erode the rights and benefits now accorded to these federal workers. Nor should personnel decisions related to the agency be done in secret. Congress, along with employee unions and management associations, must be a part of the creation of the new department and any changes to title 5.

The President's proposal for the homeland security department calls for enhanced management flexibilities in hiring, compensation, and workforce management. The challenges that such flexibilities would address are not new, and despite the belief that drastic personnel changes are needed, we should not forget that today's federal government faces many of the same workforce challenges as in the past. Real solutions for civil service reform require strong leadership from the top down and a commitment to the federal merit system and the employees it protects.

Some 25 years ago, the Civil Service Reform Act (CSRA) of 1978 responded to the same issues confronting our government today. Much like today, there were serious concerns that government red tape hindered managers from effectively recruiting, developing, retaining, and managing federal employees. Similar to current proposals, the CSRA focused on enhancing the accountability of the federal workforce, while it increased management flexibilities and streamlined hiring and firing procedures. The act made it easier for managers to address employee performance.

The act also established the principles of openness and procedural justice that define the civil service today. It created the Merit System Protection Board and the Office of Special Counsel to protect the rights of federal employees. The Federal Labor Relations Authority was created to oversee labor-management practices.

The act provided a statutory basis for the collective bargaining rights of federal workers. It prohibited reprisals against employees who expose government fraud, waste and abuse.

The Federal Government was strengthened as an employer as a result of the CSRA. Today, the federal civil service merit principles serve as a model for equal employment practices to both the private sector and foreign governments. With nearly half of the current Federal workforce eligible for retirement in the next 5 years, we must take care that we do not create an atmosphere where the Federal Government becomes the ''employer of last resort.''

Those in the Federal workforce demonstrate strong accountability and loyalty every day—not just to their employer—but to their country. On September 11, the Federal workforce responded with courage, dedication, and sacrifice, reminding us that we are all soldiers in the war against terrorism.

As chairman of the International Security, Proliferation, and Federal Services Subcommittee, I will work to ensure that the rights of federal employees are preserved and accountability is maintained. These rights do not pose a threat to our national security and should never be used as a litmus-test for the patriotism of the Federal workforce.

VOTE EXPLANATION

Mr. LIEBERMAN. Mr. President, during the debate on the Andean Trade Promotion Act, H.R. 3009, I missed the vote on Senator WELLSTONE's amendment, amendment No. 129, on May 23. The vote was on a motion by Senator BAUCUS to table the amendment and the motion failed. The amendment inserted a new paragraph in the legislation stating that the principal negotiation objective regarding human rights and democracy is to obtain provisions in trade agreements that require parties to those agreements to strive to protect internationally recognized civil, political, and human rights. I would have voted against the motion to table. My vote was not necessary to defeat that motion.

TERRORISM RISK INSURANCE ACT OF 2002

Mrs. BOXER. Mr. President, I voted for S. 2600, the Terrorism Risk Insurance Act of 2002. But I did so with reservations.

I recognize the need for a Federal backstop for terrorism insurance, and although I believe the way this bill is designed is flawed, it is better than the status quo. Insurers are not making enough terrorism insurance available in key areas and rates are rising astronomically because insurers cannot count on a Federal backstop to possible losses in the event of another terrorist attack.

I would have preferred that we create a risk-sharing pool that would not have placed so heavily a burden on the taxpayer. In a risk-sharing pool, insurance companies would pay a percentage of their premiums into a pool. In the event of an attack, affected companies could pay claims out of the pool after each meets its individual responsibility for covering losses. If the pool were ever depleted, then the government would lend the pool the money to cover remaining claims. In that way, the taxpayer would eventually be made whole. The structure we are approving today will put the taxpayer on the line for losses as soon as a company's individual retention level is met. And the taxpayer will never be paid back.

In addition, I am also concerned about the lack of consumer protections in the bill. Not only does the bill fail to provide Federal protection from price gouging, it preempts States from protecting consumers through the prior approval process. The Foundation for Taxpayer and Consumer Rights in California and the Consumer Federation of America have raised concerns that long-standing State systems for protecting consumers will be thrown out the window.

