The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mr. LAHOOD).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

I hereby appoint the Honorable Ray LAHOOD to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

Pledge of Allegiance

The SPEAKER pro tempore. Will the gentleman from Florida (Mr. GOSS) come forward and lead the House in the Pledge of Allegiance.

Mr. GOSS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The Speaker announces that one minutes will follow the proceedings later today.

Providing for Consideration of H. Con. Res. 83, Concurrent Resolution on the Budget, Fiscal Year 2002

Resolved, That at any time after the adop- tion of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the concurrent resolution (H. Con. Res. 83) establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011. The first reading of the concurrent resolution shall be dispensed with. All points of order against consideration of the concurrent resolution are waived. The period of debate on the subject of the concurrent resolution on the budget for fiscal year 2002 that occurred on March 27, 2001, pursuant to the order of the House of March 22, 2001, shall be considered to have been debate on House Concurrent Resolution 83, and the time for debate prescribed in section 305 of the Congressional Budget Act of 1974 shall be considered to have expired. A further period of general debate shall be confined to the concurrent resolution and shall not exceed 40 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget. After such further general debate, the concurrent resolution shall be considered for amendment under the five-minute rule. The amendment specified in part A of the report of the Committee on Rules accompanying this resolution shall be considered as adopted in the House and in the Committee of the Whole. The current resolution, as amended, shall be considered as read. No further amendment shall be in order except those printed in part B of the report of the Committee on Rules. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment. All points of order against the amendment printed in part B of the report are waived except that the adoption of an amendment in the nature of a substitute shall constitute the conclusion of consideration of the concurrent resolution for amendment. After the conclusion of consideration of the concurrent resolution for amendment and a final period of general debate, which shall not exceed 10 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget, the Committee shall rise and report the concurrent resolution, as amended, to the House with such further amendment as may have been adopted. The previous question shall be considered as ordered on the concurrent resolution and amendments thereto to final adoption without intervening motion except amendments offered by the chairman of the Committee on the Budget pursuant to section 306(a)(5) of the Congressional Budget Act of 1974 to
The rule permits the chairman of the Committee on the Budget to offer amendments in the House necessary to achieve mathematical consistency. Finally, the rule provides that the concurrent resolution shall not be subject to amendment or, for the purposes of debate only, to division of the question of its adoption. Mr. Speaker, this budget provides Congress with a unique opportunity. Here we are standing on top of a mountain of budget surplus thanks to the fiscal restraint of the majority party in the past several years. We gaze over endless possibilities rather than being stuck in the depths of a deficit canyon which we were in the early part of the 1990s.

Now, instead of jumping off of a mountaintop into some kind of spending free fall, it is time we firmly plant our feet and decide what we need to get accomplished for the people of the United States of America with our tax dollars.

That is what this budget is about. It is standing firm to ensure that our hard-fought surplus is preserved while providing Americans with necessary and appropriate government programs and security they deserve and count on from the Federal Government.

The surplus, combined with strong leadership from the new administration in the White House, will result from real relief for all taxpayers. I commend the gentleman from Iowa (Chairman NIXON) and his committee for devising a budget that will reflect our commitment to fiscal discipline while also ensuring programs like Social Security and Medicare will be available for future generations, properly funded.

As we set forth to debate this budget, it is easy to get bogged down by the large abstract numbers; and I imagine we are going to hear lots of them today. There will be more zeros flying around this Chamber today than there were in the Second World War.

It is important to remember these numbers represent an opportunity to return money to hard-working individuals or, better yet, let them keep it and not have to send it on to Washington on April 15 or in quarterly payments.

I know my constituents in southwest Florida want real relief. They ask for it every time I see them. It is up to this body to work hard, the work they do every day, to admit also that the government is taking more in taxes than it actually needs now. Over the next 10 years, this budget will provide the average American family with up to $1,600 in tax cuts. That is real relief.

The budget resolution goes further than immediate tax relief. It secures the future for all Americans. This security comes from the pairing of tax cuts with more funds for programs that every American cares about.

I certainly would not stand here and say that we have achieved getting rid of all government waste. I do not know anybody bold enough to make that statement, nor would it be an accurate statement.

Funds will be allocated, however, for important things, to improve education, to decrease the national debt, to modernize Social Security and Medicare. The increased money for these areas will enable all Americans to plan for the future with the assurance that past mistakes are, in fact, being corrected.

This budget illustrates the dedication of both the White House and the Republican leadership in Congress to fiscal discipline and to identifying, exposing, and excising unnecessary Federal spending. Americans do work hard to make and to save money, and they have a right to demand fiscal responsibility from the Federal Government.

But citizens of this country can rest assured that fiscal discipline will be practiced by following the blueprint this budget resolution outlines, as we will hear in debate today.

Not only will taxes be cut, but we will still stand committed to protecting the hard work their homes in the winter; that is, not if one stands firm against raiding Social Security and Medicare.

Mr. Speaker, if it sounds too good to be true, it probably is; and this budget is too good to be true.

They refused to admit that they cannot do it all. They do want to admit that their $2 trillion tax cut comes from somewhere, and that somewhere is going to be heating programs for the working poor, prescription drugs, the national defense, family farms, and better schools for our children. Because, Mr. Speaker, there is no way one can afford these massive tax cuts and invest in education, provide prescription drug benefits, help people warm their homes in the winter; that is, not if one stands firm against raiding Social Security and Medicare.

The numbers just will not add up. But I think my Republican colleagues know that. They do not want to confess how much they will shortchange other important priorities for these tax cuts. So instead of a real budget, Mr. Speaker, my Republican colleagues propose a “3-card monte” budget.

It puts off confronting harsh realities. It postpones the hard choices. It postpones the hard-fought surplus which we are so proud of at this point. This is a fair rule. It is a standard rule. I think it is a good budget resolution that it underlies. I urge Members to support both.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume; and I thank the gentleman from Florida (Mr. Goss), my good friend, for yielding me the 30 minutes.

Mr. Speaker, my Republican colleagues want to pretend they can give tax cuts to the very rich without hurting Social Security or Medicare, without hurting education or the environment. Mr. Speaker, if it sounds too good to be true, it probably is; and this budget is too good to be true.

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Mr. Speaker, the Committee on the Budget did not report a budget resolution. It reported a delegation of authority to the gentleman from Iowa (Mr. Nussle). There are tax cut numbers and total revenue numbers in this budget. But section 10 says ignore them.

Section 10 says the gentleman from Iowa (Mr. Nussle) will adjust the revenue figures to take account of any additional surpluses projected by CBO. He can increase the size of the permitted tax cuts. He can reduce the appropriate level of public debt, or he can do both.

Last year’s budget also allowed the Committee on the Budget chairman to determine how much, if any, additional surplus to devote to tax cuts. Three weeks ago, the gentleman from Iowa (Mr. Nussle) used this authority to adjust last year’s tax numbers to make room for this year’s first tax bill.

It does not matter that there is a new President, a new Congress, a new set of priorities. Republicans say they do not need any new authority; these new priorities fit with tax cuts of this size. The only priorities that count are those of the gentleman from Iowa (Mr. Nussle), and he can decide to devote all of the surplus that is needed to fit this year’s bills.

Mr. Speaker, here we go again giving him the same unilateral authority for next year, but this time the Republicans do not stop at tax cuts. There are a great number of plenty of this budget. There is an energy number and an education number, and there is a defense number and an agriculture number. Section 6 says ignore all these numbers. Come July the gentleman from Iowa (Mr. Nussle) will look around and decide for the House what the spending numbers really are.

Mr. Speaker, I have to say, the chairmanship of the Committee on the Budget is better every day. The gentleman from Iowa (Mr. Nussle) can rewrite the numbers without a hearing and without a vote of any committee. Mr. Speaker, the gentleman can do it without any House action at all. Make no mistake about it, today we vote to grant the gentleman from Iowa (Mr. Nussle) extraordinary discretion to change the whole spending side of the budget.

And as if this broad spending authority is not enough, there are plenty of the permitted tax cuts. He can reduce the appropriate level of public debt, or he can do both.

Where I grew up, if you could not see through a ruse like that, you lost your wallet, your shirt, your reputation, not your eyesight. A reserve fund means that the numbers in the budget are not worth the paper they are printed on; Republicans can adjust them as they go along.

Mr. Speaker, this turns the budget process on its head. We will no longer use the budget to decide if we can afford one whole set of proposals viewed together. We will no longer enforce the total deficit budget. Instead, the Committee on the Budget chairman will determine, as each proposal comes up, if he likes it enough to adjust the budget levels to accommodate it. What a mockery.

My Republican colleagues on the Committee on Rules and the Committee on the Budget have said we need a biennial budget, but they cannot even write a budget that will last through July. If we cannot write a budget that will last for 2 months, how can we expect to do one for 2 years?

Mr. Speaker, we do not need these contingency funds and reserve funds and other extraordinary procedures to rewrite the budget as we go along. Republican bills should go to the plate. They should admit that a $2 trillion tax cut to benefit the rich is more important than anything else. They should admit that they are willing to endanger Medicare, cut heating programs, slash education, and decimate a new prescription drug benefit. But this budget lets them pretend for a while that all is well.

Mr. Speaker, the American people deserve better. I urge my colleagues to send this budget back and demand a real budget, an honest budget instead.

Mr. Speaker, I reserve the balance of my time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LaHood). The Chair reminds Members that they are not to make references to statements made by Members of the other body.

Mr. Goss. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think I detected support for the rule in the opening statement of the gentleman from Texas (Mr. Frost), among several opportunities we will have to discuss several budgets today.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. Dreier), the distinguished chairman of the Committee on Rules.

Mr. Dreier. Mr. Speaker, I thank the gentleman for yielding me this time.

Following along on his comments, I think we will have to put the comments of the gentleman from Texas (Mr. Frost) in the undecided column based on the statements he has just provided us.

I want to express my appreciation to the gentleman from Iowa (Mr. Nussle), who has done a superb job here with this, and I also want to commend the newest member to the Committee on Rules, the gentleman from Washington (Mr. Hastings), who has also worked on this issue and done a phenomenal job.

Over the past 6 years, Republican Congresses have been very proud to have made history with budgets that have stopped reckless Washington spending, paid down the national debt, protected Social Security, and, of course, focused resources on our Nation’s priorities. Once again, once again, Mr. Speaker, we are about to make history.

I have had the privilege of serving this body for over two decades now. Every single year that a budget has come forward during that time, and I suspect going back all of the way to 1974 when the Budget Empowerment Act was passed, there has been a three-year, 6-month process on its head. D-O-A. “Dead on arrival” has been placed on every budget, but late this afternoon we are going to pass the President’s budget, and that is a great testimony to this administration and the President that President Bush has provided such great leadership.

We know that Republicans have changed the culture of Washington so much that President Clinton was forced over the past several years, as we were pursuing all of these great accomplishments that we had, to stand right here in this Chamber behind where I am and say, the era of big government is over. But today President Bush is at the helm, and he is making a great deal of history.

The Republican budget pays down $2.3 trillion in national debt. The Republican budget provides tax relief for every American who pays taxes. The Republican budget makes education of our children a top priority. The Republican budget protects Social Security from the spending raids that went on for the three decades before we came to majority here in the Congress, and the Republican budget, of course, does what is our number one priority at the Federal level, and that is rebuild our Nation’s military capability.

So to sum this up, Mr. Speaker, this Republican budget is a fair and balanced American budget that fully funds our shared priorities while reforming taxes and paying down the national debt. This is a very fair rule; and as the gentleman from Florida (Mr. Goss) said, he suspects that underneath the statement of the gentleman from Texas (Mr. Frost), there was support of the rule.

Mr. Speaker, as was pointed out by the gentleman from Florida, we make only three Democratic substitutes, one Republican substitute. We should have a rigorous and interesting debate today. But at the end of the day, I am very, very proud that we will pass the President’s budget, which is the right thing to do today.

Mr. Frost. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. Obey).
Mr. OBEY. Mr. Speaker, we have just been told that we are about to pass the President’s budget today. That is simply not true. The President is not even planning to send his budget down to the Congress until a week from Monday, and yet the Congress is so hell-bent to pass a tax bill before the public understands the consequences of that tax bill that we are passing it before we even have the full budget sent down by the President. That to me is a disgraceful institutional advocacy of responsibility.

Mr. Speaker, there are three reasons why we should vote against this “budget” and this resolution. First of all, this so-called budget resolution and the tax cuts contained in it are based upon flimsy, foggy guesses about what we are going to have in the Treasury 10 years from now. We do not have the faintest idea what we are going to have by way of surpluses 10 years from now. The numbers on which this budget is based have changed by 75 percent in 1 year.

Secondly, I would like to point out, as has been pointed out by the gentleman from Texas, that the tax cuts contemplated in this budget are so large that they leave no room on the table for fixing Social Security long term, to deal with fixing Medicare long term, both of which are going to be in deficit in the long term. They leave no money left on the table to have a real attack on educational inadequacy or do a real alternative on prescription drugs, or to meet many of the other national priorities that our President wants to undertake.

Thirdly, there is no money left on the table for fixing our obligations, our prior obligations, to the wealthiest 1 percent of people in the country. The fact that we do not have the money to pay teachers enough so we could close the gap between what teachers get and other professionals. Thirdly, we could eliminate the construction backlog for every dilapidated school in America.

