that the IRS does not abusively use its liens-and-seizure authority. Let's give the taxpayer advocate greater independence. Likewise, the IRS should have the benefit of an independent inspector general. Let's strengthen the legislation to require signatures on all IRS-generated correspondence, and let's curb the use of false identifications by agency employees and ban the use of statistics and goals in determining their performance.

These changes are only a beginning of what needs to be done. Yet, the legislation advocated by my distinguished colleague does not address even these most fundamental needs. If we are unprepared at this time to add these things, then let's be patient. Let's not pass a bill that Senator KERREY has already suggested ''doesn't go far enough.''

The PRESIDING OFFICER. Objection is heard.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, first of all, let me return the compliment. I have high praise for the chairman. He has done exceptional work on this issue, especially the 3 days of hearings which penetrated the section 6103 veil and issues that are protected under normal circumstances by privacy laws.

Let me also respectfully disagree with his characterization of this as a watered-down bill, citing the Washington Post, the New York Times, et cetera. They are apt to object to many of the things that the distinguished Senator from Delaware wants to do as well.

This piece of legislation has the full endorsement of America's accountants, America's enrolled agents, the National Federation of Independent Business, the National Treasury Employees Union. It is by no means small reform. I intend this afternoon to go through the bill. It was sitting at the desk a couple of days ago. We could have taken this thing up a couple of weeks ago and had a full debate on it. We would have had plenty of opportunity to amend it, to improve it and to change it, but we didn't. I am going to go through this bill and let my colleagues decide on behalf of their taxpayers whether or not they want to change the law.

It looks like we only have a day or two left, but all we have to do is bring it up here to the floor. All we have to do is have no objection raised, and we can pass this piece of legislation. I am going to show some of the new things this law would provide to the American taxpayers as they consider whether or not this piece of legislation is watered-down.

Mr. REID. Will the Senator yield without losing his right to the floor?

Mr. KERREY. I will be pleased to yield.

Mr. REID. Mr. President, I appreciate my friend yielding. I have another matter to attend to in a short period of time. I wanted to come to the floor and spread on the Record of this Senate that the Senator from Nebraska should be commended and applauded for the work that he has done on this issue. He chaired the Entitlement Commission, of which I had the good fortune to serve as a member. It was a tremendous experience. One of the things I will never forget is the testimony that was taken during those hearings about the Internal Revenue Service.

We have heard figures that it costs at least $200 billion a year just for people to fill out their forms. That is only part of it. We had testimony during those hearings that the cost of the Internal Revenue Code itself is up to $400 billion. It is lots of money, we recognize that.

I worked hard to write the taxpayer bill of rights. It is now the law. It was a help, but it didn't go far enough. We need to do better.

What this legislation will do—which has received the almost unanimous support of the House of Representatives, 426 to 4, and the President of the United States supports this legislation—this legislation would give the Internal Revenue Service some meaning. The employees of the Internal Revenue Service support this legislation, former Commissioners of the Internal Revenue Service support this legislation. The Senator from Nebraska has done the right thing by moving beyond the Entitlement Commission, to the Kerrey–Portman Commission which studied specifically the Internal Revenue Service, and now is responsible for the bill having passed the House and now in the Senate where it should pass.

This is good, elementary legislation. It is legislation that will make the American people feel good about an important institution of Government, the Internal Revenue Service, which is now a hiss and a byword. People should not feel that way about the Internal Revenue Service, even though they do. This legislation, which should be passed by unanimous consent, would allow the American public to feel better about the Internal Revenue Service.

So I say to my friend from Nebraska, you are on the right track again with this legislation. This is something that is necessary, it is important, it is important because it creates this oversight board. It is important because it allows recovery of attorneys fees. It allows recovery of damages. There is a toll free number to register complaints. It improves the operation of the Taxpayer Advocate Office. It is good legislation. I do hope the Senator will go through this legislation and explain to the American public why it is so important we pass it and pass it now.

Mr. KERREY. I thank the Senator from Nevada, especially for his earlier work on the taxpayer bill of rights and taxpayer bill of rights II. Prior to the enactment of those laws, the taxpayer had almost no authority at all coming up against the IRS. With the enactment of those two bills, the taxpayer now has a substantial amount of power which was previously denied, and those who predicted there would be a big decline in collections —which, as you know, was the case—those predictions did not turn out to be true.

