

agency incur little, if any, expenses related directly to the adoption process. However, they incur a great deal of "incidental" expense related to adoption. The adoption tax credit is available only for "adoption related expenses" which include necessary adoption fees, court costs, and attorneys' fees. This limitation works directly to the disadvantage of families adopting children with special needs, because the credit does not recognize the overwhelming indirect expenses associated with adopting such a child. These expenses might include fitting the home with a ramp for a wheelchair bound child, to cite one example.

When Congress passed the tax credit in 1996, it also directed the U.S. Department of the Treasury to issue a report on the effect of the credit. According to the Treasury report released this month, for tax year 1998, 77,000 adoptions were eligible for a tax credit—31,000 for special needs and 46,000 for non-special needs adoptions. However, of the 31,000 eligible special needs adoptions, only 4,700 received benefits from the tax credit. Compare that with 45,700 of the eligible 46,000 adoptions of non-special needs children that received benefits from the tax credit.

Let me put it another way. The Treasury Department reports 15 percent of eligible special needs adoptions received tax benefits compared with 99 percent of eligible non-special needs adoptions which received tax benefits for 1998. For those wondering why so few special needs adoptions benefited from the tax credit in 1998, here is one reason. Average expenses—allowed by current law—were reported for tax year 1998 as \$3,540 per special needs adoption and \$5,890 per nonspecial needs adoption. When you look at these expenses, it is clear that increasing the amount of the tax credit for special needs adoptions will have little to no impact on families seeking to adopt special needs children.

I view this as one of the flaws in current law that must be fixed. Let me be clear: I support the extension of the tax credit for non-special needs adoption. I also support taking a hard look at how the current tax credit impacts special needs adoptions. I urge my colleagues to consider the impact of the tax credit on families adapting special needs children. Again, I commend Senators CRAIG and LANDRIEU for their efforts on behalf of vulnerable children.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I would like to associate myself with the remarks of my friends from Iowa and Louisiana on this matter. The Finance Committee is very much concerned with and for this legislation. It will become law.

SENATOR ROBERT F. WAGNER

Mr. MOYNIHAN. Mr. President, I rise for the pleasant purpose of noting the

decision by the Committee on Rules to add two names to that very special group that is portrayed in our reception room—six of the most distinguished Senators in our history. We have now added two—or shortly will have done so—Senator Arthur Vandenberg of Michigan and Senator Robert F. Wagner of New York.

The story of Robert F. Wagner is a quintessential and essential one, describing the life of a poor immigrant child born on the east side of New York, who, by steady succession made his way to this Chamber. In the process, he changed the United States, recognizing, at long last, that we had become an urban Nation with needs, in legislative terms, that such a transformation requires.

The census of 1920 determined, for the first time, that the majority of Americans lived in urban areas—rather loosely defined, but still—and intensely so on the island of Manhattan. It may seem difficult to believe, but in 1910, the population of Manhattan was twice what it is today, and the conditions were difficult indeed.

Yet there was a degree of social order, a very powerful and progressive political organization, Tammany Hall, which dates from the Revolutionary War days. Aaron Burr was the head of Tammany at one point. And in the person of Charles Francis Murphy, it became unexpectedly, but unmistakably, the single most powerful source of progressive ideas for social legislation in our history—ideas that became law that changed lives.

Perhaps the critical event was the Triangle Shirtwaist Fire of 1911. In downtown Manhattan, there were women in a sweatshop, as we would call it. A fire broke out. The doors were locked. They were left to leap from eighth-story windows. And the city never got over it. Frances Perkins, having tea in Gramercy Park, five blocks away, never got over it. But it was Robert Wagner and Al Smith who did something about it.

They had gone to Albany under the auspices of their district leaders, big Tom Foley in the case of Al Smith, from the lower east side, and McCardle from the upper east side.

Smith became speaker of the assembly; Wagner, President pro tempore of the Senate.

They chaired together a commission on the Triangle Shirtwaist fire. They came out with legislation calling for safety and sanitary conditions, restricting child labor, limiting the hours of working women and protecting the activities of trade unions—events which never before appeared on the legislative calendar of any State legislature, much less the Congress. And they passed.

Smith went on to become Governor of New York and created, with his company, a legislative agenda which Franklin D. Roosevelt, who succeeded Smith as Governor, would take to Washington. We call it the New Deal.

Wagner had already arrived in Washington and was well positioned to take up his work, beginning with the National Industrial Recovery Act in 1933, and, in 1935, the defining Wagner Act, which is technically the National Labor Relations Act. It created the National Labor Relations Board and gave labor unions a right to exist and to be heard and not to be harassed.

He went on under President Truman. He allied himself with Robert Taft, and the first major housing legislation passed this body. Then health care was proposed by Wagner, with Truman's support. A half century has gone by, and we are still dealing with that issue. But it is well that we recognize the person—a person, not the only one—who singularly brought this matter to the nation's agenda.

I, as a New Yorker, am pleased, as all New Yorkers will be. I hope Senators will recognize that a just and honorable choice has been made. I am a member of the Rules Committee so it would not be appropriate to congratulate the Rules Committee, but I certainly thank the chairman and the ranking member, Senators MCCONNELL and DODD.

I see my friend from New Mexico is on the floor, and I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I don't know the parliamentary situation. I need 3 minutes.

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

THANKING SENATOR MOYNIHAN

Mr. DOMENICI. Senator MOYNIHAN, I was listening to your speech on the television set before I arrived on the floor. First, I thank you for what you said this morning. It is something we ought to hear, something that ought to be placed permanently in our RECORD. And that is what happened.

I personally want to say to you, over the years in my work as Budget Committee chairman and other legislation, I have found you to be a real friend. I think that is more important than talking about what you did here in terms of this Senator. I can remember, believe it or not, when we produced a most difficult budget, and it looked like a pretty good budget. I was wondering whether it would pass. I had the votes counted. All of a sudden, I won by one more vote than I thought. As he walked out, he put his hand on my shoulder and said: You did a great job. I voted for you.

Now, we have talked a lot about other things, including you have asked me regularly about my wonderful family and my beautiful wife Nancy. I thank you for that concern.

I guess in the remaining time I want to say to you, there are many ways to be a great Senator. Sometimes you become a great Senator because you get a lot of big headlines. Sometimes you become a great Senator when you promote yourself, which is permitted