We ought to put those priorities ahead of the tax cut, above $6,700 for every class in America down to 18. That is the size at which the research shows kids learn the best. Secondly, we could pay teachers enough so we could close the gap between what teachers get and other professionals. Thirdly, we could eliminate the construction backlog for every dilapidated school in America.

Mr. Speaker, I want to repeat that because at the sites throughout the country we indeed have focused more on cleanup rather than just adding more people to the whole process.

I am confident this trend can and must continue through funding for the PM program. A failure to fully fund this program will result in increased costs, delays and legal battles with States throughout the country that will further drain essential cleanup dollars away from the complex and simply delay progress. Many have highlighted the need for reform in the Department of Energy’s management practices. I fully support this desire and pledge to work as chairman of the nuclear cleanup caucus to work with my colleagues and the administration to find ways to reform, continue to reform, the Department and ensure the program’s success.

However, I do not think that we can afford to not fund the cleanup program because it is not just a cleanup effort, but legal funding requirements while these reforms that are badly needed take hold. We must recognize that our field offices are enacting reforms and contract discipline successfully on their own and that we must continue to fund these costs. Once these reforms are identified and implemented the additional savings be focused on this cleanup work.
For example, at the Hanford Nuclear Reservation in my district, and also throughout the complex but particularly here, the Department has recently completed contracts with most of the major contractors that are new commercial-type contracts. These contracts put an impetus on the contractors to deliver on their projects or lose their fees. This is a big departure from what has happened in the past.

For example, one company in my district at Hanford agreed contractually to complete $2.2 billion worth of work for $2.2 billion through efficiencies and technology; and if they do not do that, they surrender their fee. I have to say this is a refreshing change to DOE contracting practice in the past and one that will greatly increase accountability throughout the complex.

Further, by incentivizing contractors to save money by giving them a small percentage of the savings that they attain, we are finding ways to increase cleanliness and decrease the cost to the American taxpayer. This new contracting structure must continue and must be expanded. However, without adequate funding, these contracts will be altered; and the American taxpayer will benefit when the benefits that they are entitled to.

So, again, Mr. Speaker, I want to thank both of my chairmen, the gentleman from California (Mr. DREIER) and the gentleman from Iowa (Mr. Nussle), for their work on this legislation before us; and I ask all of my colleagues to support the rule and the budget resolution.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. BONIOR).

Mr. BONIOR. Mr. Speaker, back when he was running for President, Mr. Bush often said trust the people. But when it comes to the public health and the environment, fewer Americans trust the President’s agenda and for good reason. He has called for oil drilling in the National Arctic Wildlife Refuge. He has broken his campaign promise to cut carbon dioxide emissions. He has even repealed new standards to get toxic mercury out of our drinking water.

In my State of Michigan, out of 3,000 wells, 450 have high levels of arsenic, which we know is a killer. It is used in pesticides. It is used in weed killers. It kills people and it causes serious health problems.

Now, the White House presents us with a budget that cuts or shortchanges every important environmental initiative. We heard a very good statement from the gentleman from Wisconsin talking about what this budget does to education, that it devastates the environment.

Let me give one example. Today, millions of American families depend on water treatment facilities so decrepit and so outdated that the water they process is not always safe to drink. That is why people are walking around this country with bottled water. In the State of Wisconsin in Milwaukee, 104 people died of cryptosporidium, a bacteria that got into their water supply. Naturally, EPA says it is going to cost $1 trillion over the next 2 decades to improve our sewer systems. That is about $23 billion a year more than is already being spent by State, local, and ratepayers. So it is going to take $20 billion alone over the next 30 years to fix water and sewer systems in southeastern Michigan alone, where we have a huge problem.

Our State has a water problem. One would think Michigan, the Great Lake State with all the freshwater, 95 percent in the world, would be doing well but we have 11,000 inland lakes in our State. Every one of them is contaminated with mercury to the point if one is a pregnant woman she cannot eat the fish.

I have beaches in my district that are closed on a constant basis throughout the summer because of untreated or not treated waste that comes down the river and into Lake St. Clair and Lake Huron of the Great Lakes. We are not paying attention to our most vital of resources, our water resources.

In southeastern Michigan, 42 million men, women and children depend on those systems. But instead of investing in the treatment plants America needs, this budget, like it does in education, like it does for senior prescription drugs, squanders money on tax cuts for the super rich. It does not take care of those basic needs of education, of health care, and the public health and the environment on the issues that I have talked to.

This may not be this administration’s priorities but I want the American people to know it is our priorities. Most families depend on facilities built in large part with Federal dollars. Good sewers and water systems may not make for good photo-ops but they trust the Administration to protecting the environment and the public health.

It is one thing to say the people are trusted. It is another to have policies and agendas and a budget that is worthy of our trust.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. WOOLSEY).

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, when I look at the Republican budget, it is absolutely clear to me who is taking care of the billionaires in this country. What I want to know is who is taking care of our children? The Republican budget puts children and their needs behind a trillion tax cut that gives 45 percent of the benefit to the wealthiest 1 percent of Americans.

In fact, a third of our children are part of families that would receive zero benefit from the proposed tax cut. Let me say that again. One-third of the children in this Nation live in families that would benefit nothing from the proposed tax cut.

In recent months, we have all heard the Republicans talk about helping children. Now is the time to support those words with actions in this budget. They will not do it. They are not doing it.

The Democrats, however, invest in our children by providing tax cuts for the families that need them the most, by protecting Social Security and Medicare, by improving the schools for these children and, most importantly, by paying down the national debt for ratepayers. By the democratic alternative, we will make good on a promise not to leave children behind, and we will then invest in our children. Hence, we will be investing in the future of this Nation.

Mr. GOSS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Illinois (Mr. KIRK), a member of the Committee on the Budget.

Mr. KIRK. Mr. Speaker, as a new member of the Committee on the Budget, I rise in support of this resolution. We have a problem facing our country and that is the economic forecasting which is an inexact science and mistakes start at the program level. For example, when Congress in recent national dialysis benefit to Medicare in 1972, forecasts used at the time predicted that the program enrollment would level out at 90,000 patients by 1995. Medicare actuaries now expect enrollment to exceed 450,000 by 2005 at a per-patient cost of $37,000.

Another example is the V-22 Osprey. DOD estimated in 1986 that the cost would be $32 million each, measured in 2000 dollars. That has now doubled to $63 million. DOD has kept total project cost overruns to only 40 percent above original estimates by reducing the number of aircraft from 913 to 458. Add the uncertainty of forecasting of general economic conditions such as gasoline, and the ability of budget forecasts, even one year out worsens the problem.

In January 1999, CBO predicted a $131 billion surplus for FY 2000; fully $100 billion below the $236 billion actually achieved. This year, CBO states that its estimated $281 billion surplus for fiscal year 2001 could either be $50 billion too high or too low. We need to reduce the swing in budget projections.

The Committee on the Budget must base decisions on careful evaluation and sound information. One important step in accuracy is to learn from the mistakes of the past. In the Committee on the Budget, we have bipartisan support for President Bush’s testing under his education initiative, and that would have a real testing for students. We need to apply the same testing principle to the assumptions we use in budget forecasting.

Another source of error in the economic forecasts have been the omission of real-world economic responses to the estimates that assess the changes in government spending or taxing policy. The chairman of the Committee on the
Budget needs the ability to request supplemental estimates from CBO to accurately assess the impact of policy changes enacted during the fiscal year on estimated Federal revenues and expenditures.

These are decision tools needed by the chairman of the Committee on the Budget. In the recent hearing that we had on this rule, I proposed a change that would empower the chairman, in consultation with the ranking minority member, to get that data. I look forward to working with the gentleman from California (Mr. Dreier), the gentleman from Florida (Mr. Goss), the gentleman from North Carolina (Mr. Price), and other members of the subcommittee, on legislative and budget process, to improve budget forecasting in the models that we use so that we make better decisions here in the Congress.

Mr. Speaker, I rise in strong support of this measure.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Mr. Speaker, I thank the gentleman from Texas (Mr. FROST) for yielding me this time.

Mr. Speaker, I want to say to my colleague, the gentleman from Illinois (Mr. KIRK), who serves on the Committee on the Budget with me, that I agree with him indeed that our projections are an imprecise science and I want to say that together we make this a process we are not prepared to move with. Just think of Medicaid as one of the instances of an unpredictable number that indeed costs so much to our citizens but also costs to this government. We are not prepared because it is indeed an unpredictable number and we are not able to plan as we should.

As we plan a budget now, we should indeed have that budget to be a statement of priorities. It should be a statement of who is important and what is important to us. It should be an opportunity of making choices.

I say our budget says some profound things to us. It says that our first priority is to make sure we give a big tax break and yet we do not say that. We say that our first priority is our children or education or defense and agriculture, but when we look at this budget we see that everything else is indeed determined by how much we give back in the tax cut. Then we begin to say what is left we will say in our priorities. So we made a choice. The choice was to give back to those indeed who had the most, and that means that this budget is not fair.

Further to that, when we say we are committed to our farmers, in the Committee on the Budget, I offered an amendment that would allow this budget to be a statement based on soundness and fiscal reality. For the last 3 years, we have been funding our farmers $9 billion in emergency funds for the last 3 years. That is $27 billion, but this budget refused to take that reality into consideration, again making this document at its very inception mean it is worthless.

If we are going to make this budget a statement of facts and priorities and choice and soundness, we indeed need to rewrite it.

Mr. Speaker, I strongly oppose the resolution that is before us.

Mr. GOSS. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from Texas for yielding me this time.

The words of the administration and particularly President Bush during the campaign were: “leave no child behind.” I rise today to say those words are, at best, very hollow in this budget that is indeed being offered by the Republicans and allegedly by the administration.

For example, this budget gives no tax relief to families and less than 1 percent of the increase in the earned income tax, while 45 percent of the tax cuts benefit those people who are in 1 percent of the income bracket. That leaves our children behind.

The Republican budget only provides 5.7 percent of an increase in education for the Nation’s children, less than one-half the increase Congress has provided in the last 5 years. This means that we jeopardize class size reduction, school construction, teacher recruitment, title I and Pell grants, after-school programs and Head Start, where the Democratic budget provides $129 billion for that program.

Mr. Speaker, do my colleagues realize that children today go to bed hungry and we allow you to get up hungry? We know that working families need that money. So we made a choice. The choice was to give back to those indeed who had the most, and that means that this budget is not fair.

Furthermore, when we say we are doing, and I think it is something we should do, and that is our education, it is words or action. Rather than supporting the concept of what we are doing, we have in some large way in supporting it.

I will say about the budget itself, I think it does some good things in terms of tax reduction and education and other things; and I am sorry that point comes up, but the bottom line is that this is an area I think we need to address.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from South Carolina (Mr. SPRATT).

Mr. SPRATT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, some budgets are more important than others. Some years the budget is routine, even inconsequential. This budget this year is a watershed budget, much like the budget we did in 1993. It will determine the path we take for many years to come.

Let me say to the committee that the chairman of the committee, the gentleman from Iowa (Mr. Nussle) has endeavored to do a diligent, methodical job to cover the waterfront of the budget. We have done more work, the kind of work we should do, this year than we have in recent years, but the job is not done. That is not really to criticize him. The truth of the matter is, the facts are not in.

We do not have the budget backup data; it is still to come from the Office of Management and Budget. We do not know what the number for agriculture will be. It will be a very big add in discretionary and mandatory spending. We do not know what the real number for defense is. Instead, what we have is a budget...
with placeholder numbers for these two large and critical accounts. As to defense, for example, that is more than half of discretionary spending. We asked for Mr. Rumsfeld to come over and testify. He declined. He is in the middle of his tour for the transformation of the United States Armed Forces. So what did we do?

This resolution contains extraordinary authority for the chairman of the committee, acting unilaterally, by himself, to come over and plug in a number that determines the number that is determined at any time up until July 25. We suspect that that time will be after the tax cuts. So what we are doing is authorizing substantial tax cuts, huge tax cuts, historically high tax cuts in this particular resolution, without knowing what two of the largest spending categories are going to be.

There is an appearance that because of the surpluses we have we can have our cake and eat it too. We can have these huge tax cuts and not really have to cut essential programs elsewhere in the budget. But among other things, because we do not have this budget detail, there are implied budget cuts coming that will be revealed once the budget documents get here and hit the public.

Let me mention just one: the President has plussed-up NIH by $2.8 billion. So do we. It is important. However, the President’s plus-up comes at the expense of other programs within the Department of Health and Human Services. It is not additional money; it is money that comes out of the hide of the rest of that department. There are other agencies like the CDC equally as important as NIH. We have not yet seen the documents, but we are told from documents that have been leaked or released that among other things, in order to pay for the NIH plus-up, we will cut, number one, the child care development block grant by as much as $200 million; number two, the account for abused and neglected children.

That is why this budget should not be considered today; it should be put off until we have the detail to make the right kind of judgment about the fundamental decisions we make today in this budget resolution which will affect us for some years to come.

Mr. FROST. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. Mr. Speaker, the rule before us today does to the budget resolution what we thought would happen in the Committee on the Budget. It takes this contingency reserve, this strategic reserve that the President had in his budget and, in effect, creates a slush fund for the majority to fund what they want.

As we write a budget, while they outline some things they want to fund, most of what they want to fund of the President’s new spending, we do not know where it is. The President has asked for $260 billion in new spending and more to come later, and we do not know how we are going to fund it.