I worked on an amendment to replace the State preemption language in the bill with language stating that terrorism insurance rates shall not be subject to a waiting period greater than 60 days under any State law. This would have allowed California and 21 other States to retain oversight for prior approval over increases in terrorism insurance rates while also making sure that the insurance is made available quickly.

In a colloquy on the issue, Senator DODD has committed to working with me as this bill goes to conference. As a result, I did not offer my amendment. But given the number of Americans involved, the taxpayer exposure to risk, and the leverage that insurers will have over consumers, I believe we must allow States to protect consumers.

Though I voted in favor of moving this process forward, I will remain vigilant throughout the rest of the process and hope to see improvements in the legislation made in the conference committee.

BROADBAND FOR RURAL AMERICA

Mr. JOHNSON. Mr. President, I wanted to take a few moments today to talk about a topic that is critical to the future of my home State of South Dakota and indeed, many other rural areas around the country. The topic is access to advanced telecommunications and information services or what is commonly referred to as ''broadband.''

Those who have been following the broadband debate the last few years have probably heard more than they want to hear about the subject. As is often the case in Washington, policy debates get caught up in the extreme rhetoric of various interests vying for some legislative or regulatory advantage. And, unfortunately, the Washington debate, and broadband is no exception, seems to drift far from the real issue that needs to be addressed.

For example, the debate over broadband services, at least the debate one sees in the radio and newspaper ads in this town, would lead one to believe that the broadband problem is a question as to whether or not cable companies or phone companies will dominate in their competitive struggle for urban customers. I think it is great that in some parts of the country, such as major cities like Washington, DC, many businesses and residential consumers have cable companies and phone companies vying for their business. This is good for those who live in areas where a choice for broadband service is available.

Where I come from, however, the luxury of a choice or any choice does not exist when it comes to access to broadband services. Access to broadband services in many rural areas, including parts of South Dakota, is a real challenge. From my perspective, the broadband debate so far has

really missed the mark and is not focused on the real challenge: how to ensure that all areas of the country have access to broadband services.

Despite some claims to the contrary, broadband access is not a luxury item, like a Mercedes Benz. It has become a necessity in the information age. For rural States like South Dakota, broadband access is literally going to mean whether or not some of our small communities can survive in the new global economy where one's ability to access information and communication services will determine success or failure. While South Dakota will always be an important agricultural State, we know that we need to have the same access to advanced telecommunications and information services as the rest of the country. If we become a second-class society when it comes to broadband, we are more likely to be left behind. We will have less opportunity to keep our young people in the State and have less opportunity to create jobs and generate business activity.

The good news is that there is really no reason why rural America has to lag behind the advances in telecommunications in other parts of the country. But, in order to ensure that we have the same opportunities as those in urban and suburban areas, we have to overcome the unique challenges of covering great geographic distances and the high costs of deploying networks in the prairie states.

Well, help is on the way and we have begun to make some progress towards establishing policies and programs that will help ensure that rural America is not left behind.

First, the recently enacted farm bill contained provisions that established a new low-interest broadband loan program for rural areas. A generation ago, The Rural Electrification Act established low-interest loan programs to enable small town cooperatives and independent phone companies to emerge and provide telephone service and electrical service in the rural and remote areas of the country. As a result, we now have ubiquitous and affordable telephone service. Now that we are moving into the next generation of telecommunications service, i.e., broadband, we need to build upon that model of success. Thus, the Senate demonstrated leadership in the Farm Bill debate this past year and we managed to pass the most significant broadband legislation to date. We provided $100 million for low-interest government loans for broadband deployment in rural areas over the next seven years. This is going to be very helpful to South Dakota and other rural areas, and I am very pleased that we managed to secure the passage of this landmark legislation.

However, the job is far from complete. The broadband debate needs to move forward and there are several areas that need to be addressed before any of us can honestly say that we have done enough to ensure that broadband is going to be deployed throughout the United States.

Some of my colleagues have introduced legislation that addresses the broadband issue from various fronts, and I do see merit in the various approaches.