This really gets right to the heart of it. This is not just an agency collecting money in order for us to be able to pay the bills, whatever it is we declare in law we are going to use taxpayer money to pay for. This really gets to the heart of Government of the people, by the people, and for the people. If people don't trust that they are getting a fair shake with the tax laws, with those 8 out of 10 who voluntarily comply—actually 83 percent of the American taxpayers comply, down from 93 percent 10 years ago. To those 83 out of 100 who voluntarily comply, they need to know, are they going to get the information they need to pay their taxes; are they going to get a fair shake if there is a dispute; are they going to face an agency that has the capacity to be managed in a way that is comparable to what the private-sector financial institutions demonstrate on their behalf?

The answer right now is no in all three cases. More people pay taxes than vote in this country and their dissatisfaction with this agency is broad, it is deep and it is urgent, not just for the sake of being able to say we have done all we can to get this agency running correctly, but it is essential for the sake of people's confidence in their Government that we enact these changes.

I heard, again, the distinguished chairman of the committee, whose willingness to hold hearings on this subject has been terribly important to examine beyond the privacy veil some of the additional problems that go on with the IRS, say this is a watered-down piece of legislation. That is not true, Mr. President. It may be true in the eyes of people who are opposed to the bill. Indeed, of the four opponents of the legislation in the House—426 voted in favor of it, 4 voted against—the people who voted against it thought it went too far.

He cited yesterday, and again today, editorials that were objecting not to the bill because it didn't do enough, but because it went too far. These are people who don't want change at all. That don't want any change in the way the IRS is run. They think it is run just fine.

So for those of us who have heard our citizens say that they call the IRS up and they can't get an answer to what becomes one of the most important questions they have when they are doing financial planning—which is, how much do I owe the Government? —for those citizens who find themselves in receipt of a notice of collection because they have been told that

they haven't paid enough and find themselves wondering whether or not they are going to be able to withstand the IRS's assault on them, and for those who watch this agency continue to try to come into the electronic world and fail time after time after time, for all those and many more besides, this piece of legislation solves their problems. It solves their problems, Mr. President.

I suspect that it is not likely that my colleagues on the other side of the aisle are going to come down here and say, ''For gosh sakes, let's get this thing passed.'' I mean, on the House side it has the support of the Speaker, of DICK ARMEY, of BILL ARCHER. In fact, the percentage of Republicans supporting it in the House is 100 percent. The only people who opposed it are those who believe this legislation has gone too far, not that I did not go far enough.

There are five titles, Mr. President, in this piece of legislation. It is again worth noting, for those who say, ''Well, can't we just hire a private-sector person, as we just did with Mr. Rossotti to run the IRS? Isn't that enough? Don't we just need to manage it a little better?'' you know, this is a nation of laws. The IRS doesn't exist because somebody decided to put it out there. It was created by the U.S. Congress. It operates as a consequence of what the law says, not just the Tax Code but the other laws that enabled that agency to be created in the first place. So it is a creature of law. It is the law that determines whether or not we are going to be able to get satisfaction for our citizens.

So for those who are wondering why we are talking about the law here, we are talking about the law because the IRS was created by the law, and many things that people have come and asked for, the IRS can't do because the law does not allow it. So we have to change the law in order to be able to do the things that people have been coming to us saying needs to be done.

Mr. President, title I is called the ''Executive Branch Governance And Senior Management of the Internal Revenue Service.'' It sounds innocuous enough. Indeed, most of the debate about this piece of legislation, regrettably, has been focused on the first half of title I, and that is the executive branch governance.

There was resistance early to having a public board governing the IRS and have control and authority over the IRS. We finally persuaded the President that this was a good idea. This public board does have real authority to develop a strategic plan to make budget recommendations and make comment on the acceptability of the IRS Commissioner—tremendous authority under the law.

There are some people who would like to go further. As I said, most of the people that have looked at this, if they have any objection at all, they object to it going too far. They object and say that the President should not have agreed to it, that he should not have said yes to us in this regard.

We felt that having a public board—in this case a 9-person public board—with authority over the developing and strategic plan was crucial in order to be able to develop some consensus between the Congress and the executive branch about what the IRS was going to do.

What is the plan? If you don't have a plan, then it is going to be very, very difficult to have any kind of an implementation strategy.