The problem with this budget is they cut it a little too close to the line. Because as we have to, they leave themselves no room for cuts that might be made.

This budget is too tight. The numbers do not work. What we are going to end up doing is spending Social Security and Medicare funds and shortening the life span of those two very important programs to all of our constituents.

Mr. Speaker, we should reject this rule, we should reject the budget, and we should go back and start over in writing a real budget for the American people.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio (Mrs. JONES).

Mrs. JONES. Mr. Speaker, I thank the gentleman for yielding me this time.

I rise in opposition to the Republican budget. Let me focus for a moment on the whole issue of small business. Small business had been funded at a level of $900 million. Under the Republican proposal, it will be reduced to $539 million. Let me tell my colleagues what they are going to get rid of. They are going to reduce funding in programs that previously had provided access for small businesses in our country that are going to require them to pay up-front fees to get into some of these programs. It is a claim that they are going to reduce redundant programs. The redundant programs that they are going to reduce are the new market venture capitalists and the new market initiatives that were proposed under the past administration, programs to go into areas that are disadvantaged and unfunded previously.

I say to the Republican administration and to the President, you claim to be a President for the business folk. The real business folk in our country are those who run small businesses. If you reduce those dollars, you kill small business.

Mr. GOSS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Ohio (Ms. PRYCE), a distinguished member of the Committee on Rules.

Ms. PRYCE. Mr. Speaker, I thank the gentleman from Florida (Mr. Goss), my colleague on the Committee on Rules, for yielding me this time. I rise in strong support of this balanced budget resolution. The rule provides for a full and free debate of our Nation’s budget priorities.

Mr. Speaker, the budget before us today is the hard-earned reward for years of fiscal discipline exercised by this Republican-controlled Congress. I am proud to say that this budget makes historic strides in paying down the Federal debt to its lowest level in more than 80 years, while investing in priority areas that will guarantee security for our men and women in uniform.

What I am talking about is a better education for every child, the prescription drug plan for every senior who needs it, and the return of the tax surplus to the American people. This plan allows for the funds necessary to rebuild our defense readiness and fulfills the commitment to our Nation’s veterans.

This budget plan further promotes a sound economy by holding the rate of spending at the level of inflation, and by providing for critical reforms in Medicare and Social Security, by including a prudent emergency set-aside for natural disasters.

I would like to commend the gentlemen from Iowa (Mr. Nussle), the chairman of the Committee on the Budget, and the gentleman from South Carolina (Mr. Spratt), the ranking member, and all of the Members on the House Committee on the Budget for their hard-working commitment to produce a thoughtful bill that meets our most important priorities.

Mr. Speaker, the budget resolution that this fair rule will bring to the floor is a responsible budget; and it will keep us on the path of fiscal responsibility and economic prosperity. I support the rule, and I urge its support by the rest of this House.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. Moran).

Mr. Moran. Mr. Speaker, there are a number of things that this rule on the budget resolution could have done to prevent us from going into another decade of deficits coming after the tax cut, but it does not allow any such protections to even be debated and voted on.

For example, it could have put in provisions that said that if the surplus estimates do not materialize, then we will not cut taxes as deeply as is envisioned in this budget resolution, but it kept those triggers out. What this budget resolution says is that if the surplus estimates go up, we can in essence cave in on the tax cut; but if the surplus estimates go down, we cannot reduce the tax cut. That is a recipe for financial ruin, Mr. Speaker.

Mr. Speaker, since the tax cuts passed the House floor last month, the stock market has lost trillions of dollars in equity, corporate America has come in with dramatically reduced earnings. None of that has been incorporated into the Congressional Budget Office estimates.

These stock market losses are going to be deducted against next year’s income taxes due, and yet we are acting today as though the rosy economic scenario of the last eight years is going to continue indefinitely. If the
The fact is that we have a very different economy, a worse economy, a slower economy than is estimated in the 16 year surplus estimates upon which this budget resolution is based.

All we are saying is, do not cut taxes if it means that our kids are going to have to pay off more debt, if our kids are going to have to provide for our Social Security and our Medicare because we have had to raid the trust funds in order to pay for a tax cut. That is fiscally irresponsible and it is selfish for the baby boom generation to reward ourselves and pass the bill onto our kids.

All we are saying is, cut taxes, but only cut taxes if we can afford to, only if our kids do not have to pay for those tax cuts.

This budget resolution does not do that. This budget resolution puts us right back into where we were in the 1980s, but this time the baby-boom generation is not around to pay off that debt, but we are going to put the balance of my time.

Mr. KINGSTON. Mr. Speaker, I urge people to vote for the rule, because what is actually before us, I am not sure where my friend and colleague, the gentleman from Texas, comes down on that, but I think he supports it because he wants to get to the substitutes that the rule does carry and provide for.

I would point out that it is a fair rule. It certainly is going to allow for extensive, full debate, I think, in a very thorough way. We have the Progressive Caucus substitute, the Blue Dog substitute, the Republican study substitute, and a Democratic substitute, in addition to the original work of the Committee. That is a plateful to consider today, and it certainly provides a number of options. We do not know how the Committee on Rules can do much better than that, although I understand the concern of the gentleman from Delaware (Mr. CASTLE) that there were some specific single amendments brought to the Committee on Rules by individual Members. Members are very much about these levers and controls to guarantee that we do not overspend, which I am very sympathetic with, but did not find place on this rule because of the size and nature of having to deal with a budget resolution idea that we like to use the substitute amendment process.

We have already heard in a debate on the rule some very colorful language, some very vivid verbs and adjectives and adverbs; some scare, some inflammatory language, a little hyperbole. I suspect we are going to hear a lot more of that before the day is over.

I have heard phrases like "raiding the trust fund," billions starving children already, a little reminiscent of the days that the Republicans allegedly canceled the school lunch program. In fact, the Republicans plussed up the school lunch program, and it is in better shape now than it was.

I think we need to be careful of the rhetoric. I understand that when we are dealing with budgets, that it is hard to be absolutely correct about numbers because we are projecting into the future. If we knew everything exactly, it would be a lot easier to do.

But the idea that somehow we cannot go forward with a budget because we do not know exactly every number, it seems to me we will never get a budget done if we are going to wait for all those numbers to come in, because I would point out this is a prospective budget for the next fiscal year, and we are planning in order not to overspend. This is a prudent, responsible fiscal exercise to do well.

We know that government cannot do it all. Most of us know that government should not do it all. When it comes to jobs, people depend on jobs. Our quality of life depends on jobs.
That requires risk-taking by business and entrepreneurs; small business, big business, all kinds of enterprise. It is the way we do it in our country.

We know that business is complaining, that enterprise is complaining about being overregulated. We also know it is complaining about being overtaxed. Today we are going to try to do something for Americans who are overtaxed. We are going to try and send a budget forward that says that we recognize we are taxing too much, and that is the time that we can afford to do all the things the government should appropriately and properly do for Americans in need who are counting on those programs, and we will still have the ability to reduce taxes on hard-working Americans so they can save and spend their own money instead of having us do it for them in Washington.

I think one of the questions we have to ask regularly when we are talking about the Federal budget is, is the expenditure that is being considered appropriate for the Federal Government, or are there other ways to spend money? Because when we get into questions of spending Federal dollars, what we are really asking is who pays and how much.

We know the answer to who pays: It is the taxpayers. How much? We know the answer to that now in America, too. We are taxing too much. I urge my colleagues to pay close attention to the debate today. We have put good debate potential on the floor under this rule, I urge support of the rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered. The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the SPEAKER pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present. The SPEAKER pro tempore. Evidently a quorum is not present. The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yea 382, nays 130, not voting 20, as follows:

[Roll No. 65]

YEAS—282

Page 1, line 20, strike $5,800,000,000,000 and insert $5,903,000,000,000.

Page 1, line 20, strike $6,972,000,000,000 and insert $7,055,000,000,000.

Page 2, line 26, strike $2,378,000,000,000 and insert $2,387,000,000,000.

Page 3, line 4, strike $5,800,000,000,000 and insert $5,903,000,000,000.

Page 5, line 14, strike $5,903,000,000,000 and insert $5,983,000,000,000.

Page 5, line 15, strike $36,394,000,000,000 and insert $36,480,000,000,000.

Page 5, line 17, strike $7,596,000,000,000 and insert $7,680,000,000,000.

Page 5, line 18, strike $8,623,000,000,000 and insert $8,644,000,000,000.

Page 5, line 19, strike $9,436,000,000,000 and insert $9,517,000,000,000.

Page 11, line 12, strike $28,000,000,000,000 and insert $28,800,000,000,000.

This motion to reconsider was laid on the table.

ADOPTION OF FURTHER AMENDMENTS TO H. CON. RES. 83, CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 2002

Mr. NUSLI. Mr. Speaker, I ask unanimous consent that during consideration of H. Con. Res. 83, pursuant to House Resolution 100, the further amendment that I have placed at the desk be considered as adopted in the House and in the Committee of the Whole; and that the amendment I have placed at the desk be considered as read for the purpose of this request.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Iowa?

There was no objection.

The text of the amendment is as follows:

Page 2, line 26, strike $2,378,000,000,000 and insert $2,387,000,000,000.

Page 3, line 4, strike $5,800,000,000,000 and insert $5,903,000,000,000.

Page 5, line 14, strike $5,903,000,000,000 and insert $5,983,000,000,000.

Page 5, line 15, strike $36,394,000,000,000 and insert $36,480,000,000,000.

Page 5, line 17, strike $7,596,000,000,000 and insert $7,680,000,000,000.

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Page 5, line 19, strike $9,436,000,000,000 and insert $9,517,000,000,000.

Page 11, line 12, strike $28,000,000,000,000 and insert $28,800,000,000,000.

This motion to reconsider was laid on the table.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered. The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the SPEAKER pro tempore announced that the ayes appeared to have it.
CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 2002

The SPEAKER pro tempore. Pursuant to House Resolution 100 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution. H. Con. Res. 83.

Mr. Chairman, I yield 5 minutes to the gentleman from Iowa (Mr. Nussle), the very distinguished gentleman from South Carolina (Mr. Spratt) each will control 20 minutes.

Mr. NUSSEL. Mr. Chairman, I yield myself 2 minutes for the purpose of opening the debate.

Mr. Chairman, good morning. We are in the midst of continuing the debate on the budget for fiscal year 2002, and let me review what our plan has in store. We wrote a budget that has six principles that we think are pretty important as we stand on this very important threshold of the 21st century.

In one hand, we have maximum debt elimination, a historic $2.3 trillion of paying down the public debt by 2011 during this 10-year period.

Tax relief for every American taxpayer: $1,600 on average income tax break for the average family of four.

Improved education for our children: $44.5 billion commitment in fiscal year 2002 alone, an 11.5 percent increase for our kids. But we also recognize that it is not just the money, it is also reform of education.

A stronger national defense is our fourth principle: $14 billion increase, not only in 2001, but a $5.7 billion increase for pay, housing, and health care in 2002.

Health care reform that modernizes Medicare, provides for a prescription-drug benefit. It modernizes our Medicare benefit, because it is not just about the current Medicare and the current trust fund, it is about extending the life of the trust fund, extending the solvency through modernization. It is not a zero-sum game as some of my friends on the other side would have it.

Finally, saving Social Security. Third year in a row, the Republicans are setting aside all of the Social Security trust fund for exactly what we pay the FICA taxes for, for Social Security, for the retirement of our seniors. It is totally protected in this budget.

We have a few others, these are the six principles that make up the plan.

Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. Boehner), the very distinguished chairman of the Committee on Education and the Workforce, to talk about improved education for our children.

Mr. BOEHNER. Mr. Chairman, I thank the gentleman from Iowa for yielding me this time.

Mr. Chairman, I am proud to stand before the House this morning in support of a budget blueprint that represents America’s families and America’s priorities.

Our colleagues on the Committee on the Budget have presented us with a common sense plan to improve education, strengthen the economy, and secure America’s future. It reflects President Bush’s efforts to close the achievement gap in education between disadvantaged students and their peers, and to work with States to push America’s schools to be the best in the world.

Despite a decade of economic growth in the 1990s, the achievement gap between students, Anglo and minority, remains very wide. Washington has spent more than $130 billion since 1965 in a well-intentioned effort to close this gap. We spent more than $80 billion on that goal since 1990 alone; and, unfortunately, those efforts have not worked. Nearly 70 percent of inner-city and rural fourth graders cannot read on a basic level, and low-income students lag behind their counterparts by an average of 20 percentile points on national assessment tests.

The hard lesson of the last 35 years is that money alone cannot be the vehicle to correct a problem if one does not know that it exists; and for far too long, we have been spending Federal tax dollars in education without being able to track our students’ progress and make certain that they are learning.

The budget before us today provides a framework for the most important change in Federal education policy since President Johnson. It paves the way for us to rededicate the Federal role in education to helping students who might otherwise fail through the cracks. It provides the resources needed to implement a system of accountability so parents will be able to know whether their children are learning.

This budget provides the resources necessary to accomplish these bold goals. It provides money to States to develop the test to track student performance each year, the centerpiece of the President’s plan to leave no child behind. It targets resources to those who need it most by providing substantial funding for title I which provides aid to low-income students. Federal education funding for the Elementary and Secondary Education Act, the principle Federal law to aid disadvantaged students, is increased significantly.

