that we care about them, that we are concerned about them, and that we are cutting marginal rates so as to give some credibility to our concern about the economic future in many parts of the United States, and, generally speaking, over the next decade, the status of our economy in general so people and families will have a better chance. It will be an important 10 years in terms of job opportunities and consistent paychecks. That is what that is. I hope everybody knows this is a reasonable way to do it.

Maybe we will get around soon to satisfying some who have a little bit of concern about whether we are paying down the debt, and whether we will continue paying it down over time. They are asking for some kind of trigger mechanism. Obviously, this Senator hasn't seen one that will be in place. Yet that will leave the effectiveness of the tax in place. Clearly, I say to those who want a trigger that you can't do a trigger that triggers every year because then the people won't be getting the benefit of this tax cut. They can't buy a car and pay because you only get the tax cut for one year, and that is a ''maybe'' tax cut. It is not a real tax cut. One year at a time won't work, especially if you want the effect of marginal rates, which means lowering at every level a significant amount, though the lower level is getting a bigger percentage of the reduction.

While I haven't seen any that leave the effectiveness of the tax in place, I am willing to work with Members, the distinguished Senator, Ms. SNOWE, the occupant of the chair, many others, and Democrats working on this issue. I say let's continue working on it. There may be some way to do some collections, but certainly it should not be every year. There should be a broad-based look at this so we look at spending also. We should look at the debt if we are going to be doing it.

That is the conversation I wanted to have about the budget and tax cut.

I want to add to that. It is pretty obvious the Committee on Budget of the Senate, which now has 11 Democrats and 11 Republicans—it should be pretty obvious to everyone that we can't get a bill out of that committee that gives the President an opportunity to have his tax measure considered by the Finance Committee. You understand that the budget resolution just permits it. This makes room for it. In this case, up to $1.6 billion. It doesn't say you have to pass $1.6 billion. But we can't do it in the committee because we are tied. On every matter of real substance regarding this budget we are going to be tied.

The taxes are well known by those who have worked with us. If it is in the Budget Committee for a long time, come a certain date—I believe it is April 1—statute of law says if you haven't produced a budget, then you can call one up here. The Parliamentarian is familiar with that as is the occupant of the chair. I haven't given up on the committee doing it. I want to have more conversations. But if we can't come in closer than we are now, I don't intend to have a week's worth of votes pro and con, each one being 11–11, and then pass one 12–10. It isn't going to be very meaningful. I may let everybody talk for one day, let April 1 arrive, and then call up the budget. We will be working with a number of people on that premise.

BANKRUPTCY REFORM ACT OF 2001—Continued

AMENDMENT NO. 29 AS MODIFIED

Mr. DOMENICI. Now let's get down to tomorrow afternoon and vote because on the bankruptcy bill, the distinguished Senator, Mr. KENT CONRAD, ranking member, put an amendment on with reference to the Medicare trust fund and the Medicare program. This is side by side. There will be another amendment offered by Senator SESSIONS. I believe my staff helped put it together. I was in another meeting. Senator SESSIONS introduced it. I want everybody to know it is, indeed, what I would recommend.

I would like very much tomorrow to make sure all Senators understand that we helped prepare it and are very pleased Senator SESSIONS was on the floor. We will call it the Sessions-Domenici amendment. I want everyone to know, just as a matter of fairness to the distinguished Senator on the Democrat side, Mr. KENT CONRAD, that, in fact, the point of order will be raised. It is not being raised now, but I believe a point of order will be agreed to. That amendment will take 60 votes.

Obviously, on the Sessions-Domenici amendment, it is 60 votes. The Democrat amendment hasn't changed that much. The point of order wouldn't lie against ours, but on ours it would be subject to the same.

I hope the bankruptcy bill will pass—either of them—because they do not belong on the bankruptcy bill.

But, first, let me emphasize that President Bush has made it very clear—I am not quoting, I am paraphrasing—no moneys from the Medicare trust fund will be spent on anything other than Medicare. He said that. He has had various Members testify. There have been serious questions made of the Secretary of Health and Human Services about this trust fund concept that is being raised by Senator KENT CONRAD's amendment.

I asked him clearly: Did the President change his mind? Is there anything new?

No. It is just what it was, and now he looked at hundreds of millions of Americans and said none of the Medicare trust fund money will be used for anything other than Medicare.

As everybody knows, I don't have any intention of bringing a budget resolution to the floor that spends any Medicare money, or on anything other than Medicare. As a matter of fact, Medicare will be fully funded, as it is by the President of the United States.

Having said that, we should be clear on one thing: The Conrad amendment is not about protecting Medicare. That amendment is about using scare tactics to prevent a tax cut. That always happens every time we have something significant where we say, let's give the American people back some of their money, or even better, let's not even collect it. Let's leave it with them, never bring it up here so we have to cut taxes; just let them keep it.

Every time that happens, it becomes obvious the arguments against it wilt; they are not strong enough. So along comes the typical argument: The Republicans and the President must be doing something about Medicare, something to harm it, hurt it.

The American people, in the last election, did not buy that argument because seniors, it seems like from at least what little we know, voted for George Bush in pretty large numbers. They did not believe the scare tactics that the Social Security trust fund was going to be harmed by the President's idea in relation to the individual accounts. They did not believe the idea that Medicare was going to be hurt.

The same thing here. Senator CONRAD has taken out the traditional tactic, and now he is making it an early issue with reference to the budget by trying to attach it here on a bankruptcy bill that is moving through the Senate, and because it is the third or fourth time we have considered it, it has to get passed.