The distinguished chairman says they want to be able to go and look at audit information. I do not believe this board ought to be looking at returns, nor do I think it ought to be getting into the details of audits. Should it be able to look at the standards of audits? Absolutely.

Indeed, in one of the other titles of this legislation we require the IRS to publish the standards of audits. If people say, ''Gosh, don't they already?'' I say, no. I say to citizens who are concerned about this, we had only one full study on the basis of audits, the way audits are conducted by the IRS, only one study by a woman at the University of Syracuse who got the information through a Freedom of Information Act request.

And every time she publishes her report, which is highly critical of the IRS—saying that the audit is done on one basis in Arizona and a different basis in Nebraska, that their subjective determinations are rampant throughout, that there does not appear to be consistency from one State to another, that it depends on where you live as to whether or not you are going to be audited, all kinds of criticism of this audit— every time she surfaces those criticisms, the IRS attacks her. ''Oh, no. You're wrong. You're just some flake up there at Syracuse. Don't trust the information.'' We have all heard that before.

When you have an agency like the IRS, they are able to say they have the power. Since they have the information, they can just say the citizen is wrong.

This law requires the IRS to publish the standards of their audits. Let us decide. Let the citizens decide. Let the people examine this information to determine whether or not there is an objective basis for the audit and whether or not the public supports it. Don't let the IRS sort of do it on their own because it leaves open the possibility that you get what we have right now, which is a very substantial lack of confidence from one State to the next as to whether or not the citizen, the taxpayer is getting a fair shake. Again, back to what I said before, this is the way the IRS strikes at the heart of citizen confidence in Government of, by, and for the people.

We are not talking about reform in the EPA here or the USDA that touches a much smaller number of people or even the Federal Election Commission that touches only individuals who chose to run for office. This agency touches almost every single household. Every single American has some contact with the IRS on an annual basis.

The second half of this title which is crucial—and this is one that if I ever come down here and offer my unanimous consent request, and the bill gets discharged, and we vote on it, my guess is it is going to go 100 to nothing, or close to it. And one of the reasons I believe that is the section in title I that deals with management of the Internal Revenue Service senior management.

People are surprised when they hear that the Commissioner has no authority to hire, to fire, to bring on their own team. Now, we make certain that veteran preferences are maintained, that the Commissioner has to follow the employment regulations of the Federal Government, especially the civil rights regulations. But significantly, though, this strengthens the Commissioner's ability to be able to manage, to be able not only to use punitive penalties for those who are not doing a good job but put positive incentives in place.

Mr. Rossotti is from the private sector who came and talked to the Senate Finance Committee, when we held his confirmation hearings, and told us all the wonderful things he was going to do to manage the agency. The law does not give him the authority to do it, does not enable him to do the things he wants to do. We said, you can hire 25 more people. We gave him the authority to hire 25 more people, the only thing is they won't have any authority.

Those of us who have had the opportunity to serve our country in the Armed Services understands one of the first things we were taught is the difference between responsibility and authority; that I can delegate authority, but responsibility always stays with me. One of the worst situations you can have in life is to be given a lot of responsibility but no authority.

And that is what he has. He has the responsibility—everybody comes to him and complains when the agency isn't being run right—but he does not have the authority under the law to manage the agency, either with penalties or with affirmative incentives in place to reward people for doing a good job, to reward people for their high-performance in meeting the objectives and performance standards that he has set out in this law to present to the board and to present to the Congress.

Title II deals with electronic filing. I can see why some people who have been commenting on this bill, as if they have read it, ignore this particular section. It is kind of boring—electronic filing. Electronic filing does not sound like it is a very exciting piece of information.

I tell you, for the American people who pay for this agency, $7.3 billion a year to run it, and for those who are filing tax returns out there, who spend $200 billion a year to complete the forms, electronic filing is a big deal.

Why? It is a big deal, Mr. President, because we discovered —our restructuring commission that held 12 public hearings and thousands of meetings with employees and with former employees, as well as with all the people that help private-sector people, citizens to fill out their tax returns—we discovered that the error rate in the paper world is 25 percent and the error rate in electronic filing is less than 1 percent. And we change that in this law.