Funding for reading programs is tripled, increasing to $5 billion over 5 years. This program will help reduce the number of children placed in special-education classes simply because they have not learned to read, moving the Federal Government closer to its original promise of providing up to 40 percent of the average per-pupil expenditures in IDEA to the States.

It addresses other educational priorities as well in higher education. An additional $1 billion is included for Pell Grants, increasing the maximum award for all students to provide more need-based grant aid to low-income college students.

Mr. Chairman, until we have a real system of accountability in place, it is truly unfair to our children to enact massive increases in Federal education spending beyond the reasonable steps outlined in this budget resolution. Spending without accountability is the approach that Washington has followed in the past; and as a tragic consequence, many children have been trapped in chronically failing schools and denied the opportunity to realize the American dream.

This budget provides a framework that allows Republicans and Democrats to work together to close the achievement gap and to improve education quality and hope to our Nation’s most disadvantaged students.

I commend the gentleman from Iowa (Mr. Nussle) for his leadership in...
crafting a budget that represents the hopes, dreams, and aspirations of all Americans, particularly those of the next generation of American students.

Mr. SPRATT. Mr. Chairman, I yield myself 2½ minutes.

Mr. Chairman, our Republican colleagues have just laid out six principles by which to judge their resolution and our resolution. Let me take each one of those principles and apply it and compare the two resolutions.

First of all, an ironclad debt elimination. I heartily agree the more debt we can eliminate the better. Let's look at the bottom line on the two resolutions. Our budget resolution will provide $3.7 trillion for debt reduction. Theirs will provide $2.8 trillion for debt reduction. We provide $915 billion more for debt reduction. It is not even close. Furthermore, to the extent that they spend $1 out of this $500 billion contingency fund that they create, that will be less for debt reduction.

Tax relief. Some of this surplus, a substantial share of it surely should be given back to the American people. We heartily agree with that principle. So what have we got? A third of the surplus that we set aside for tax relief, and we do those taxes on those taxpayers who need it most, hard-working middle-income families.

Furthermore, this resolution makes in order, directs the Committee on Ways and Means by May 1 to provide $60 billion in tax relief this year. Under the fiscal year 2001, before September 30, in order to give this sagging economy a stimulus. That means we have got $800 billion of tax reduction in this bill. By any yardstick, that is substantial tax reduction.

Education is at the top of the charts. A big concern amongst all people all over this country. Their budget increases education by 5.6 percent next year. Compare that to last year: 13 percent increase last year. Compare it to the last 5 years: 13 percent over the last 5 years. Compare it to our budget resolution: $130 billion more for elementary and secondary education, higher education. Pell Grants across the spectrum. $130 billion more than they provide for education. There is no comparison. There is no question. We win hands down on the issue of education.

National defense. I believe in a strong national defense. That is why we put in our budget realistic funding for defense. We have $115 billion in our budget over and above inflation for national defense. Their budget, on the other hand, baselines national defense and tells us that, when Mr. Rumsfeld tells us what the number is, they will supply a new number. In the meantime, we are providing substantial increase and realistically budgeting national defense.

Medicare reform. Medicare reform. read their budget. I defy my colleagues to find one syllable in there that deals with Medicare reform. It does not take up the issue. The only thing that their pretends to be Medicare reform in their resolution is a vague proposal to have some kind of prescription-drug coverage. But guess what. It is paid for out of the Medicare trust fund, the HI trust fund, which is already obligated for inpatient benefits. Now they double-obligate it.

They drain $153 billion off the Medicare trust fund, I guess you can call that reform; but I will tell you, my colleagues, what it does, it shortens the solvent life. It makes the problem worse. I would not call it wholesome reform.

Finally, Social Security. They make it point number six. We make it point number one.

Now that we have the wherewithal, the resources to do something about the Social Security situation, that is, the liabilities that we have for benefits promised but not yet provided, we intend to do something. We take $910 billion, one-third of the surplus over the next 10 years, and put it, 50 percent, in the Social Security Trust Fund, 50 percent in the Medicare Trust Fund. We extend the Medicare to 2040 and Social Security to 2050.

There is no question that on all six of these principles we win hands down. Look at the scorecard, then decide how to vote. My colleagues should vote for our resolution. It is better even by the criteria they set down.

Mr. NUSSLE. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona (Mr. STUMP), the very distinguished chairman of the Committee on Armed Services.

(Mr. STUMP asked and was given permission to revise and extend his remarks.)

Mr. STUMP. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, the budget resolution currently before the House sets a level of funding for the national defense function of $324.6 billion, or $14.3 billion higher than the previous provided for in the current year. This was also the level proposed by the President in his February 27 economic plan.

However, it should be understood that this level of funding should be viewed only as a placeholder pending the completion of the administration's promised but not yet provided, we intend the proper course this Nation should take in securing our national security interests in the coming decade and beyond. At the completion of this review, scheduled for later this spring, Secretary Rumsfeld will forward conclusions to the President that I am confident will recommend an adjustment in the amount of funding proposed for the national defense functions.

In anticipation of this process, the budget resolution contains a specific provision, section 6, which establishes a strategic reserve fund and the mechanism to use this budget resource within this fund to accommodate an increase in defense allocation resulting from the administration's strategy review.

I support President Bush's decision to first establish the strategic framework for the Department of Defense before committing the funding. We still have a $5 billion defense spending plan. It marks a refreshing break from the previous administration's practice of allowing arbitrary budgetary considerations to set national security policy.

Therefore, while I would have preferred that the defense number in the budget resolution reflect this reality, I am satisfied that the resolution provides an adequate mechanism to revisit this question later in the year after the defense strategy review on this very difficult problem. With the colloquy that he and I had yesterday, I am satisfied that this clarifies our outstanding concerns, and I urge my colleagues to support this resolution.

Mr. MCDERMOTT. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I heard people talking about a shell game, and I listened to the gentleman from South Carolina (Mr. SPRATT), and I thought of having seen this shell game actually played in the State of Illinois, southern Illinois. I want to use one example so my colleagues will understand it.

In the budget that is being proposed, the American people have paid, or will pay, $526 billion necessary over the next 10 years to cover Medicare. So that $526 billion is represented by this little coffee bean, and we put it underneath the contingency fund. We also say we are going to use it for Medicare, and we are also going to use it for the drug benefit.

The Republican budget uses that same $526 billion in two different places. They use 239 billion over here and 153 billion over there, and they shall forever say that we provided for a contingency fund over here. Now, that bean cannot be under all three of these shells. It simply is not possible. It can, however, be moved around, and that is why the game is like a county fair. You keep moving the bean or the money around, and the public guesses which one of the shells that bean is under.

The Republicans are figuring that the public is not smart enough to know that we are going to move it around and love it around and keep talking, and they will never know that they are spending it in three different places.

Now, the Democratic alternative, which is very simple, says we are going
to use that money for advancing the long-term strength of Medicare. It is to be used after 2010, when the baby boomers start coming on the rolls, rather than spending it on the contingency fund for things in the next 10 years, or using it for the drug benefit. We advocates working with the baby boomers come on line. Additionally, out of the money that we save from not cutting so many taxes, we put an honest-to-God $330 billion benefit for prescription drugs.

The foolishness of what they have done. The President says $153 billion for prescription drugs. The bill they had on the floor last year was for $159 billion, now estimated to be $200 billion. So they are not even funding what they offered last year. And what we—the Democrats—are saying is that is not an adequate benefit. $330 billion is what we are offering to the American people, and we are not going to play a shell game with them.

We must use the Medicare surplus for Medicare as we know it, and we are adding to it a benefit.

Mr. NUSSLE. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. COMBEST), the very distinguished chairman of the Committee on Agriculture.

Mr. COMBEST. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I would like to congratulate the gentleman from Iowa (Mr. NUSSLE) for working closely with us. This budget resolution contains an innovative feature that I want to address.

Mr. Chairman, the Congress and the Committee on Agriculture that I chair have been struggling for over 3 years to cope with major economic crises on the farm. The basic programs that we passed in 1996 have not been able to keep up with collapsing prices and skyrocketing interest rates. Many farmers are hanging on by a thread. As it should have. Congress has stepped in with emergency economic assistance in each of the last 3 years, and many farmers are in business today because of that.

Mr. Chairman, it is time to stop ad hoc assistance and move to a more permanent solution that producers and their lenders can count on.

Mr. Chairman, in preparation for this, the Committee on Agriculture is completing 11 years of almost 500 hours of hearings to determine what our future course should be. The gentleman from Iowa (Mr. NUSSLE), recognizing the critical need that our farmers face, worked closely with us to address the problem. This resolution names agriculture along with defense as a budget item eligible for access to the $517 billion reserve fund for fiscal years 2002 through 2011. In addition, it accesses fiscal year 2001 reserve funds for assistance in the current year.

Mr. Chairman, the Committee on Agriculture reports legislation later this summer, budget allocations can be adjusted to reflect the Committee on Agriculture’s action. By granting access to the reserve fund, the House will have an opportunity to consider a policy reform that will meet the needs of our farmers within the constraints of our budget. This will not produce a debate over numbers, but instead a serious discussion of the farm policies needed in the current situation in the coming years.

Mr. Chairman, I have spoken to the President at length about the problems facing farmers. I was impressed by both his willingness to help them and his willingness to help address them. The gentleman from Iowa (Mr. NUSSLE) and his budget team have brought to the floor a resolution that not only makes provision for the immediate crisis of this year’s crop, but provides the means to put a more permanent policy in place based upon policy needs rather than driven by number fixation.

Mr. Chairman, every Member who is working to relieve the pain of American farmers is to be commended and enthusiastic in supporting this budget. It is just the prescription to deliver a cure for farmers’ problems instead of another Band-Aid.

Mr. McDermott. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. Davis).

Mr. Davis of Florida. Mr. Chairman, the last two speakers on the other side have made a very important point, and that is there is universal acknowledgment that in this upcoming fiscal year, there will be a spending increase for agriculture, and more significantly, in defense. But we are not prepared today to confront those facts in terms of how much it is going to cost, and it is one reason why the contingency fund is not an appropriate way for us to have this debate.

We ought to be honest with the American people on how much is the President going to propose for defense. More than likely, 50 percent of us support a large percentage of that. How does that affect our ability to choose between the size of the tax cut and our ability to pay down the debt.

Mr. Chairman, one of the other things I want to highlight that you have heard a lot of discussion about in support of the Democratic alternative is why paying down the debt, taking one-third of the surplus and paying down the debt, or, as the Blue Dogs would propose, half of the surplus, will help Medicare and Social Security.

Mr. Chairman, as the baby boomers start to retire in 2012, this is going to put enormous strain on both Medicare and Social Security. There will be no easy choices. Raising the retirement age, as I outlined in this Chamber, is going to advocate an increase in the payroll taxes. In fact, a lot of us would like to reduce the payroll tax.

Mr. Chairman, one of the few things that can soften the pain associated with this is use of more general revenue. We already put general revenue into Medicare. It is something that we have to consider doing with Social Security as part of the solution to preserve Social Security and Medicare for the retirement of the baby boomers, not to mention the cost of a prescription drug plan, which we all have to acknowledge will not be inexpensive. How can we do that?

Mr. Chairman, by paying down the debt, we preserve our ability to use general revenue to be part of the solution to preserve the solvency of Social Security and Medicare. The State of Florida, and every State in this Nation, has a tremendous amount at stake if we do not do this right. We need to plan now.

Mr. Chairman, the only prudent thing to do is to use the lion’s share of the projected surplus to pay down the debt and begin to prepare Medicare and Social Security for the retirement of the baby boomers.

Mr. NUSSLE. Mr. Chairman, I yield 1 minute to the gentlewoman from Virginia (Mrs. Jo Ann Davis). (Mrs. Jo Ann Davis of Virginia asked and was given permission to revise and extend her remarks.)

Mrs. JO ANN DAVIS of Virginia. Mr. Chairman, I rise today to draw attention to what I believe is a serious deficiency in the budget resolution for fiscal year 2002.

Mr. Chairman, while I commend the gentleman from Iowa (Mr. NUSSLE) for his hard work on the budget resolution, I would be remiss if I did not speak to the yearly military budget shortfalls of between $50 billion and $100 billion per year.

Mr. Chairman, if we do not address this reality now, we are facing a budgetary train wreck that is simply unavoidable. My concern is that this budget only allows for marginal improvements.

Mr. Chairman, we must push beyond marginal improvements. This requires a dual-track approach. While we plan for the realities of the 21st century’s many challenges, we must take care of the force that we are fighting today.

Mr. Chairman, if we do not address this reality now, we are facing a budgetary train wreck that is simply unavoidable. My concern is that this budget only allows for marginal improvements. This requires a dual-track approach. While we plan for the realities of the 21st century’s many challenges, we must take care of the force that we are fighting today.

Mr. Chairman, I look forward to working with the gentleman from Arizona (Mr. Stump) to address military funding shortfalls during the authorization process and with the Committee on Appropriations.

Mr. McDermott. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. Doggett).

Mr. Doggett. Mr. Chairman, I rise in opposition to this budget resolution because it is not balanced. The consuming desire of our Republican colleagues for immediate political gratification has caused them to pursue exploding tax cuts for the most privileged people in our society without regard to our obligations both to our parents for Social Security and Medicare and to our children for educational opportunities.
Mr. Chairman, with the tax cuts for the privileged that are authorized by this resolution, we are setting a course, a path, to head back to the era of deficits, to head back to a period when we are no longer reducing the national debt and encouraging economic expansion and lower interest rates. That is a fiscal mistake.