As I see it, things are certainly not going the way of those on the other side of the aisle. The President has proposed returning a small portion of the non-Social Security, non-Medicare surplus to the American taxpayers, and the momentum is moving with the President. On the chart I have here, that is this small red amount that he has proposed we give back to the American people, or never collect from them.

But some on the other side are happy to still be against this President's tax proposal. So out comes the Medicare card, and suddenly it becomes a question of tax cuts versus Medicare. But Senator BREAUX, from the other side of the aisle, was correct when he said:

> Medicare must not be used as a wedge issue any longer. The question before this Congress is not whether to cut taxes or whether to save Medicare. That's not the choice we're facing.

The choice is something different than that. And he continued:

> I support a tax cut, targeted, and I'm dedicated to saving Medicare. It's not an either/or proposition.

Now, that is a true statement, whether or not you choose to have a targeted tax cut or the President's notion—and the notion I support—of cutting everybody's income tax rate as described here on the chart.

The Breaux statement is:

> I support a tax cut, targeted, and I'm dedicated to saving Medicare. It's not an either/or proposition.

Frankly, the amendment I am talking about really attempts to make it an either/or proposition.

I know for seniors, and for those who are worried about the seniors' futures, and making sure we take care of Medicare, this business of Part A and Part B is not nice to talk about, but the Part A part of Medicare is essentially the hospital care program of Medicare; it is the hospital care part. The assets of that trust fund are depleted in 2026. At that point, Part A of Medicare will start running an overall deficit.

As we look at the entire Medicare program, instead of just Part A, what is the rest of it? The rest of it, Part B, are all the other services that many senior citizens get under the collar and title of Medicare. All of those programs are Part B, except essentially the hospital ones which are hospital bills and are Part A.

So if we look at this program instead of just Part A, we see that Medicare is already running a deficit. Let's look at it. There is a $58 billion total Medicare deficit—$58 billion—in the year 2002. Very simple. It is shown right there on the graph. There will be a nearly $1 trillion Medicare deficit over the next 10 years. It is shown right there on the graph.

So what do we need to do? Everybody knows what we have to do. We have to reform Medicare, not just shuffle money around. We have to reform it. But this amendment I am talking about, that I oppose, will make reforming Medicare more difficult.

The amendment wants to take half the Medicare program off budget while leaving the other half on budget. How can we reform a program that is half on budget and half off budget when we need to reform the whole package?

I want to point out, the amendment is not the same one that was offered last session by the same Senator. Under his current amendment, the Part A surplus cannot be reduced for any reason, even for additional Part A spending. At least last year, his similar amendment would allow Part A surpluses to be spent on Part A Medicare expenses.

So while President Bush has promised that Medicare funds will be spent only on Medicare, the amendment I am opposing does not allow Medicare funds spent at all, even for Medicare. They are off budget. And I assume they are expecting us to use all of them to buy down debt. Now, maybe I am mistaken, but that is the way I read it.

We believe, if we are reducing the deficit of the United States by $2 trillion, as the budget resolution and the President request, which is what we are doing—we are going to leave $1.2 trillion there for remaining debt—that you cannot reduce the debt any more. What are you going to do with this Medicare trust fund taking it off budget? Where are you going to invest it?

It seems to me we have to invent a whole new way to permit it to be invested. Frankly, I do not know what that would be. And I do not think that helps. I do not think that helps save the Medicare program.

I want to show my colleagues, on this graph, the red is income to the trust fund, the green is spending, and the blue is assets. Look at this. Look what has happened. The trust fund will be depleted by the year 2026. Spending will exceed income plus interest in 2018. And spending will exceed income in 2010.

But if you were to adopt the Conrad amendment, ''spending exceeding income plus interest'' would not be changed one nickel. And the year 2026 event would not change at all. So what is the purpose of this? I believe it is to attempt to frustrate our ability to give back to the American people $1.6 trillion, which I have just alluded to and have shown you in the previous chart, which ought to be done.

Tomorrow, we will have another opportunity to discuss this. I am not clamoring to adopt, unless the Senate really wants to, the Sessions-Domenici amendment, but it was actually passed by the House by an overwhelming margin. It permits you to reform Medicare. It permits you to do the proposal that we want to do with reference to prescription drugs. It permits that to occur. And if, in fact, the reform is within that Medicare fund, it is OK to be there. Under the Conrad amendment you could do neither of those things with this trust fund, which I do not think the Senate really wants to do. We will have a chance to refer to it further tomorrow.

I point out that the amendment Senator CONRAD has offered is not the same as the one he offered in the last session. Under his current amendment, the Part A surpluses cannot be reduced for any reason—even for additional Part A spending.

At least last year, Senator CONRAD would allow Part A surpluses to be spent on Part A Medicare expenses.

So while President Bush has promised that Medicare funds will be spent only for Medicare, Senator CONRAD doesn't want Medicare funds spent at all, even for Medicare.

This amendment will also encourage more of the accounting gimmicks we have seen in the past. We are all aware that the current Part A surpluses were generated because we shifted home health services from Part A to Part B back in 1997.

This change did nothing to improve the overall state of the Medicare program—it just made Part A look better.

So let's not be lulled into a false state of complacency in thinking that playing political games with the Medicare trust fund will in any way protect Medicare.

Only reform of the program can truly protect Medicare for future generations.

Senator CONRAD claims that his amendment is the fiscally responsible thing to do. But in fact, the fiscally responsible thing to do is to reform the entire Medicare program.

Senator CONRAD'S amendment will set back the cause of reform by splitting Medicare permanently in two.

If Senators truly care about Medicare reform and they believe, as I do, that the time has come to take serious action to save this program for the future, then they should not support Senator CONRAD'S amendment.