We still have a provision in there that requires under law that you have to actually put a signature document with your electronic filing, even though when we went down and visited the service centers and we talked to service center employees about this signature document—this piece of paper that has to still be filed, it is a requirement of the Department of Justice. The truth is, if you sign in black, the copiers are not so good anymore and it will not stand up in a court of law as to whether it is the real signature or a copy. So these stacks of papers they have down there are not worth anything. It is still required under law, but it is a nuisance to the taxpayer. Even with that paper having to be filed, the error rate is less than 1 percent.

Mr. President, when it comes to doing any piece of work, whether it is preparing your own or trying to make the tax collection agency run efficiently, an error is money. It costs the taxpayers twice. It costs them first in an agency that is more inefficient than it ought to be, and it costs them a second time because it adds to the $200 billion. Some fraction of that $200 billion is there because it is inefficient, because it is difficult to get the information, because it takes longer than it otherwise would have.

For those who sort of are trying to, in their own minds, scratch their head and figure out what I am talking about—which is not altogether easy sometimes—most of us in our billfolds, our purses will have a thing called an ATM card, a little piece of plastic that the private sector has developed. They developed it to make it easier to make financial transactions, to do business with your bank or financial institution. Lord knows, it is a lot easier. It is lots more convenient. It enables you to do things that otherwise you would have to actually physically go in while the bank was opened to get done.

Well, you ask yourself, ''How come the IRS has not done that?'' The answer, Mr. President, again, is the law. There are insufficient incentives and there is no way to achieve consensus.

We started this thing in 1995, 2 years ago, when Senator SHELBY and I stood on the floor managing the Treasury-Postal bill. And we fought against the IRS because they had just been determined by the General Accounting Office to have wasted $4 billion in purchasing computers.

We discovered in our restructuring commission these computers can't even talk to one another. You have a stove pipe organization, and one stove pipe doesn't talk to the other stove pipe, and it doesn't talk to the other stove pipe, and you can't get the information you need. It can take months and months and months to get information you need.

Mr. President, time for the American taxpayer is money. And they pay for it twice. So this section in here, electronic filing. Again, I understand why it has been ignored by people who write editorial pieces, because it is not very glamorous. It is not, you know, a very hot issue. It is not the sort of thing that sort of gets the blood boiling. But it is the sort of thing that will save taxpayers an awful lot of time and an awful lot of money.

Let me get to the third title. Those who say, ''Well, how about all those concerns we hear in the Finance Committee that taxpayers were raising?'' Title III deals with taxpayer protection and rights. I am willing to go further. Had this bill been brought to the floor a couple weeks ago, we could have, in fact, strengthened the Taxpayer Advocate Office.

I am willing to make it more independent than it currently is even in this law, which gives the Taxpayer Advocate a lot more independence and a lot more power than they currently have. Hardly watered down, hardly insufficient, hardly minor if you are one of the taxpayers who get affected in here. We shift the burden of proof when you go to Tax Court—a big deal.

Today the presumption is that the taxpayer is guilty. If you get a notice, if you are one of the 135,000 people every single day who received, in addition to other sorts of things in the mail, a little thing that says ''Internal Revenue Service,'' there isn't any feeling quite like that to wake you up in the morning. You get that little piece of notice in the mail and your hands shake. And you open it up, and it says, you owe $100, you owe $500, $1,000, whatever the number is.

Under current law, the presumption is you are wrong; they are right. The burden is on you. You have to prove they are wrong, if you want to try to prove it. If you agree with them, fine, you send them a check. But if you say, ''My gosh, I did this myself. I had an accountant help me. I had somebody else help me. I didn't make any mistake. I don't owe any additional money,'' welcome to the club. Now it is for you to prove that you are right, they are wrong.

We did not go as far as some would have liked to say, that you go immediately and shift the burden of proof so that the IRS has to prove you are wrong, because we felt that would punish and penalize the 83 out of 100 people who voluntarily comply who aren't receiving a notice; but we said, if you reach Tax Court, if you are unable to settle this thing and you reach Tax Court, it does shift now to the IRS. They have to prove that you are guilty, as is the case in every other court of law. This is not a minor change. Even though it was only several thousand people a year that end up in Tax Court, Mr. President, I will guarantee you, if you are one of those several thousand people, this is not a small change. This is a big change. And it will likely have a tremendous impact on your capacity to get a fair hearing before a U.S. Tax Court.

In subtitle B of title III there are a number of things dealing with what is called proceedings by taxpayers. It expands the authority to award costs and fees. We earlier had a discussion yesterday of this.