A budget is more than number crunching. People can get ruined, too. Recently, the first particulars of this Bush budget and its impact on children in this country have leaked out. These are the troubling numbers and details that will be coming out this next month after votes are taken on the tax cuts. Under this Bush budget, the children of America, who rely on child care will be “bush-whacked.” The entire Early Learning Opportunities Fund designed to improve the quality of child care in this country, will be totally eliminated. $200 million will be removed from block grants to the states, for assisting the working poor in obtaining child care. This cut at a time when we already have 41,000 children in Texas will be unable to get access to child care; that under this waiting list will only grow. Although there are 900,000 reported cases of abuse and neglect of children across America, there will be an 18 percent cut in federal funding for state child protective services.

I am for all of the tax cuts that fiscal sanity will permit, but reality of this budget is that these tax cuts really cost. They cost and crunch our children in a very harsh way.

Last year, candidate Bush borrowed the slogan from the Children’s Defense Fund, “leave no child behind,” but the unrealistic tax breaks for those at the top make clear that this Republican budget has as its mantra “leave no millions behind.”

Mr. NUSSLE. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. CULBERSON), a new member of the Committee on the Budget.

Mr. CULBERSON. Mr. Chairman, as a new Member of Congress who has been here less than 3 months and a member of the Committee on the Budget, I have sought earnestly and honestly to find the true facts of the situation here; and I want to make two quick points.

First and foremost, it has come to my attention, I understand that the previous Congresses, when the Reagan tax cut was enacted, revenues doubled but spending tripled. I also want to make the point to the listening public that the Republican budget plan pays off as much publicly held debt as is legally possible to do so without incurring a penalty. That is a vitally important point, and I want to make sure the listeners understand that we cannot pay off any more debt than is contemplated by President Bush’s budget without incurring penalties, and the Democratic budget plan would tax the taxpayers with $100 billion to $150 billion in penalties over 10 years, according to the Office of Management and Budget. And a very good source, who has been objective, is Alan Greenspan who says we are paying off all Federal debt that is due in 2010. And the publicly held debt will be eliminated by the end of this decade. That is a vitally important point that I hope the public will remember.

Mr. McDERMOTT. Mr. Chairman, I yield ½ minutes to the gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS asked and was given permission to revise and extend his remarks.

Mr. ANDREWS. Mr. Chairman, I thank my friend, the gentleman from Washington (Mr. McDERMOTT) for yielding me this time.

Mr. Chairman, the choice before us today is not a choice between economic fiscally mistake. It is a choice between moral positions. There is a major difference between the Democratic plan that I support put forth by the gentleman from South Carolina (Mr. SPRATT) and the majority plan, and that major difference is this: The majority plan pays off about $1 trillion more of debt over the next 10 years than does the Republican plan.

This is a choice between instant gratification in 2001 or responsible treatment for our children for the next 10 years. The Republican budget does reflect one thing about American life. It reflects an unfortunate cultural tendency toward instant gratification; have a party now; spend all the money now and pass the bills off to the next generation.

A vote for the Spratt budget means that our children are $1 trillion less in debt than they would be under the majority budget. Forsake instant gratification, preserve the future. Reject the Republican budget and adopt the Spratt substitute instead.

Mr. NUSSLE. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. SCHROCK), a very able, new member of our committee and the president of the freshman class.

Mr. SCHROCK. Mr. Chairman, this good budget contains about $400 billion for military housing for our men and women in uniform, and that is a good thing. To give an example how bad military housing is, let me talk about Fort Story, which is an Army military base near Virginia Beach, the Second Congressional District that I represent. There are 168 family units. Two have been condemned; 166 have been labeled code red, which means unacceptable. Most have been built before 1958. Several private World War II.

As an example, the sergeant major of that command, the highest ranking enlisted man at that post, was living in a 1,700 square foot set of quarters that had been condemned. The floors had turned to sponge; termite infested and there was a fungus; there was mold. It was going to cost $70,000 to clean it up, and Congress would only allow $20,000 to repair that, so it has to be condemned.

If we are going to make the mom and kids happy, and keep dad in, what we have to is make sure we provide the quality of life issues that are so important to the military people; and housing is one of them. I am delighted that this very good budget contains money for that.

Mr. McDERMOTT. Mr. Chairman, I yield ½ minutes to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I thank my friend, the gentleman from Washington (Mr. McDERMOTT), for yielding me this time.

Mr. Chairman, the authors of this budget resolution owe my constituents and owe every American an explanation. How can they justify siphoning money out of the Medicare trust fund when Medicare solvency is already in jeopardy? Which of their budget priorities is more important than Medicare?

In 1985, Republican Members of Congress overwhelmingly opposed establishing the Medicare program. In 1994, Newt Gingrich, then Speaker of the House and the Republican leader of this House, stated that he would like to see Medicare, quote, “with it on the vine,” unquote.

Now the Republicans control the White House and control the Congress. They want to accelerate Medicare insolvency, and they want to privatize the Medicare program.

Medicare is not some throw-away program that one can experiment with, that one can stare, that one can walk away from, that one can ultimately abandon. To the Republicans, I say we Americans should fear that. Put the best interests of America ahead of their top-heavy tax cuts and their indiscriminate disdain for public programs, especially those as overwhelmingly successful and popular as Medicare.

Mr. NUSSLE. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Connecticut (Mrs. JOHNSON), the subcommittee chairwoman in charge of Medicare.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I regret that my colleagues on the other side of the aisle are playing such purposeful politics with this budget debate. The bottom line is that the HI trust fund, that is the hospital trust fund, that is part of the larger fund, can only be used for Medicare and it can be used for Medicare reform as well, because this body, Democrats and Republicans, voted for the lockbox bill.

In fact, we voted 407 to 2. Everybody voted for it, and it said that the money in the HI trust fund, that is the hospital trust fund, can only be used for Medicare and the Medicare reform. So that is just that. Also, in this resolution we have explicitly provided the funding for a proposal that the President might propose for prescription drugs and/or Medicare reform or that we in Congress might write.

Where is the money going to come from? First of all, there is more money in this budget for prescription drugs

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than there ever was in a Clinton budget, and he talked about it all the time. So we have pretty good money in this budget.

Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. Holt).

Mr. HOLT. Mr. Chairman, I thank the gentleman from Washington (Mr. McDermott) for yielding me this time. Mr. Chairman, when I talk with the folks back home in New Jersey and they discover that the tax cuts, three-quarters of them, will not even kick in until more than 5 years from now, and they combine that with their realization that there is a lot of uncertainty about these projections, they wonder whether they are ever going to see this. In fact, Mr. Chairman, we would be doing a much greater favor in putting money into their pockets if we pay down the debt. The Democratic version would pay down the debt a trillion dollars faster in the next 10 years. That would make us better able to deal with Social Security and Medicare when the time comes.

It would lower interest rates, which would help farmers and students and small businesswomen, home buyers; and by establishing fiscal discipline, it would improve consumer and investor confidence. That would be more money in the people's pockets.

Furthermore, the Democratic version goes considerably farther in investing in education and research, the necessary ingredients of a successful economy. In both of those areas, they are necessary to lead to productivity growth. Again, more money in the pockets of the people of America.

Mr. NUSSELE. Mr. Chairman, I reserve the balance of my time.

Mr. MCDERMOTT. Mr. Chairman, I yield 2 1/2 minutes to the gentleman from Rhode Island (Mr. Kennedy).

Mr. KENNEDY of Rhode Island. Mr. Chairman, this is really a debate about priorities. What do we want this country to be in the next 20 years? Do we want it to remain the strongest country on the face of the Earth or do we want it to slip back into third world status?

If this country is to remain strong, we need to invest in our people. That is the single most important investment this country can make in the future.

One in four children in my district in Rhode Island, my first district, is living in poverty. Yet, this Republican Congress would propose giving nearly half of the $2 trillion surplus to the richest 1 percent of our country.

Let us look at it, right here, choosing how we spend $300 billion. Are we going to invest it in our kids or are we going to invest it in a few millionaires who already have made it? I might add, to anyone who thinks that everyone who has made a million dollars earned it, let me just say something. I made a million dollars, and I did not earn it. I was given it by my parents and my grandparents. What is it? Wealth is now transferred from the rich to the rich.

Know what? People who are working for a living are not even earning enough to make it rich because this Republican Congress is gutting education; it is gutting job training; it is gutting those things that we know help people earn a living.

One of the themes that this budget cuts is actual child care subsidies. Hello. I thought that this Congress was family friendly. What are they doing? They are eliminating over 50,000 subsidies for child care. Now what does one think those parents are going to do without the child care? Oh, they will go back on welfare. No, we do not want welfare, the Republicans say.

Okay, well, give me a solution. I will say that this budget is wrong for this country. The President of the United States says he wants to leave no child behind, but in this budget he will end up leaving millions of children behind.

I know what? Those kids out there do not even know it today. Those parents do not even know it. The people in this gallery may know it, but there are going to be millions of children who are never going to even know that the vote we make today is the vote that is going to seal their future. It is going to seal their future either in poverty or it is going to brighten up their future, like the Democratic plan would have it by investing in the programs that will make them strong people.

Mr. SKELTON. Mr. Chairman, I rise today in support of the Democratic budget and in the alternative, the Blue Dog budget. It is quite familiar for me to stand here and address the subject of the military budgets. For many years, under both administrations, Democrats and Republicans, I would point out where we believe this body and America as a Nation were failing to set appropriate priorities in the defense budget. Far too often I have known that we were trying to do too much with too little. So I was glad to see both candidates for President advocate increases in the defense budget. It was good news. But that is not what is coming to pass.

I am disappointed with the President's defense budget for 2002 which the majority adopts in the budget resolution. The Bush budget provides about $325 billion for national security activities, of which $310.5 billion is for the Department of Defense. But then we have to take out the retiree health professions and then we have to adjust for inflation; and when that is done, we have an actual increase of only $100 million, $100 million. That will fix the gymnasium at West Point. So the $100 million increase in the defense budget makes a mockery of the President's campaign pledge that help is on the way. He must have meant spiritual help.

In contrast, both the Democratic budget and the Blue Dog budget provide more money for defense. The Democratic alternative provides for $2.7 billion more in fiscal year 2002, $48
billion more in 10 years, $7 billion in fiscal year 2001 for a supplemental. The Blue Dog provides for $4.5 billion more in fiscal year 2002, $19.3 billion over 5 years, $7 billion in fiscal year 2001 for a supplemental.

So despite the campaign rhetoric, the Republican administration has utterly failed to live up to its commitments. I thus speak in favor of the Democratic budget and, in the alternative, the Blue Dog budget.

Mr. MCDERMOTT. Mr. Chairman, I yield myself the balance of the time.

I just want to make a few observations here that it did not have to be this way. We had no hearings at which the Secretary of Defense would even come up to the committee and tell us. There is not anybody on this floor who does not think there is going to be more money in the House and Senate than he would not even come up and talk to us about it. There was no talking with our side about this budget.

What we have here is a sham budget from the Republicans. They get full credit for it, God bless them.

Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, I think we saw from particularly the gentleman from Rhode Island probably the biggest contrast between the Republican and the Democrat substitutes. The gentleman from Rhode Island was very clear that the Democrats believe that government can solve people’s problems, that government can take care of people, that government can solve all of the ills that our Nation has before it.

Republicans believe something just a little bit different, and that is we believe individuals and families make better decisions about their daily lives than the government can for them, and that if we could just keep the resources in their pocket to begin with, they could be empowered to make those decisions.

The most important debate of today, March 28, is not happening in the halls of Congress. Do we know where it is happening? It is happening around the kitchen tables of America as families struggle to balance their checkbooks, as they struggle to figure out how to pay for college, as they struggle between the decisions of, do I send my kids to college, as they struggle to figure out how to make ends meet, as they struggle to figure out how to make sure their kids make the right choices, as they struggle to figure out how to make sure their kids pay for their gas and their Snickers bar and their Coca Cola or whatever it might be and you give the person a $2 bill and the bill comes up to only about $18, who would keep the change? In fact, in Iowa, they would even run out into the parking lot and chased you down to give you your change.

Mr. Chairman, let us give the American people back their change, and let us do it today.

Mr. UDALL of Colorado. Mr. Chairman, to govern is to choose—and today the House was called on to make some basic choices about the future of the economy and the future of our country.

We need to proceed carefully and responsibly. We should steer a course that responds effectively to the challenges of today without risking the opportunities of the future on the outcome of a riverboat gamble.

That is why we should take a different course than the one proposed by the Republican leadership. And that is why I supported the Blue Dog alternative and the Spratt Substitute—because those alternatives were more credible, less risky, and more responsible.

Mr. Chairman, Coloradans know well the dangers of relying on long-range forecasts. We live in an arid state—visit us in the summer and you will see that the sun shines almost every day. We like it that way, and so do our summer visitors. But it means we have to be careful and plan ahead.

We know it would be imprudent to drain the reservoirs and rely just on forecasts of surplus water in the years ahead.

But what is that the Republican budget does—not with water, but with fiscal policy, with the budget, and with the economy.

The Republican plan relies on a ten-year economic forecaster and runs the risk of short-changing the solvency of Social Security and Medicare if that forecast doesn’t pan out. And, in the meantime, it would neglect other important needs in order to pay for the President’s tax plan.