Once again, I say to my friend, and ranking member, Senator CONRAD, a point of order will be made tomorrow in a timely manner. Obviously, we will do that when somebody is around on the other side of the aisle so they can ask that it be waived and we can vote on it. There will be a 60-vote requirement.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. GRASSLEY). Without objection, it is so ordered.

AMENDMENT NO. 16

Ms. COLLINS. Mr. President, I ask unanimous consent that the pending amendment be set aside, and I call up amendment No. 16, which is at the desk.

The PRESIDING OFFICER. Without objection, the Senator may proceed with her amendment. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Ms. COLLINS], for herself, Mr. KERRY, Mr. STEVENS, and Mr. KENNEDY, proposes an amendment numbered 16.

Ms. COLLINS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide for family fishermen)

At the appropriate place insert the following:

SEC. ____. FAMILY FISHERMEN.

(a) DEFINITIONS.—Section 101 of title 11, United States Code, is amended—

(1) by inserting after paragraph (7) the following:

''(7A) 'commercial fishing operation' includes—

''(A) the catching or harvesting of fish, shrimp, lobsters, urchins, seaweed, shellfish, or other aquatic species or products;

''(B) for purposes of section 109 and chapter 12, aquaculture activities consisting of raising for market any species or product described in subparagraph (A); and

''(C) the transporting by vessel of a passenger for hire (as defined in section 2101 of title 46) who is engaged in recreational fishing;

''(7B) 'commercial fishing vessel' means a vessel used by a fisherman to carry out a commercial fishing operation;'';

(2) by inserting after paragraph (19) the following:

''(19A) 'family fisherman' means—

''(A) an individual or individual and spouse engaged in a commercial fishing operation

(including aquaculture for purposes of chapter 12)—

''(i) whose aggregate debts do not exceed $1,500,000 and not less than 80 percent of whose aggregate noncontingent, liquidated debts (excluding a debt for the principal residence of such individual or such individual and spouse, unless such debt arises out of a commercial fishing operation), on the date the case is filed, arise out of a commercial fishing operation owned or operated by such individual or such individual and spouse; and

''(ii) who receive from such commercial fishing operation more than 50 percent of such individual's or such individual's and spouse's gross income for the taxable year preceding the taxable year in which the case concerning such individual or such individual and spouse was filed; or

''(B) a corporation or partnership—

''(i) in which more than 50 percent of the outstanding stock or equity is held by—

''(I) 1 family that conducts the commercial fishing operation; or

''(II) 1 family and the relatives of the members of such family, and such family or such relatives conduct the commercial fishing operation; and

''(ii)(I) more than 80 percent of the value of its assets consists of assets related to the commercial fishing operation;

''(II) its aggregate debts do not exceed $1,500,000 and not less than 80 percent of its aggregate noncontingent, liquidated debts (excluding a debt for 1 dwelling which is owned by such corporation or partnership and which a shareholder or partner maintains as a principal residence, unless such debt arises out of a commercial fishing operation), on the date the case is filed, arise out of a commercial fishing operation owned or operated by such corporation or such partnership; and

''(III) if such corporation issues stock, such stock is not publicly traded;''; and

(3) by inserting after paragraph (19A) the following:

''(19B) 'family fisherman with regular annual income' means a family fisherman whose annual income is sufficiently stable and regular to enable such family fisherman to make payments under a plan under chapter 12 of this title;''.

(b) WHO MAY BE A DEBTOR.—Section 109(f) of title 11, United States Code, is amended by inserting ''or family fisherman'' after ''family farmer''.

(c) CHAPTER 12.—Chapter 12 of title 11, United States Code, is amended—

(1) in the chapter heading, by inserting ''**OR FISHERMAN**'' after ''**FAMILY FARMER**'';

(2) in section 1201, by adding at the end the following:

''(e)(1) Notwithstanding any other provision of law, for purposes of this subsection, a guarantor of a claim of a creditor under this section shall be treated in the same manner as a creditor with respect to the operation of a stay under this section.

''(2) For purposes of a claim that arises from the ownership or operation of a commercial fishing operation, a co-maker of a loan made by a creditor under this section shall be treated in the same manner as a creditor with respect to the operation of a stay under this section.'';

(3) in section 1203, by inserting ''or commercial fishing operation'' after ''farm'';

(4) in section 1206, by striking ''if the property is farmland or farm equipment'' and inserting ''if the property is farmland, farm equipment, or property of a commercial fishing operation (including a commercial fishing vessel)''; and

(5) by adding at the end the following:

''§ 1232. Additional provisions relating to family fishermen

''(a)(1) Notwithstanding any other provision of law, except as provided in subsection (c), with respect to any commercial fishing vessel of a family fisherman, the debts of that family fisherman shall be treated in the manner prescribed in paragraph (2).

''(2)(A) For purposes of this chapter, a claim for a lien described in subsection (b) for a commercial fishing vessel of a family fisherman that could, but for this subsection, be subject to a lien under otherwise applicable maritime law, shall be treated as an unsecured claim.

''(B) Subparagraph (A) applies to a claim for a lien resulting from a debt of a family fisherman incurred on or after the date of enactment of this chapter.

''(b) A lien described in this subsection is—

''(1) a maritime lien under subchapter III of chapter 313 of title 46 without regard to whether that lien is recorded under section 31343 of title 46; or

''(2) a lien under applicable State law (or the law of a political subdivision thereof).

''(c) Subsection (a) shall not apply to—

''(1) a claim made by a member of a crew or a seaman including a claim made for—

''(A) wages, maintenance, or cure; or

''(B) personal injury; or

''(2) a preferred ship mortgage that has been perfected under subchapter II of chapter 313 of title 46.