Senator ROCKEFELLER for example has introduced S. 88, the Broadband Internet Access Act. This important legislation would provide tax credits to companies that deploy broadband service to rural America. I am a cosponsor of S. 88 and worked with Senator BAUCUS and others to include this legislation in the stimulus package passed by the Finance Committee. It is unfortunate this package was not adopted by the Senate; however, I will continue to work with my colleagues to secure passage of S. 88.

Another colleague, Senator BREAUX, has introduced legislation that is intended to address the regulatory inequity between cable and telephone broadband systems. The Breaux-Nickles legislation, in my judgment, also addresses a legitimate issue. The problem with our current circumstance is that the Federal Communications Commission, FCC, has decided that cable broadband services should not be regulated but that telephone broadband services should be regulated. This does not make much sense to me. In fact, this circumstance seems to run counter to the technical neutrality policy that Congress adopted in the 1996 Telecommunications Act. It seems to me that similar services should be treated in similar fashion when it comes to government regulation. It does not make much sense to say that on the one hand, broadband services delivered by a cable company should not be regulated, i.e., are not required to provide access to competitors and do not contribute to universal service, and on the other hand subject broadband service provided by telephone companies to regulations that require open access to competitors and mandatory universal service contributions.

As we debate this issue to determine the appropriate level of regulation, we must be certain that we have parity between competitors. I still have much to learn about all the implications of the Breaux-Nickles legislation, but I do know that it does address an important issue, the disparity of regulation between cable and telephone broadband services.

Yet another colleague, Senator HOLLINGS, has introduced a bill that builds upon the success of the farm bill and would redirect some of the existing telephone excise tax money into a broadband investment fund. The money in that fund would make even more low-interest loans and grants available for broadband deployment in rural areas. His bill would also support needed research into new generation broadband technologies, especially those that can help bridge the digital divide in rural areas. I think his legislation is very thoughtful and I agree with the notion that we do indeed need to invest more into loans and grants for rural broadband. His bill is, in my judgment, part of the solution.

I realize that there are some strongly held positions on various sides of the broadband debate when it comes to the regulatory questions. The Congress will need to examine these issues and I am confident that the Senate Committee on Commerce, Science, and Transportation will continue to debate the various pieces of legislation that have been introduced. I also know that there are some approaches where we seem to have a consensus, namely the idea that we continue to provide low-interest loans and that we maintain the universal service system that has helped to make phone service affordable. For my part, I intend to engage in these debates from the perspective of how rural America is going to participate in the digital age. Rural South Dakota is my biggest concern and I hope that my colleagues who are working hard on these issues will listen and work with those Senators, like myself, who come from rural states to address our unique concerns.

I look forward to working with my colleagues on these important issues, I thank my colleagues for their leadership in this area.

ADDITIONAL STATEMENTS

TRIBUTE TO VICE ADMIRAL GEORGE PETER NANOS, JR., COMNAVSEA

• Mr. SMITH of New Hampshire. Mr. President, I rise today to honor Vice Admiral George Peter Nanos, Jr., United States Navy. Vice Admiral Nanos will retire on Monday, 1 July 2002, after 35 years of faithful service to our nation.

Hailing from Bedford, New Hampshire, Vice Admiral Nanos is a graduate of the U.S. Naval Academy. At the Academy, he was awarded the 1967 Harry E. Ward Trident Scholar's Prize. Following graduation, he spent two years at sea as Antisubmarine Warfare and Gunnery Officer on USS *Glennon* (DD 840) before entering Princeton University, where he earned a Ph.D. in physics in 1974.

Returning to sea, Vice Admiral Nanos served as Engineer Officer aboard USS *Forrest Sherman* (DD 931) and as Materiel Officer on the staff of Destroyer Squadron Ten. From 1978 to 1982, he was the manager for Technical Development in the Navy's High Energy Laser Program Office (NAVSEA PMS 405). He then served as the Combat Systems Officer in Norfolk Naval Shipyard while also training to become an Engineering Duty Officer. He returned to sea yet again as Chief Engineer for the aircraft carrier USS *America* (CV 66). While on *America*, he participated in Operation Eldorado Canyon and helped to ensure the successful launch of naval airstrikes against