As a result, it would not do enough to reduce the publicly-held debt and would short-change education, seniors, research, and the environment.

By contrast, the Blue Dog substitute was far more prudent. To start with, it was a five-year plan, not one depending on a 10-year forecast. It would have allowed us to immediately reduce taxes by $23 billion this year, and to make further substantial reductions in taxes over the next four years. It would have allowed us to pay off a full half of the publicly-held debt by 2006. And it would have allowed us to make the investments we need to make in education, health care, and our communities.

Unfortunately the refusal of the Republican leadership to proceed on that reasonable course meant that the Blue Dog substitute was rejected. That was a mistake—and it was compounded by the rejection of the Spratt substitute.

The Spratt substitute was also a ten-year plan. But it was much better than the Republican plan. It would have allowed us to pay off a full half of the publicly-held debt by 2008. It would have enabled us to provide tax relief to all taxpayers, including the millions of people who pay more in payroll taxes than in income taxes. It would have allowed us to provide a real and meaningful prescription-drug benefit for Medicare beneficiaries—without risking the solvency of Medicare as the Republican plan does. And it would allow us to do what needs to be done to promote science, protect our environment, and respond to the pressures of population growth and sprawl—needs that the Republican plan seriously shortchanges.

When the Spratt substitute was rejected, I was left with no responsible choice except to vote against the risky Republican budget plan.

That plan is very deficient—it is filled with problems. In area after area it seriously shortchanges our country’s needs and offers the American people a series of empty promises—all that while betting our continued prosperity on a 10-year forecast that leaves no room for error.

Mr. Chairman, the list of deficiencies in the Republican plan is a long one—too long for me to spell out now. So, let me focus on just a few.

The Republican budget plan backtracks on last year’s landmark agreement to provide dedicated funding for conservation. It does not provide the funding called for in that agreement, and falls far short of a commitment to meeting the needs of our communities to protect open space and respond to the pressures of growth and sprawl.

In contrast, the Democratic substitute offered by Representative Spratt would have provided the full $10.4 billion called for in last year’s agreement. It also would have made sure we have the resources to improve the nation’s water-supply infrastructure, revitalize brownfields in our cities, and make other needed investments in our public lands and environment.

These are areas of particular concern to all of us in Colorado, and I am particularly disappointed by these shortcomings in the Republican plan.
The Republican plan also pays too little attention to important funding needs of our science, space, and technology programs. In particular, the numbers on NSF and NASA concern me. Neither of these premier science agencies receives a requested increase that even keeps pace with inflation. Even VA–HUD Appropriations Subcommittee Chairman Walsh has described the NSF request as falling far short of what is needed. Along with my Democratic colleagues on the Science Committee, I have committed my support to an increase in the NSF budget for FY2002 of at least 15 percent to enable the Foundation to carry out adequately its vital role in support of science and engineering education and research.

Federal funding for research is a necessary precondition for continued economic success and security in our high-technology economy. I believe that science funding for all our agencies must be increased.

Also of particular concern to me is the funding levels of research accounts at the Department of Energy. The Republican resolution would cut appropriated energy programs for FY2002 by 15 percent, or $500 million, below the level needed, according to CBO, to maintain constant purchasing power. It remains unclear how this 15 percent cut will translate into decreases in specific DOE programs, but rumors are that DOE’s clean energy research and development programs will see cuts of between 20 to 50 percent from FY2001 levels.

Funding for these accounts is critical to help us reduce our dependence on foreign oil and diversify our energy production portfolio. The Bush budget claims an increase in this account, but it would not materialize until FY2004, and then only under the far-from-certain scenario of oil extraction from the Arctic National Wildlife Refuge (ANWR). I am glad that the Republican budget resolution does not assume receipts from oil leasing in ANWR—but neither does it make clear how clean energy accounts will be funded.

Dr. D. Allen Bromley, former President Bush’s science advisor from 1989–1993, wrote in a March 9 New York Times op-ed that the Bush budget—which the Republican budget resolution most exactly—includes cuts, after accounting for inflation, to the three primary sources of ideas and personnel in the high-tech economy: NSF is cut by 2.6 percent, NASA by 3.6 percent, and the Department of Energy by an alarming 7.1 percent. The proposed cuts to scientific research are a self-defeating policy, Congress must increase the federal investment in science. No science, no surplus. It’s that simple.

I believe we must heed Dr. Bromley’s call. In FY2002, the Democratic substitute would provide $300 million more than the Republican resolution for NSF, NASA, and Department of Science programs—and $3 billion more than the Republican resolution over the ten-year period.

Here again, adoption of the Democratic substitute would have been a step in the right direction. In conclusion, Mr. Chairman, I regret that today the House decided to bet so much on such a risky proposition as the Republican plan. I hope that our losses are less than I fear—but the odds are very much against us. Mr. LEVIN. Mr. Chairman, budgets are about making choices. When a family sits down at the beginning of the year to write a budget, it must anticipate expenditures and honestly balance these against available resources. Families understand they have to allocate limited funds to any number of competing priorities: paying the mortgage, car payments, dinners out, groceries, summer vacation expenses, saving for retirement or a child’s future college expenses. The purpose of a budget is to confront these choices and make informed decisions.

The budget before the House today has little or nothing to do with making honest, informed choices. The document we are debating is about one thing, and one thing alone: enacting the President’s tax program. It sac- ritices everything else to that end.

At the heart of this budget is a gamble that future budget surpluses will be large enough to pay for the President’s ten-year, two-trillion-dollar tax package. As the Congressional Budget Office has admitted, these surplus estimates are notoriously inaccurate. If the projected surpluses fail to materialize, the President’s tax cut will eat into Social Security and Medicare. No one in his right mind would take a bet at a home economics balloon payment and then count on winning the lottery to pay it off. Committing to such an oversized tax package on the basis of uncertain surplus projections is not budgeting. It’s gambling with our nation’s economy.

Budgetary considerations aside, the President’s tax package is also the wrong medicine for the economic situation we face today. The President’s plan is heavily backloaded, and provides almost no tax relief now when it’s most needed.

The holes in this budget are big enough to drive Air Force One through. The defense budget anticipated by the budget resolution is tentative, pending the completion of the Administration’s strategic review. The budget attempts to paper over these and other deficiencies. The same is true for Social Security and Medicare. Every one of us knows that significant resources will be needed to shore up these critical programs as the Baby Boom generation approaches retirement in a few years. We should step up to the plate to meet the financial challenges ahead, yet the budget before us actually makes the situation worse by diverting funds out of the Medicare Trust Fund, shortening the life of the Medicare Trust Fund by five years.

The Republican budget is long on rhetoric but actually shortchanges critical domestic initiatives. For example, the Republican prescription drug proposal provides insufficient funding for the President’s so-called “immediate helping hand” proposal. The President’s proposal is neither immediate, nor helpful to millions of seniors struggling with escalating drug costs. Even worse, the Republican budget pays for their prescription drug bill out of the Medicare Trust Fund, shortening Medicare’s solvency. By contrast, the Democratic budget alternative’s prescription drug proposal is more than twice as large and provides a meaningful benefit for seniors without endangering Medicare.

Similarly, the Majority’s budget underfunds education. The Republican budget guts the school renovation program, diverts the money to other programs, and has the nerve to call this an education increase. It shortchanges funding for the Individuals with Disabilities Education Act. By contrast, the Democratic budget alternative boosts funding to reduce class size, provides for school modernization and teacher recruitment, and adequately funds special education and Head Start.

We can do better, which is why I will support the Democratic budget framework. Our budget provides $730 billion for tax relief. Unlike the GOP plan, which lavishes a disproportionate share of the tax cuts on the richest one-percent of taxpayers, the Democratic plan provides tax relief to all working families. It extends the solvency of Social Security and Medicare. We pay down more of the nation’s debt. Finally, the Democratic framework sets aside resources for critical investments in education, prescription drugs, veterans, defense, and protecting the environment.

No company in America could get away with a business plan like the one offered today by the Republican majority. None of the families we represent would mortgage their financial future on such a risky foundation. We shouldn’t either. Reject the Republican budget and adopt the Democratic substitute.

Mr. SMITH of Michigan. Mr. Chairman, I am particularly disappointed that none of the proposed budgets offered today address the serious problems facing Social Security. Setting aside the surplus coming in to Social Security actually does nothing to avert Social Security’s insolvency. I think there is a greater understanding in this body in the last few years about the serious problems that Social Security faces in the future. Because of that increased understanding, I am even more disappointed in the unwillingness of Members to address Social Security’s unsolvency. Suggesting the budget provides for paying down all the available “public debt” is actually a negative for me. It means we won’t be using the surplus for fixing Social Security.

Social Security today has an unfunded liability of $9 trillion and we need to solve the problem now. That $9 trillion unfunded liability translates in terms of future dollars to an astounding shortage of a $120 trillion over the next 75 years. This means that there will be $120 trillion additional funding needed over and above the revenues coming in from the Social Security tax, if we are to maintain promised benefits over the next 75 years. The shortfalls are real. We know the number of people that are working now and will be entitled to benefits. We know the number of future workers and future retirees and therefore, the funding needed to fund benefits.

So, again Mr. Chairman, it should concern us all that we are not addressing this serious problem within the context of this budget—or any of the substitutes offered today.

Mr. CRANE. Mr. Chairman, the fiscal year 2002 budget resolution—Securing America’s...
Future. A Budget that Works for Every Family—is a budget that is realistic and reasonable. While I personally would like to see a slower increase in the overall growth of spending and supported the Republican Study Group’s amendment to do so, this budget does attempt to hold spending increases to roughly inflation. The Republicans have already proven that we can balance the budget and pay off the federal debt. With this budget we are refusing to squander the $5.6 trillion surplus projected over the next 11 years. The Republican budget has the right balance of priorities: cutting taxes, paying off debt, strengthening Social Security, modernizing Medicare, and bolstering our national defense.

The Republican plan will pay off $2.3 trillion of the national debt, the maximum that can be repaid without penalty. The Republican plan will also provide needed tax relief for working families by cutting tax rates, eliminating the marriage tax penalty, doubling the child tax credit, and repealing the death tax.

Looking ahead, it seems impossible that the government could ever dig itself out of its financial hole. For too long, uncontrollable spending and reckless “borrowing” reigned in Washington. Now, thanks to a fiscally-responsible Republican Congress, we have a budget that is realistic and reasonable, with growth of spending held to roughly inflation, while increasing spending on important priorities that will ensure a more secure future for every American family.

This budget reaps in government spending, limiting it to the about same rate of growth as the average family budget. It reduces federal taxes. It pays down the debt. And it takes care of important priorities like Social Security, Medicare, and national defense.

Mrs. CLAYTON. Mr. Chairman, American farms face the deepest agricultural recession of the century. Current farm conditions are worse than those during the Great Depression, World War II, or the 80s farm crisis. The combination of low commodity prices, unfair market practices, and skyrocketing input costs has put just the family farm, the backbone of our nation, at risk. This is the recession that the Republican budget proposal ignores. Rather than providing real economic assistance in the budget baseline, the Republican budget relies on a red herring “reserve fund.” This reserve fund is supposed to cover not only agricultural interests, but defense, tax extenders, and all other appropriate legislation.

It is also worth pointing out that the reserve fund in today’s budget resolution is far smaller than we have been led to believe. Once the Medicare reserve fund is taken off-budget, about $500 billion dollars over $10 years remain. In reality, this leaves little room for agriculture. For example, in FY 2005 and 2006, the contingency fund has only $12 and $15 billion, respectively, available. This is barely sufficient to cover the requests of agricultural interests, not to mention other appropriate legislation of which there is certain to be plenty. This year a broad coalition of commodity and farm groups wrote to Congress requesting $9 billion for FY 2002, and $12 billion for each year thereafter. My amendment would the new requested farm assisted spending levels by $9 billion in FY 2002 and by $45 billion over the next ten years. On a straight party line vote of 21 to 16 Republicans on the House Budget Committee, voted it down. This same amendment was also considered not in order by the Rules Committee.

The time is now for us to provide the needed funds by raising the agricultural baseline. If we are to be honest with the American farmers, we must move away from the fiction that we have provided in recent years. Emergency, ad-hoc funding is inherently unstable and unpredictable. Producers and lenders alike are understandably nervous about basing their financial decisions on money that may or may not materialize. This uncertainty threatens to chill the entire farm economy.

Mr. Chairman, farmers need help now. And they deserve better than to be promised so much, but with so little assistance. I urge Republican colleagues to join with me in supporting our hardworking farmers by voting no to the Republican budget resolution. I will only support a budget resolution this year that supports farmers in the same way that they have supported this nation for so long. The Republican budget absolutely does not.

Mrs. CAPP. Mr. Chairman, today the House debates the Budget Resolution. This critical legislation lays out the framework for the federal budget and spells out our nation’s economic priorities. I cast my vote for a budget that is fiscally responsible, provides tax relief for all families, and invests in the programs that improve our quality of life.

The prosperity that we have enjoyed over the last decade has produced today’s record budget surpluses and projections for huge future surpluses. These projections present us with the opportunity to keep our fiscal house in order, while meeting the key important needs of the American people.

The budget I support will allow us, first of all, to pass substantial tax cuts. Since coming to Congress, I have voted repeatedly to cut taxes. At a minimum, we should lower overall tax rates, fix the marriage penalty, and reform the estate tax laws.