''(d) For purposes of this chapter, a mortgage described in subsection (c)(2) shall be treated as a secured claim.''.

(d) CLERICAL AMENDMENTS.—

(1) TABLE OF CHAPTERS.—In the table of chapters for title 11, United States Code, the item relating to chapter 12, is amended to read as follows:

''12. Adjustments of Debts of a Family Farmer or Family Fisherman with Regular Annual Income ..... 1201''.

(2) TABLE OF SECTIONS.—The table of sections for chapter 12 of title 11, United States Code, is amended by adding at the end the following new item:

''1232. Additional provisions relating to family fishermen.''.

(e) Applicability.—

Nothing in this section shall change, affect, or amend the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1801, et seq.).

Amend the table of contents accordingly.

Ms. COLLINS. I thank the Presiding Officer for replacing me as the Chair so I could offer the amendment to the bill he is managing so effectively on the Senate floor. I appreciate his courtesy.

I rise to offer an amendment to the Bankruptcy Reform Act of 2001. I am very pleased to be joined by Senators KERRY, STEVENS, and KENNEDY. Our amendment provides the family fisherman with the same kind of protections and terms as granted family farmers under chapter 12 of our bankruptcy laws. It was passed by the Senate last year as part of bankruptcy reform legislation, but I rise, once again, to briefly take the opportunity to explain the amendment and its importance to commercial fishermen in coastal States.

I do not condone those who use the bankruptcy code as a tool to cure their self-induced financial woes. I have supported and will continue to support reasonable reforms to the bankruptcy laws that ensure the responsible use of its provisions.

All consumers bear the burden of irresponsible debtors who abuse the system. At the same time, there are those who legitimately need the protection of our bankruptcy laws and who do not abuse it. I commend the Presiding Officer for striking the right balance in the legislation he has brought before the Senate.

I believe bankruptcy should remain a tool of last resort for those in severe financial distress. As those familiar with the bankruptcy code know, however, a business reorganization in bankruptcy is very different from a business dissolution. Reorganization embodies the hope that by providing a business with some relief and allowing debt to be adjusted, the business will have the opportunity to get back on sound financial footing and thrive. In that vein, chapter 12 was added to the bankruptcy code in 1986 by the Presiding Officer, the distinguished Senator from Iowa, to provide for bankruptcy reorganization of the family farm and to give family farmers ''a fighting chance to reorganize their debts and keep their lands.''

To provide the fighting chance envisioned by the authors of chapter 12, Congress provided a distinctive set of rules to govern the reorganization of a family farm. In essence, chapter 12 recognized the unique situation of family-owned businesses and the enormous value of the family farmer to the American economy and to our American heritage. Chapter 12 provides, for example, significant advantages over the standard chapter 13 proceeding, including a longer time period in which to file a plan for relief, greater flexibility for the debtor to modify the debts secured by their assets, and the alteration of the statutory time limit to repay secured debt. The chapter 12 debtor is also given the freedom to sell off parts of his or her property as part of a reorganization plan.

As the Chair well knows, chapter 12 has been a considerable success in the farm community. According to a recent University of Iowa study, 74 percent of family farmers who file chapter 12 bankruptcy are still farming, and 61 percent of the farmers who went through chapter 12 believe the law was very helpful in getting them back on their feet.

Recognizing the effectiveness of this law for farmers, I have supported making chapter 12 a permanent part of the bankruptcy code. Now I am proposing to extend its protections to the family fisherman as well as the family farmer.

In the State of Maine, fishing is a vital part of our economy and our way of life. The commercial fishing industry is made up of proud and fiercely independent individuals whose goal is to simply preserve their business, family income, and community. My legislation would afford fishermen the same protection of business reorganization as is provided to family farmers.

There are many similarities between the family farmer and the fisherman.

Like the family farmer, the fisherman should be valued not only for his contributions to our economy and to our food supply, but also for his contributions to our heritage and our precious way of life. Like farmers, fishermen face perennial threats from nature and the elements, as well as from the laws and regulations that, unfortunately, can at times threaten their very existence.

Like family farmers, fishermen are not seeking special treatment or a handout from the Federal Government. They seek only the fighting chance to remain afloat so they can continue their way of life.

Recently I attended the Maine Fishermen's Forum, an annual event which provides the opportunity for policymakers to meet and discuss issues affecting our fishing communities. I spoke with many fishermen, and they told me they believe they need and deserve the protections granted under the bankruptcy code to others who face similar, often unavoidable problems. Fishermen should not be denied the special bankruptcy protections accorded to farmers solely because they harvest the sea and not the land.

Our amendment tracks closely how chapter 12 applies to family farmers. Its protections are restricted to those fishermen with a regular income who have total debt of less than $1.5 million, most of which, 80 percent, must stem from commercial fishing. Moreover, families must rely on fishing income for these provisions to apply.

The same protections and flexibility we grant to farmers should also be granted to fishermen. By making this modest but important change to our bankruptcy laws, we will express our respect for the business of fishing and our shared wish that this unique way of life, which so embodies the State of Maine, should continue.

I ask that at the appropriate time my amendment be considered. I am hopeful it will be accepted by the Presiding Officer and the committee's ranking majority member, and that it will be adopted as we continue the debate on the bankruptcy legislation.

Mr. KERRY. Mr. President, I thank Senator SUSAN COLLINS for her work in developing this important amendment, which will extend chapter 12 bankruptcy protections to our family fishermen. I believe we should do everything possible to protect and preserve the small family-owned fishing businesses in this country.