Today, you cannot get your attorney fees if you are found not to owe anything. Under this provision, the answer would be you would get attorney fees. You have the opportunity to be awarded up to $100,000 of civil damages if the IRS can be demonstrated to be negligent. Today, if the IRS is negligent or the IRS makes a mistake or the IRS is at fault, they don't have to worry about it. There is no penalty in place under the law to the IRS if they make a mistake.

Under this law there would be. It changes their attitude. It puts them in the frame of mind of saying, ''My gosh, if I'm going to send a letter out to somebody and say they owe money, I better make sure they owe money, I better be reasonably certain I can make the case in Tax Court and better be reasonably certain, because if I'm demonstrated to be wrong, we could be out of some dough here. And if I'm negligent,'' which is very often the case, ''if I'm negligent, we're going to have to pay a price for it.''

We all understand that there needs to be some sort of negative sanction against behavior that could put people at risk. This law does that in a reasonable, responsible way, but certainly not in an insignificant way for those individuals out there—again, 135,000 every single working day—that are going to receive a notice of collection. This is not a small item for them.

There is a title in here called ''Elimination of Interest Rates Differential on Overlapping Periods of Interest on Income Tax Overpayments and Underpayments.'' I will not go into this at length on the floor here this afternoon. Again this is not a small item. We have taxpayers out there saying, ''My gosh, I don't understand it. You have given me a bill, I am in dispute, and I have to settle early because if I don't there is a possibility I could end up with a huge penalty.'' In no court of law do you have that. In no court of law do you have a situation where a citizen says, ''I better make up my mind in a hurry here, otherwise I could end up with an enormous penalty. I could be penalized as a consequence of trying to make my case.''

Other titles here are ''Protections for Taxpayers Subject to Audit or Collection Activities,'' ''Privilege of confidentiality extended to taxpayer's

dealing with nonattorneys authorized to practice before Internal Revenue Service,'' ''Expansion of authority to issue taxpayer assistance orders,'' ''Limitation on financial status audit techniques,'' ''Limitation authority to require production of computer source code,'' ''Procedures relating to extensions of statutes of limitation by agreement,'' or ''Offers-in-compromise,'' ''Notice of deficiency to specify deadlines for filing Tax Court petition,'' ''Refund or credit of overpayments before final determination,'' ''Threat of audit prohibited to coerce Tip Reporting Alternative Commitment Agreements.''

Mr. President, these are not small items. I would be surprised if there is a single Senate office that has not heard a taxpayer bring one, if not several, of these things to the attention of a Member. These are not small. These are not insignificant. These are changes that could shift and cause taxpayers to say, ''Finally, you are doing something that makes sense.'' The IRS cannot do it today. They are prohibited from doing these things. Again, we are a nation of laws, and once the laws are changed, the IRS will behave in the way the law directs.

There is a subtitle, ''Disclosures to Taxpayers.'' What is the big deal? We had at least one witness before the Senate Finance Committee, a woman, who came and said she was surprised to discover that after her husband had divorced her and hit the road, she ended up being liable for his tax bill. We all heard it and said it was terrible, it shouldn't be the case. She was terrorized by the IRS. They put her and her new husband in jeopardy. She ended up getting divorced, Mr. President, over this because she was better off divorced. It is terrible. Change the law.

Well, bring the bill up and vote on it. You want to wait until next year? You want to put these people at risk? You don't want to solve a problem you know you can solve by changing the law? I don't understand it. I simply don't understand it. I don't understand what benefit is gained by delaying. We have a bill that we can bring up today—today. All it would take is the majority leader persuading the Republicans on that side. Every single Democrat is ready to bring it up. As I say once it is here for a vote, my guess is it is unanimous. Once people start looking at the details of the bill and see what is in this bill itself, I don't think they will object to this. I don't think they will come down here and say, gee, these are small, these are insignificant, these aren't anything that is going to have an impact on people.

Subtitle G is called ''Low Income Taxpayer Clinics.'' I say there are people who are working, people in the work force, people out there trying to figure out how to read the Tax Code. There must be something out there available to them. The answer is there is not. We are not spending a lot of money, but we are saying keep the playing field level, give people the opportunity to get their questions answered in the same way you can get a question answered if your income is high enough that you can hire an accountant to get the job done for you.

Mr. President, these are not small items in this legislation.