Secondly, I voted for a budget resolution that devotes a third of the surplus to debt reduction. Clearly, we must continue paying down the national debt. Our progress in debt reduction has kept interest rates down and allowed families to pay less for their homes and cars.

Finally, the budget framework provides the funding necessary to address the most pressing needs of families on the Central Coast and across our nation. It invests in education, strengthens Social Security, Medicare and national defense, and provides the funding needed for an affordable prescription drug plan for all seniors.

Mr. Chairman, I pride myself on working in a bipartisan manner to address the concerns of my constituents. But I cannot, in good conscience, support the President’s budget, as proposed today by the majority party.

The $2 trillion tax cut proposed by the President is simply too big. It won’t allow us to pay down the debt. It also means that a tax cut of this magnitude could open the door to a new era of runaway deficits that would cripple our economy and saddle our children with the burden of crushing debt.

In addition, I opposed the majority party’s budget proposal because it depletes the resources we need to keep Social Security and Medicare solvent and provides only a slight increase in education. Finally, the President’s budget will actually bring about deep cuts in several key areas, like veterans, agriculture, and environmental protection.

Mr. Chairman, today the House was faced with starkly differing proposals for setting the economic priorities of our nation. I truly believe that the votes I cast were in the best interests of our families and our future.

Mr. COYNE. Mr. Chairman, I rise in opposition to the budget resolution before us today.

This budget resolution is unrealistic and irresponsible. It makes optimistic and incautious assumptions about future budget surpluses to justify a massive series of tax cuts that would result in the chronic underfunding of important federal action on health care, education, transportation, veterans’ benefits, housing, justice, environmental protection, and scientific research over the next ten years. This budget resolution would not do enough to shore up Social Security and Medicare, and it will effectively rule out the enactment of a comprehensive Medicare prescription drug benefit.

If recent years are accurate indicators, and I believe that they are, majority parties in the House and Senate will adopt a budget resolution that even they are unwilling to implement. There are a number of Republican Representatives and Senators who will not support appropriations bills later this year that make irresponsible cuts in programs that they support.

Consideration of the annual budget resolution, unfortunately, has become a grotesque caricature of what is supposed to be. In recent years, Congress has consistently passed budgets that everyone knew it couldn’t abide with. The House has passed a trillion-dollar tax cut, and we are scheduled to pass a $400 billion tax cut tomorrow—after we have passed a budget resolution, granted, but certainly not after the House and Senate have agreed on the final tax cut and spending figures for Fiscal Year 2002. If Congress enacts massive permanent tax cuts and then passes appropriations bills that spend more than the amount authorized in this fantasy budget resolution, it seems all too likely that the federal budget will soon be running massive deficits again.

The budget resolution is in no way binding on the Republican majority. The all too common practice of disregarding the budget resolution in recent years has been formalized in the document before us today by the inclusion of a provision which allows the chairman of the House Budget Committee to adjust tax and spending levels unilaterally later in the year.

Congress has made many difficult decisions in order to produce the substantial surpluses we have today. Our success has been made possible, however, by remarkable economic conditions that we have done little to produce, and economic developments beyond our control could dramatically alter our fiscal reality in a very short period of time. Do we really want to throw this all away by-celebrating it profligately? I don’t think that we should.

I urge my colleagues to act conservatively and wisely. I urge them to pass a budget that funds discretionary programs at levels that reflect the appropriations levels we all know we will enact later this year. I urge them to use much of the on-budget surplus to pay down the national debt. And I urge them to pass a smaller, fairer, more fiscally responsible, and
Mr. Dingell. Mr. Chairman, last week the President told us all right for American families to swallow drinking water with five times the arsenic allowed in Europe when he halted a safe drinking water regulation. Today we are being asked to swallow another dangerous proposal—his budget.

I remember the 1964-1965 when I presided over the House when it passed Medicare legislation. It is probably the most important vote I cast in my life. It has brought protection and health to our country's seniors ever since. But today, just like in 1995, when my Republican colleagues took control of this chamber, Medicare is under attack again—and for the same reason—to pay for a tax cut, which will go primarily to the richest individuals in the country.

The budget before us would actually raid the Medicare Trust Fund, just weeks after we passed legislation to stop that. According to Budget Committee analysts, the budget will ultimately dip into the Trust Fund to pay for either tax cuts or undetermined contingent funding.

The budget resolution marks a retreat from the President's promise to design a meaningful prescription drug benefit. The budget includes just $153 billion over ten years for the new benefit, which is even less than the plan brought forward by my Republican colleagues last year. That proposal, which would give money to HMO's, was called unworkable and far too little.

The Democratic proposal would allocate more than double this amount and provide a meaningful drug benefit to all Medicare recipients who choose to participate, not just a minimal one. The Republican resolution before us is designed to support the Republican Medicare prescription drug proposal, which benefits those with the highest incomes and those who have worked to pay for a tax cut, and will provide more adequate funding for education, Social Security, Medicare and prescription drugs, while continuing to pay down the debt.

Ms. Roybal-Allard. Mr. Chairman, in poll after poll, the American people have stated that tax cuts should not come at the expense of Medicare.

Still, the Republican budget resolution we are considering in the House this week takes $153 billion from the Medicare Trust Fund and diverts it to a new prescription drug benefit and unnamed Medicare reforms.

CBO Director Dan Crippen has testified that adding a prescription drug benefit to the Medicare program could cost not $153 billion—but more than $1 trillion over the next decade.

Even Energy and Commerce Chairman Billy Tauzin has admitted that a prescription drug benefit for seniors will cost far more than $153 billion. The CBO analysis of the Republican prescription drug benefit shows the Bush “super-sized” tax cut puts the solvency of the Medicare Trust Fund in jeopardy.

And Bush’s oversized tax cut will squeeze out the budget resources we must have for a sorely-needed prescription drug benefit for our seniors.

The working families and senior citizens in my Los Angeles district can count. They realize that the Republican budget resolution just doesn’t add up. I urge my colleagues to join me in opposing this legislation.

Mr. Chairman, I rise in strong opposition to the Republican Budget because it severely cuts many of the programs, which benefits the needy in our country in order to pay for huge tax breaks for the wealthy.

I rise, as well, to urge support for the Democratic substitute which provides a fiscally responsible tax cut for middle income families, as well as, adequate funds for education, Social Security, Medicare, prescription drugs and it continues to pay down the national debt.

Mr. Chairman, the Republican budget cuts the first step in dismantling all of our hard work and the progress that we have made in education, health care, housing and the many other needs of our constituents by passing the first piece of the Bush $1.6 Trillion tax cut.

Today, my friends on the other side of the isle intend to compound this shame by adopting what the Washington Post on Sunday called a “Lollipop Budget” because of the lollipops it provides to the few who need them the least, while leaving the government without the means to meet its obligations.

The budget resolution before us intends to pass today most surely will squander all of the funds necessary for critical investments in our nation.

Under this regressive budget plan for fiscal year 2002, there will be no money for prescription drugs and ensuring the solvency of Social Security and Medicare.

Because of estimates that 12.2 million low and moderate income families with children—31.5 percent of all families with children—the majority of them headed by hard working adults, would not receive any tax reduction at all under this budget plan meaning that many Americans, especially Black and Hispanic will be left further behind.

I am concerned that this budget plan there will be inadequate spending for education, no New Markets initiative to provide the venture capital needed in our communities, 45 million Americans will continue to be without health insurance, and that HMO’s will continue to make profits by denying care and the continued denial of prescription drug coverage for the over 25 million seniors who must choose between paying for food or medicine.

For my constituents who's tax system mirrors the Federal IRS Code, this budget will mean that the loss of $26 million to our local universities will be cut by the same amount in programs upon which they rely for a helping hand.

Under this budget plan Americans living in the territories and others living in the states will be denied access to healthcare because Medicare will be cut so that the top 10% of incomes in this country can get more.

Unlike the Republican Budget, the Democrat Budget retires the public debt by 2008, provides tax relief to all taxpayers, provides a refundable prescription drug benefit, extends the solvency of Medicare and Social Security and provides realistic funding for priority investments for veterans, healthcare, the environment, education and law enforcement.

Mr. Chairman, we cannot afford to pass the Republican budget because of the harm that it will do to average Americans.

We have the resources today to right the wrongs of the past. We must insist that President Bush and the leadership of this Congress not squander our nation's wealth, but to invest it instead in the people.

Mr. KIRK. Mr. Chairman, I rise in support of the resolution. Today, we are preparing to vote to approve a responsible budget that meets our priorities: saving Social Security for seniors today and tomorrow, repaying $2.3 trillion in debt, improving education, providing a prescription drug benefit to our seniors, and providing tax relief to restart our flagging economy.

This budget also addresses a number of other key issues. The value of investment in our Armed Forces is more than just in the defense budget. As Ranking Member on the Energy and Commerce Committee, I have heard a lot of rhetoric from the Administration on how we need to focus on our energy needs, but what does the President's budget do?

It actually cuts $700 million from the Department of Energy's budget. While the President has refused to tell us where these cuts will come from, news sources indicate it will come from energy research into conservation and renewable energy. How can this make any sense?

The bottom line is that the President's tax cut of over $2 trillion is driving all of these decisions. This debate helps all of us, and the American people, understand that we must choose our priorities carefully. Last year’s campaign was marked by Republican obfuscation. But now they are making choices—the wrong choices.

Do we want to protect Social Security and Medicare or do we want a big tax cut now? The President has told us, for example, that reducing tax cuts over $2 million is more important than saving Social Security and Medicare. Will we agree? I, for one, will not.

The Republican budget is a blueprint for future borrowing at best, and draconian cuts at worst. It should be opposed by all who care about American families to swallow drinking water with five times the arsenic allowed in Europe when he halted a safe drinking water regulation. Today we are being asked to swallow another dangerous proposal—his budget.
March 28, 2001

CONGRESSIONAL RECORD — HOUSE

H2111

Department of Defense the flexibility it needs to complete this thorough review and grants the Congress the ability to provide additional funding if the review deems it necessary.

Special mention is made of our imperative need to clean up nuclear waste, an issue of great concern to all of us in City of Zion, where 1,000 tons of highly radioactive spent nuclear fuel is stored less than 120 yards from Lake Michigan.

Both the President and now Congress commit to doubling funding for the National Institutes of Health, the world’s leading biomedical research institution. Because of many of the ground breaking research conducted at NIH, lives are saved and health care costs are reduced while jobs are created. This is particularly important for the health care companies based in my district, and this resolution addresses this critical need.

As a member of the Budget Committee, I have seen Chairman Nussle and Ranking Minority Member Spratt set out to do the work of our Committee with a spirit of bipartisanship that shows itself in mutual respect, open dialog, and a willingness to hear all points of view. I am proud to support their efforts.

Mutual respect has been evident during all of this year’s budget debate. Open dialog has been the order of the day in all bipartisan meetings, and was especially evident during the markup of this budget resolution, when Budget Committee staff members presented a detailed functional breakdown of the budget and answered questions from all members of the Budget Committee. I want to commend the staff, particularly Rich Meade, Jim Bates, Jim Cantwell, Jason McBrick and Paul Restuccia, for their expertise and hard work over the last few weeks.

This budget is a first step toward implementing the priorities we all value. I urge my colleagues to support me in voting for it. To succeed in implementing the goals of this resolution, we need to continue to follow the principles of bipartisanship that Chairman Nussle has shown us in the Budget Committee. I urge my colleagues to support the Chairman in this, as well, and vote in favor of the resolution.

Mr. Chairman, during last year’s campaign, President Bush made many promises to the American people. He promised to preserve Social Security and Medicare. He pledged to provide a prescription drug benefit for seniors. He said that he would increase our spending on national defense to improve readiness on national defense to improve our readiness and the morale of our troops; and he declared that he would increase the federal commitment to education and maintain our efforts to protect the environment.

The FY 2002 budget before us today, based upon the President’s own budget blueprint, sacrifices all of these promises and priorities in order to fulfill just one: a giant tax cut that offers its greatest benefits to the wealthiest Americans.

In my judgment, this budget is fiscally unsound because it relies upon rosy assumptions of economic growth and of subsequent government revenues to generate continued budget surpluses. And if these projected surpluses do not materialize, this Republican budget will cause the nation to return to the days of budget deficits and escalating national debt from which we only recently emerged. I would caution my colleagues to consider this point before casting their vote on the measure.

I am especially concerned about the shortsightedness of this budget with regard to our nation’s defense. Although the President promised to increase defense spending to ensure that our military is prepared to meet challenges it will face in the 21st century, this budget fails to keep pace with inflation. We already know that $3.9 billion will be necessary to provide health care benefits to Medicare-eligible military retirees for 2002 in accordance with last year’s National Defense Authorization Act, a fact that is not considered in this budget. The President and the Congress have expressed a strong commitment for our national missile defense program, the cost of which will be enormous, further draining resources from an already depleted defense budget.

This budget also does not assume any action in this current fiscal year to address the urgently-needed supplemental appropriations for the Department of Defense. This is another fault assumption and another area in which the Bush administration is reversing on the promise that “Help is on the Way” to address readiness concerns, the already-approved pay raise and funding for the quality of life for military personnel and their families. I believe that this issue is so important that I have already proposed a supplemental appropriations bill for my colleagues’ consideration, containing urgent emergency appropriations for the items that I have mentioned by all of the services. To ignore these requests, as has been done in the Republican budget, is unwise.