In 1999, American fishermen harvested 9.3 billion pounds of seafood valued at $3.5 billion dockside. The commercial marine fishing industry contributed more than $27 billion to the Gross National Product in 1999. In 1999, Massachusetts fishermen landed more than 198,000 pounds of seafood worth more than $260 million. The fishing port of New Bedford, Massachusetts ranks second nationally in terms of the value of the fishery landings in 1999 with nearly $130 million in seafood landed.

These numbers sound great, but small, family-owned fishing businesses are in serious trouble. In Gloucester, America's oldest fishing port, landings declined by 9 percent in 1999 to just less than $26 million. This once proud fishing community, along with several other New England communities that borders the Gulf of Maine, have been rocked by the dramatic decline in inshore cod stocks. Gulf of Maine fishermen are feeling the pain caused by low trip limits and closed fishing areas. Massachusetts Bay, the prime fishing grounds for much of the inshore fleet, is currently closed six months of the year to allow the cod fish to rebuild. Think of the effect that closing a family farm for six months each year would have on its profitability.

Decreasing fish stocks coupled with severe environmental factors such as coastal pollution and warmer oceans with changing currents has resulted in severely depleted fish stocks around the country. We are making progress in rebuilding stocks, however, the cost of this progress has been a steep decline in the amount of fishing allowed in Georges Bank and the Gulf of Maine. This in turn has made it much more difficult for fishermen in Massachusetts and Maine to maintain profitable businesses. That is why the Collins amendment is so important. It will ensure that fishermen have the flexibility under chapter 12 of the bankruptcy code to wait out the rebuilding of our commercial fish stocks without back tracking on our conservation gains to date.

We are making progress rebuilding our fish stocks, but the social and economic costs have been enormous. I strongly believe we must do everything we can to preserve the rich New England fishing heritage in Massachusetts without wiping out the fiercely independent small-boat fishermen.

In their annual report to the Congress released last month on the health of our Nation's fisheries, the National Marine Fisheries Service reported that there was no overfishing in 210 fish stocks in 2000 as compared to 159 stocks in 1999, a significant improvement. This means that we have reduced fishing pressure on many stocks to the point where we can continue harvesting on a sustainable basis. Additionally, the number of stocks that are fully rebuilt has increased to 145 in 2000 from 122 stocks in 1999. Another significant improvement. My point is that we are making real progress, however, the temptation will always exist to forgo what is in the long-term best interest of our fisheries, to relieve some of the short term pains that the fishing industry is going through.

The same protections and flexibility afforded the farming community should be made available to family fishermen. By adopting this modest but important change to the bankruptcy laws, we will not only preserve and protect a very important industry but a cherished way of life as well.

Ms. COLLINS. 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.

Mrs. CLINTON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. COLLINS). Without objection, it is so ordered.

AMENDMENT NO. 29, AS MODIFIED

Mrs. CLINTON. Madam President, I will speak to one of the pending amendments. I rise today to offer my support for a pending amendment offered by Senator CONRAD, the Social Security and Medicare Off-Budget Lockbox Act of 2001.

This legislation would protect Social Security and Medicare trust funds from being raided to pay for tax cuts or programs and would ensure our continuing commitment of the surpluses to debt reduction. I am pleased that similar legislation has had broad, bipartisan support in both the Senate and the House over the past years, as I believe it is the responsible step that we should take to ensure these vital benefits remain available, with the paying down of the debt, with assuring that we have affordable tax cuts, and with the investments that we need to make to ensure our country is stronger in the future.

Now, I know that the chairman of the Budget Committee, for whom I have the greatest respect, suggests this amendment is more of a scare tactic than a real effort to protect Medicare and Social Security. But I have to respectfully disagree. This amendment is nearly identical to the amendment for which 60 Senators, including 16 of our colleagues on the other side of the aisle, voted in favor of last year as an amendment to the Labor/HHS appropriations bill, but it was unfortunately dropped in conference. It is important to raise it again now because, much to my disappointment, President Bush's budget blueprint does appear to raid the Social Security and Medicare trust funds to pay for his tax cut proposal.

Over the past several weeks, members of the administration have come before the Budget Committee, on which I serve, and argued that President Bush's blueprint protects the Social Security and Medicare trust funds. But you can look at the numbers and see that is not the case. A table in the blueprint entitled ''The President's 10-year Plan,'' for example, refers to a contingency reserve of over $840 billion, of which over $500 billion of that comes from the Medicare trust fund.

Since other parts of the administration's budget seriously underfund many important priorities, such as a

prescription drug benefit for our seniors on Medicare, national defense, investments in our schools and our children, our teachers, and other significant areas for which there is broad bipartisan support, it also proposes hundreds of billions of dollars in unspecified cuts across programs. And there isn't any mystery. There can't be any mystery that if you combine a very large tax cut with underfunding important programs and leaving out many others, then there will not be the money in this reserve, and it is money taken out of the Medicare trust fund that will be available to cover the priorities that we would determine are in our national interest.

During the time of projected surpluses, I have to ask, is this really the choice that we want to be making? Madam President, I know most New Yorkers would agree that it would be both unfair and wrong to shortchange either our seniors or our children when it comes to prescription drug benefits, or investments in smaller class sizes, school construction, and other important programs that will improve the quality of education.

The real choice we face should be between a very large tax cut from which millions of working Americans would receive little to no tax relief and the three priorities which I think we can agree on in this body—a priority for affordable tax cuts, a priority to continue to pay down the debt, and a priority of the kind of investment that we need to make.

For example, I believe we should invest in a real prescription drug benefit. The President's immediate helping hand proposal denies eligibility for prescription drugs to nearly 25 million Medicare beneficiaries, most of whom today lack affordable, dependable prescription drug coverage.