The next title in this bill is ''Congressional Accountability for the Internal Revenue Service.'' As I said earlier, as much praise as I got from the chairman after 3 days of hearings, we discovered for the first time in 21 years the subcommittee held a hearing. We had people criticize us. I guess every 21 years is too often. This is a requirement every 6 months for the Joint Tax Committee to meet and hold a hearing with this new public board. Why? Not just for oversight, but so we can get consensus on what the strategic plan is going to be.

Every single private-sector person, every other government agency that talked to us about the technology investments, Mr. President—that is the key question. How do you make an investment in computers, and especially the software and operating system, for this 110,000-person agency that processes over 200 million returns a year? How do you do it when the processing occurs over a 150- or 180-day period? Every person that came to us said, unless you know where you are going, unless you have consensus on a strategic plan and understand the IRS currently has a board of directors that includes every single Member of Congress, 535 people on its board of directors—we heard witness after witness come to us and say the problem very often is not the IRS, but the Congress.

You have to give better oversight, more consistent oversight so they know what they are supposed to do. Congress is giving permission. We are not saying there will be a blank check. Congress still retains the authority to cut, to do whatever it wants, in response to things it sees the IRS doing or not doing. Congress still retains the authority to authorize and appropriate money. We have to have a mechanism to improve the oversight that Congress gives the IRS.

You say it is a small item. It is a big item. Mr. Rossotti will tell you it is a big item. There is one speed bump, and he is heading for Niagara Falls. When he will have 200 million returns filed, he hits one speed bump and he will come before six committees—three in the Senate and three in the House—to answer questions about what he did or didn't do and why he didn't solve the problems that he was supposed to solve.

Mr. President, this piece of legislation has many other things, and I will probably have an opportunity to talk further about this. Members need to understand what is in the bill. You have heard complaints and concerns coming from citizens at home. This piece of legislation will solve an awful lot of those concerns. You will go home and your taxpayers will say to you, ''For gosh sakes, what did you gain by delay?'' I stand here and predict the statements didn't go far enough. We need to do more. My guess is all we are doing by waiting another 150 or whatever the days are, and we will pass a piece of legislation roughly the same. This is a very strong piece of legislation.

I ask unanimous consent to have printed in the RECORD an IRS reform index that shows the cost of delay and shows the kind of support it has on the House side and the kind of support it has in the private sector.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE IRS REFORM INDEX

As of Sunday, November 9, number of consecutive days on which Senate Republican leadership has blocked Senator Bob Kerrey's attempt to bring up his IRS reform bill: 4.

Number of Senate Democrats who have urged Majority Leader Trent Lott to pass Kerrey bill before adjournment: 42.

Number of collection notices the IRS has mailed since Senate Republican leadership first blocked consideration of Kerrey bill: 396,000.

Number of taxpayers who have tried to call the IRS during that time: 825,000.

Number of collection notices that will be mailed before Senate returns January 26, the next date at which IRS reform could be considered if Republican leaders continue to block consideration of Kerrey bill: 9,504,000.

Number of taxpayer calls before Senate reconvenes: 19,800,000.

Number of those callers who, according to national averages, will be unable to get through: 9,702,000.

Number of those who do get through whose questions will be answered incorrectly: 807,840.

Vote by which House version of Kerrey bill passed: 426–4.

Percentage of House Republicans, including Newt Gingrich, Dick Armey and Bill Archer, supporting that bill: 100.

Amount Majority Leader Trent Lott called the ''teeny'' price of a phony ''poll'' Republicans propose to send out with all tax returns to assess taxpayer attitudes toward the same IRS they are objecting to reforming: $30 million.

Number of Nebraskans whose entire annual income tax bills would be required to finance that ''teeny'' sum: 11,033.

Number of members of Congress who ought to know their constituents are fed up with the IRS without spending between $30 and $80 million on an unscientific survey: 535.

Mr. KERREY. I hope in the time remaining, all it will take is my friends on the Republican side simply not objecting to bringing this bill up, for us to act on it and get it to the President with his signature.

EXTENSION OF TIME FOR MORNING BUSINESS

Mr. ROTH. Mr. President, I ask unanimous consent that morning business be extended until 4 o'clock p.m.

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

The Senator from Oregon.

Mr. WYDEN. I ask unanimous consent to speak for up to 10 minutes.