Republican and Democratic Governors have also raised concerns with this proposal, noting that it fails to meet the immediate prescription drug needs of their elderly and disabled residents.

The challenge should be not deciding to shortchange our seniors on prescription drugs in order to give a very large tax cut to people at the upper end of the income scale, but it should be between how do we keep all of our priorities in order and how do we provide prudent tax relief, continue to pay down the debt, and invest in what will make us a healthier, better-educated, stronger Nation.

I believe Senator CONRAD's amendment to lock away the Social Security and Medicare trust funds sets the right balance. It clearly takes off budget what should be off budget. It should not be used for a contingency, for tax cuts, or for spending; it should be used for what it was intended to be used for: to meet the Social Security and Medicare needs of our seniors.

I ask that I be added as a cosponsor, and I urge my colleagues, as they did once before on an appropriations measure, to ensure the solvency of the important programs, such as Medicare, and to ensure the provision of a prescription drug benefit to our seniors on Medicare, and to deal with the other important priorities that we face.

Madam 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. LEAHY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT NO. 39

Mr. LEAHY. Madam President, I ask unanimous consent it be in order to ask for the yeas and nays on the Kennedy-Jeffords amendment on the bankruptcy bill, amendment number 39, with the vote to occur at whatever appropriate time the votes are being stacked.

The PRESIDING OFFICER. Without objection, it is so ordered. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 16

Mr. LEAHY. Madam President, I commend the Presiding Officer for her amendment to protect family fishermen. I know the distinguished Senator from Massachusetts, Mr. KERRY, also strongly supports it. It is the type of bipartisan amendment that can be agreed to on this side of the aisle.

I have been checking around, and I do not find anyone over here who disagrees with it. I hope on the other side it can also be agreed to. If so, that is one we can move quickly to accept.

I want the distinguished Presiding Officer to know I checked on this side and there are no objections to her amendment, which is a good one.

However, I am disappointed that my good friend, the majority leader, has filed cloture on this bill. The Democratic leader, Senator DASCHLE, Senator REID, and I have been working to get amendments offered, filed, agreed to, if possible, and modified, if needed. We presented a good-faith list of about 15 amendments on our side of the aisle as of last Friday. We are awaiting a response. I know a number of amendments have been filed by Republican Senators, and we are trying to quickly clear them on our side if we can. I will continue to work to move forward on this.

AMENDMENT NO. 41

Mr. LEAHY. Mr. President, I ask unanimous consent that it be in order to send to the desk an amendment on the prohibition and disclosure of the identity of minor children.

The PRESIDING OFFICER. Without objection, the pending amendment will be set aside. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Vermont [Mr. LEAHY] proposes an amendment numbered 41.

Mr. LEAHY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To protect the identity of minor children in bankruptcy proceedings)

On page 124, between lines 10 and 11, insert the following:

SEC. 233. PROHIBITION ON DISCLOSURE OF IDENTITY OF MINOR CHILDREN.

(a) PROHIBITION.—Chapter 1 of title 11, United States Code, is amended by adding after section 111, as added by this Act, the following:

"§ 112. Prohibition on disclosure of identity of minor children

"In a case under this title, the debtor may be required to provide information regarding a minor child involved in matters under this title, but may not be required to disclose in the public records in the case the name of such minor child.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 1 of title 11, United States Code, is amended by adding at the end the following:

"112. Prohibition on disclosure of identity of minor children.".

Mr. LEAHY. Madam President, this is an amendment to protect the identity of minor children in bankruptcy court records. My amendment permits a debtor to withhold the name of a minor child in the public records of the bankruptcy case.

I submit this out of a sense of child safety. There is an unintended loophole, as the bill is written, in child safety. Sometimes bankruptcies occur when there have been a great deal of problems between parents. With that, nobody should know the name of the minor children.

The closing loophole does not restrict the necessary flow of information regarding a debtor's financial records. The House of Representatives adopted a similar amendment authored by Congressman MARK GREEN during its debate on bankruptcy reform legislation.

The amendment is a modest but important first step to protecting personal privacy and preventing criminal activity through the unnecessary disclosure of personal information in the public domain.

When individuals file for bankruptcy, of course, they are required to disclose information regarding themselves and also their dependents. Most of this information is vital to ensuring the integrity of the bankruptcy process, but if you look at these forms, you realize a lot of this information is very personal, very detailed.

Indeed, bankruptcy records contain all kinds of highly sensitive personal, financial, and medical information. I didn't realize how much information was in there while preparing for the bill. I was amazed at the amount of personal, financial, and medical information. More and more, Federal courts are making these court records that contain the very highly sensitive personal, financial, and medical information available for all to see, without

any privacy safeguards, and are available on the Internet.

Each Member can go on the Internet and get medical, personal, and privacy records on bankruptcy debtors. For example, schedule 1 has a document entitled ''The Current Income of Individual Debtors'' that requires a debtor to list his or her dependents' names, ages, and relationship to the debtor. Some of this information is very important to creditors. I don't have any question about that.

It is also the type of information that some dangerous people could use to seek out and contact children. We have seen predators of children who have sought this information over the Internet. Any parent, any grandparent, or any Senator should worry about someone getting this information on children. My amendment simply protects minor children to unnecessary exposure from harm.

The chairman of the Senate Judiciary Committee, Senator HATCH, has agreed to future hearings in the Judiciary Committee to consider the issue of personal information in paper and electronic court records and other governmental records. The manner in which all three branches of the Federal Government, Federal agencies, the Congress, and the judiciary protect the privacy and personal information that Americans are required to divulge is an important area that needs our attention.

Earlier, we had a Leahy-Hatch amendment regarding protection of customer databases and consumer lists to prevent future ToySmart.com cases. We created omnibus bankruptcy proceedings as part of that Leahy-Hatch amendment, the first consumer privacy advocate in consumer law. Working together, we have proven that Republicans and Democrats can come together in commonsense matters.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY. I thank the Chair. I thank my friend from Iowa.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FITZGERALD). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Ms. COLLINS. Mr. President, I thank the Senator from Vermont for his kind words about the amendment I offered to extend the protections of chapter 12 of our bankruptcy code to our fishermen so that a fisherman can be treated the same way as a farmer is treated. I appreciate his efforts to clear the amendment, which is a bipartisan amendment, on his side of the aisle.

I also commend the Senator from Vermont for the amendment he just proposed that safeguards the names of minor children in bankruptcy proceedings.

Last weekend, I had a discussion with a member of my staff who is responsible for Cumberland and York Counties. He told me of our office's attempts to assist women who are legally establishing new identities in order to avoid being pursued by a violent ex-spouse or former boyfriend. He told me the Social Security Administration, for example, is very helpful once these women have gone to court and legally changed their names for these very good reasons and helping them to get new Social Security numbers. But he mentioned to me that oftentimes the violent former spouse or boyfriend pursues these women using other public records. For example, when they get a new driver's license in the State of Maine, Maine has the requirement that the State where they previously held a driver's license be notified. That creates a paper trail by which the former spouse can pursue the woman who is trying to get a fresh start for herself.

It occurs to me while listening to the comments of the Senator from Vermont that the bankruptcy proceedings could also be a way that this information is disclosed, and that in cases where parental rights have been terminated this would be a means of a former spouse tracing the children to which he no longer has any parental rights.

There are a number of other examples where children can be preyed on by predators who gain access to this information. But I wanted to share the experience that I had this last weekend with my staff's efforts to assist abused women in starting new lives through legally assuming a new identity.

I commend the Senator from Vermont for his efforts. I look forward to working further with him on this issue.

Thank you, Mr. President. I yield the floor.

Mr. LEAHY. Mr. President, I thank my colleague and neighbor from Maine. I appreciate her willingness to work together on this.

The Senator from Iowa is off the floor at the moment. He is in a meeting. But while we wait for the Senator from Iowa, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 27, AS MODIFIED

Mr. LEAHY. Mr. President, I ask unanimous consent that it be in order to modify, on behalf of the Senator from California, Senator FEINSTEIN, her amendment. I send that amendment to the desk.

The PRESIDING OFFICER. Without objection, the pending amendment will be set aside.

Is there objection to the modification?

Without objection, the amendment is so modified.

The amendment (No. 27), as modified, is as follows:

(Purpose: To make an amendment with respect to extensions of credit to underage consumers)

At the end of Title XIII, add the following:

SEC. 1311. ISSUANCE OF CREDIT CARDS TO UNDERAGE CONSUMERS.

(a) APPLICATIONS BY UNDERAGE CONSUMERS.—Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended by adding at the end the following:

''(8) APPLICATIONS FROM UNDERAGE OBLIGORS.—

''(A) PROHIBITION ON ISSUANCE.—Except in response to a written request or application to the card issuer that meets the requirements of subparagraph (B), a card issuer may not—

''(i) issue a credit card account under an open end consumer credit plan to, or establish such an account on behalf of, an obligor who has not attained the age of 21, if the total amount of credit extended to the obligor under that account exceeds $2,500 (which amount shall be adjusted annually by the Board to account for any increase in the Consumer Price Index); or

''(ii) increase the total amount of credit authorized to be extended under that account to an obligor described in clause (i) to an amount equal to more than $2,500.

''(B) EXCEPTIONS.—Clauses (i) and (ii) of subparagraph (A) do not apply if the issuer requires, in connection with the issuance or establishment of the account or the increase, as applicable—

''(i) the signature of a parent or guardian of that obligor indicating joint liability for debts incurred in connection with the account before the obligor attains the age of 21; or

''(ii) submission by the obligor of financial information indicating an independent means of repaying any obligation arising from the proposed extension of credit in connection with the account.

''(C) NOTIFICATION.—A card issuer of a credit card account under an open end consumer credit plan shall notify any obligor who has not attained the age of 21 that the obligor is not eligible for an extension of credit in connection with the account unless the requirements of this paragraph are met.

''(D) LIMIT ON ENFORCEMENT.—A card issuer may not collect or otherwise enforce a debt arising from a credit card account under an open end consumer credit plan if the obligor had not attained the age of 21 at the time the debt was incurred, unless the requirements of this paragraph have been met with respect to that obligor.

''(9) PARENTAL APPROVAL REQUIRED TO INCREASE CREDIT LINES FOR ACCOUNTS FOR WHICH PARENT IS JOINTLY LIABLE.—In addition to the requirements of paragraph (8), no increase may be made in the amount of credit authorized to be extended under a credit card account under an open end credit plan for which a parent or guardian of the obligor has joint liability for debts incurred in connection with the account before the obligor attains the age of 21, unless the parent or guardian of the obligor approves, in writing, and assumes joint liability for, such increase.''.

(b) REGULATORY AUTHORITY.—The Board of Governors of the Federal Reserve System may issue such rules or publish such model forms as it considers necessary to carry out paragraphs (8) and (9) of section 127(c) of the Truth in Lending Act, as added by this section.

(c) EFFECTIVE DATE.—Paragraphs (8) and (9) of section 127(c) of the Truth in Lending Act, as added by this section, shall apply to the issuance of credit card accounts under open end consumer credit plans, and any increase of the amount of credit authorized to be extended thereunder, as described in those paragraphs, on and after the date of enactment of this Act.

Mr. LEAHY. Mr. President, I do not have further matters. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GRASSLEY. Mr. President, I have some unanimous consent requests that the leader has asked me to make.

ORDER FOR VOTES ON AMENDMENTS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that at 11 a.m. on Tuesday, as under the order, the Senate proceed to a vote in relation to the following amendments, and further, no amendments be ordered to the amendments prior to the votes: the Feinstein amendment No. 27, as modified, and the Kennedy amendment No. 39.

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

MORNING BUSINESS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now be in a period for morning business, with Senators permitted to speak for up to 10 minutes each.

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

INTERNET TAX MORATORIUM AND EQUITY ACT

Mr. GRAHAM. Mr. President, it is an unfortunate irony that the important things in life are often left unsaid. It may surprise some to know that, of all things, congressional legislation cannot escape this truism.

In fact, the most important piece of education legislation Congress considers this year will not mention schools or students. The most important law enforcement legislation we consider this year will not recognize the officers that safeguard our streets. And, the most important piece of emergency services legislation we address this year will not reference the firefighters and paramedics who keep our communities safe.

In 1998, Congress passed the Internet Tax Freedom Act. That bill imposed a three year moratorium on specific State taxes applicable to the Internet. The legislation didn't affect the States' ability to impose sales tax on Internet purchases, nor did it fix the unfair advantage ''e-tailers'' currently have over their main street competitors with respect to their responsibility to collect sales and use taxes.

As a result of two Supreme Court rulings, a State is prohibited from requiring out-of-State retailers from collecting sales tax on purchases made by its residents if the business has no presence in the State. The sales tax still applies, it just has to be collected directly from the purchaser. For a variety of reasons, very little of this tax is ever collected.

The Internet Tax Freedom Act created the Advisory Commission on Electronic Commerce which was supposed to come up with a solution to this problem. Instead the Commission was hijacked by a small group who opted to demagogue this issue to further their ''anti-tax'' agenda. The result was a year-long study of an issue with little in the form of useful recommendations.

The game plan of the forces supporting the status quo is clear: delay, delay, delay. Keep extending the moratorium until there is a sufficiently large political constituency to permanently block the collection of sales taxes on purchases made over the Internet.

This is not a hidden agenda. Governor Gilmore, Chairman of the Advisory Commission on Electronic Commerce stated it clearly when he said that ''I believe America should ban sales and use taxes on the Internet permanently, for all time. If we secure tax freedom on the Internet through 2006, tax freedom on the Internet will become an entitlement for the American people and a political inevitability. No tax collector will be welcome on the Internet after 2006.''

Let me be clear: this is not about whether purchases made over the Internet are subject to sales tax. They already are. The question is whether Internet sellers should have the same responsibility to collect the sales tax as their Main Street competitors.

If we answer this question with a ''no,'' funding for education, law enforcement and emergency services will suffer. Why? Because States have the fundamental responsibility of financing public education in our country. Patrolling our streets, safeguarding the health and safety of our citizens—these tasks could not be accomplished without our State and local governments.

For most States, sales tax revenue is the primary means by which States fulfill these responsibilities. Because many States rely on sales taxes for their general revenue, the equation is simple—no collection of sales tax on the Internet means less money for new schools, police officers, and rapid response equipment. Six States—Florida, Nevada, South Dakota, Tennessee, Texas and Washington rely on sales taxes for more than half of their total tax revenue.

According to the General Accounting Office, by 2003 losses to State and local government revenues from uncollected sales taxes on Internet sales could climb as high as $12.5 billion. Florida's share of that lost revenue could be as much as $1 billion. When asked why he robbed banks, Willie Sutton replied, ''that's where the money is.'' Today, the money is increasingly on the Internet.

There is another reason to fix this issue: fairness. No one would seriously consider a proposal that barred State and local governments from collecting sales and use taxes from retailers who operate in green buildings. That would be unfair to those businesses that aren't located in green buildings. Yet that is fundamentally what proponents of the status quo argue for Internet retailers.

Our position should be clear: no more delays. No more moratoriums until Congress agrees to a process whereby States are directed to simplify their sales tax systems in exchange for the authority they need to require remote sellers to collect their sales taxes.

The legislation introduced last Friday takes the first positive step in this direction. That bill extends the current moratorium on Internet access taxes and multiple or discriminatory taxes on the Internet, a prohibition that virtually all agree should be imposed.

More importantly, however, it establishes a process whereby States can cooperatively unify and simplify their sales and use tax systems. Sales tax laws must be made significantly more uniform across the states and the administration of the tax must be substantially overhauled and simplified. The goal of this legislation is to develop a simple, uniform and fair system of sales tax collection. It will reduce the burden on remote sellers while protecting State and local sovereignty.

Once States have adopted this simplified system, they would then have the authority to require remote sellers to collect and remit sales and use taxes to the State.

Previous attempts to require remote sellers to collect sales and use taxes have been criticized on the grounds that it was unreasonable to require businesses to keep track of the nearly 7,500 separate jurisdictions levying sales and use taxes. This bill addresses that criticism by requiring the states to dramatically simplify their sales and use tax systems by establishing uniform definitions and fewer rates.

The streamlined sales and use tax system envisioned by this legislation follows the guidance offered by the Advisory Commission on Electronic Commerce. The attributes of this streamlined system include: a centralized, one-stop, multi-state registration system for sellers; uniform definitions for goods or services that would be included in the tax base; uniform and simple rules for attributing transactions to particular taxing jurisdictions; uniform rules for the designation of and identification of purchasers exempt from tax; uniform certification procedures for software that sellers may rely on to determine State and