My friends on the other side of the aisle will argue that Congress still may increase defense spending through a bipartisan strategic review of defense requirements. I would point out to my colleagues that by the end of this week, it is likely that the House will have passed tax cuts totaling more than $1.35 billion—almost 85 percent of the allocation provided for tax cuts in this budget resolution. Several components of the President’s tax proposal remain to be considered, including the elimination of the estate tax, expanding the charitable deduction, and making permanent the research and experimentation tax credit. Once this tax package is approved, how many votes are needed to increase defense spending? Very likely it would require deep cuts to Social Security and Medicare, and to education and the environment.

In contrast to this anti-defense Republican budget, the Democratic substitute delivers on defense, providing a $7.1 billion defense supplemental for 2001 and providing $48 billion more for defense over the next 10 years than the Republican budget. This level of funding will improve the quality of life for our troops and their families, enable the modernization and replacement of aging equipment, and provide the research and development needed to ensure that our military remains the strongest and most efficient armed force in the world.

I am also very concerned about the short-comings in the Republican budget with regard to retirement benefits and the environment. Their plan cuts $2.3 billion from last year’s level, effectively an 11 percent cut considering inflation. Even after adjusting the budget to take into account for emergency funding made last year, the Republican budget plan does not return last year’s level of $72 billion.

As the Ranking Democratic Member of the Interior Appropriations Subcommittee, I have concerns about what the proposed budget implications will be for our public lands and natural resource priorities. We already have unmet needs and backlogs. Any cuts to these important programs only worsen these problems.

The Democratic alternative is much more responsible with regard to our nation’s commitment to protecting the environment. Our substitute budget provides $3.6 billion more than the Republican plan for natural resources and environmental programs, adhering to last year’s agreement reported by the House Budget Committee, making needed investments in water infrastructure, and helping western states such as my state of Washington to better plan for and respond to the threat of wildfires.

Although Congress considers a budget resolution every year, there are times when annual decisions like this one have impacts that extend far beyond the next 12 months. In 1993, for example, Congress considered and approved one such budget that helped our nation to gain control over the escalating budget deficit we had experienced under previous Bush and Reagan Administrations—deficits that were launched, interestingly, by the Reagan Administration’s insistence on passing an enormous tax reduction bill. With the assistance of hindsight that only this 1993 budget is, in no small part, responsible for the extremely positive financial circumstances we have enjoyed in the past several years.

In my judgment, the FY 2002 budget we are debating today will be much like that 1993 budget: a major landmark in our nation’s fiscal history. What we pass today will outline how we will allocate the surpluses we project over the next ten years. We are determining whether we will devote necessary resources to preservation, Social Security, Medicare and the research and experimentation that shows itself in mutual respect, open dia-

log, and a willingness to hear all points of view. I am proud to support their efforts.

Mr. EVANS. Mr. Chairman, simply stated, H. Con. Res. 83 should be defeated. The budget resolution of the Committee on a straight party-line vote, fails our veterans. It does not provide the discretionary funding needed for veterans’ benefits and services, particularly health care. H. Con. Res. 83 falls far short of the $2.1 billion increase in discretionary funding for veterans programs next year which Chairman CHRIS SMITH and I agreed was needed to, “Help us raise veteran benefits and services to a level at which we can confidently say as a Nation in freedom and at peace, at a time of plenty, we provide for our veterans.”

It is bad enough that this budget fails to provide the funding needed for next fiscal year, which begins on October 1, 2001. But adding insult to injury, this budget plan actually calls for a nearly one billion dollar cut in funding for veterans’ benefits and services for the upcoming budget year. fiscal year 2003. The $24.3 billion in discretionary spending proposed by the Budget Committee will not adequately fund veterans programs for fiscal year 2002. The nearly one billion reduction in funding for 2003 is a result of the President’s blueprint for devoting cuts to benefits and services for veterans. These are the benefits and services our veterans have earned by their honorable service to the Nation.
Perhaps even worse, the Budget Committee plan directs the House Committee on Veterans’ Affairs to achieve “savings” in veterans benefits programs of more than $7 billion. I look forward to the Budget Committee members who support this blueprint providing details on the specific veterans benefits they propose to reduce or eliminate. Clearly, Congress should not cut veterans benefits provided in current law to help finance a nearly $2 trillion tax cut. A tax cut that mainly benefits those who are already the richest in our society. That is what this budget asks, I say no.

This nation honors its commitments. We have a national obligation to veterans. But it seems some want to ignore our nation’s obligations to veterans. For them honoring this nation’s obligations to veterans is not a priority.

Their priorities include instead a massive tax cut for the wealthiest in our society. Some veterans wait an entire year for a medical clinic appointment. That is shameful. That does not honor the sacrifice and service of our veterans. Some pay lip service to veterans, but veterans need real service. If we do not honor veterans in both words and deeds, then we dishonor their service. I will not ignore America’s veterans. They have already given of themselves for us.

As a nation, we owe veterans a tremendous debt. That debt allows that debt to be repaid if veterans are truly a priority. Veterans should be first in line. Today they are being pushed to the back as massive tax cuts for the wealthiest in society are the flavor of the month.

Our nation does not fully honor its obligations to veterans when we pause briefly on Memorial Day and Veterans Day. Our nation does not fully honor its obligations to veterans by building monuments. How well our nation honors its obligations to veterans is best measured in the benefits and services we provide those who have served and sacrificed for our Nation.

For these reasons and others, I urge the defeat of H. Con. Res. 83.

Mr. CASTLE. Mr. Chairman, I rise today to express my opposition to the changes that were made to the emergency budget reserve account language in the FY02 Budget Resolution reported out of the House Budget Committee.

The reported budget reserve account language was meaningful. It created a $5.6 billion budget reserve account that could only be used for major emergencies. The most important feature was that the Budget Committee held the keys to determining whether the spending proposed met the legal definition of an emergency.

The compromise that has been negotiated since then guts the budget reserve account. The Appropriations Committee unilaterally determines if the proposed spending meets the definition of an emergency. Furthermore, the Appropriations Committee can exhaust the $5.6 billion budget reserve account with low level “emergencies” and rely on Congress to pass legislation to fund “major” emergencies above the discretionary caps when the time comes.

I urge my fellow colleagues to join me and Chairman Nussle in sponsoring legislation that will be introduced today to make a real budget reserve account a permanent feature of our budgeting process.

In closing, I want to thank Chairman Nussle for his efforts to reform our budget process. He has been at the forefront of this issue since he first came to Washington, D.C. As the process moves forward, I will be pleased to support his efforts every step of the way.

Mr. COSTELLO. Mr. Chairman, I intend to vote against the ten-year budget offered by the Republican leadership today because its $1.6 billion tax cut is too large and it fails to adequately fund important priorities such as agriculture, education, veterans, the OOPS program, prescription drugs for the chronically ill and national defense. I will also vote against the Democratic budget, because while it is a vast improvement on the Republican plan, it is also based on unreliable ten-year projections.

Instead, I will support the alternative budget offered by the Blue Dogs, because it is based on economic estimates covering only the next five years. This body knows from experience that trying to predict the economy over five years is difficult, and that over ten years it is impossible. The Blue Dog five-year budget makes sense. It provides for a reasonable tax cut while paying down the debt and devoting more resources to critical priorities that the Republican budget neglects.

I am particularly concerned about the excessive Republican tax cut amid signs that the economy should lead to big deficits in the future. While I support a significant tax cut and will vote again this year to repeal the estate tax and eliminate the marriage penalty tax, I believe a five-year budget will allow a better opportunity to assess the health of the economy and to tailor policies to keep it strong. I am also concerned that the Republican budget allows for the privatization of Social Security, which could jeopardize the long-term solvency of the program.

Mr. Chairman, we learned from the Reagan policies of the 1980s that large tax cuts do not lead to balanced budgets, let alone surpluses. We need a more fiscally responsible approach than the Republicans are currently offering to provide tax relief while keeping our important commitments to programs like Social Security and Medicare.

Mr. Chairman, the Blue Dog budget meets these goals and I urge my colleagues to support it.

The CHAIRMAN. Pursuant to the rule, the concurrent resolution shall be considered for amendment under the 5-minute rule. The amendment specified in part A of House Report 107-37 and the amendment specified in the order of the House of earlier today are adopted and the concurrent resolution, as amended, is considered read.

The text of House Concurrent Resolution 83, as amended, is as follows:

H. Con. Res. 83
Resolved by the House of Representatives (the Senate concurring),
SEC. 1. FEDERAL REVENUES.—For purposes of the enforcement of this resolution:
(A) The recommended levels of Federal revenues are as follows:

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<th>Amount</th>
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<td>2012</td>
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(B) The amounts by which the aggregate levels of Federal revenues should be reduced are as follows:

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<tr>
<td>2011</td>
<td>$3,252,800,000,000</td>
</tr>
</tbody>
</table>

(C) Budget Outlays.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>$1,556,900,000,000</td>
</tr>
<tr>
<td>2002</td>
<td>$1,675,800,000,000</td>
</tr>
<tr>
<td>2003</td>
<td>$1,660,300,000,000</td>
</tr>
<tr>
<td>2004</td>
<td>$1,698,600,000,000</td>
</tr>
<tr>
<td>2005</td>
<td>$1,775,600,000,000</td>
</tr>
<tr>
<td>2006</td>
<td>$1,855,600,000,000</td>
</tr>
<tr>
<td>2007</td>
<td>$1,918,800,000,000</td>
</tr>
<tr>
<td>2008</td>
<td>$1,998,500,000,000</td>
</tr>
<tr>
<td>2009</td>
<td>$2,077,000,000,000</td>
</tr>
<tr>
<td>2010</td>
<td>$2,161,500,000,000</td>
</tr>
<tr>
<td>2011</td>
<td>$2,252,800,000,000</td>
</tr>
</tbody>
</table>

(D) Surpluses.—For purposes of the enforcement of this resolution, the amounts of the surpluses are as follows:

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>$115,800,000,000</td>
</tr>
<tr>
<td>2002</td>
<td>$56,800,000,000</td>
</tr>
<tr>
<td>2003</td>
<td>$64,400,000,000</td>
</tr>
<tr>
<td>2004</td>
<td>$57,100,000,000</td>
</tr>
<tr>
<td>2005</td>
<td>$91,300,000,000</td>
</tr>
<tr>
<td>2006</td>
<td>$86,600,000,000</td>
</tr>
<tr>
<td>2007</td>
<td>$58,700,000,000</td>
</tr>
<tr>
<td>2008</td>
<td>$68,000,000,000</td>
</tr>
<tr>
<td>2009</td>
<td>$89,600,000,000</td>
</tr>
<tr>
<td>2010</td>
<td>$116,800,000,000</td>
</tr>
</tbody>
</table>

(E) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>$5,575,000,000,000</td>
</tr>
<tr>
<td>2002</td>
<td>$5,623,000,000,000</td>
</tr>
<tr>
<td>2003</td>
<td>$5,674,000,000,000</td>
</tr>
<tr>
<td>2004</td>
<td>$5,733,000,000,000</td>
</tr>
<tr>
<td>2005</td>
<td>$5,807,000,000,000</td>
</tr>
<tr>
<td>2006</td>
<td>$5,875,000,000,000</td>
</tr>
<tr>
<td>2007</td>
<td>$5,928,000,000,000</td>
</tr>
<tr>
<td>2008</td>
<td>$5,969,000,000,000</td>
</tr>
<tr>
<td>2009</td>
<td>$6,344,000,000,000</td>
</tr>
<tr>
<td>2010</td>
<td>$6,721,000,000,000</td>
</tr>
</tbody>
</table>

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines that the appropriate levels of new budget authority and budget outlays for fiscal years 2001 through 2011 are as follows:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:
### Fiscal Year Budget Authority and Outlays

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Budget Authority</th>
<th>Outlays</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>$310,300,000,000</td>
<td>$297,000,000,000</td>
</tr>
<tr>
<td>2002</td>
<td>$319,300,000,000</td>
<td>$319,300,000,000</td>
</tr>
<tr>
<td>2003</td>
<td>$23,100,000,000</td>
<td>$22,600,000,000</td>
</tr>
<tr>
<td>2004</td>
<td>$13,900,000,000</td>
<td>$12,800,000,000</td>
</tr>
<tr>
<td>2005</td>
<td>$15,800,000,000</td>
<td>$14,500,000,000</td>
</tr>
<tr>
<td>2006</td>
<td>$25,400,000,000</td>
<td>$24,300,000,000</td>
</tr>
<tr>
<td>2007</td>
<td>$28,800,000,000</td>
<td>$27,500,000,000</td>
</tr>
<tr>
<td>2008</td>
<td>$28,600,000,000</td>
<td>$27,700,000,000</td>
</tr>
<tr>
<td>2009</td>
<td>$25,600,000,000</td>
<td>$24,300,000,000</td>
</tr>
<tr>
<td>2010</td>
<td>$28,600,000,000</td>
<td>$27,700,000,000</td>
</tr>
<tr>
<td>2011</td>
<td>$28,800,000,000</td>
<td>$27,700,000,000</td>
</tr>
</tbody>
</table>

### Category Breakdown

1. **National Defense (050)**
   - 2001: $13,500,000,000
   - 2002: $15,800,000,000
   - 2003: $26,300,000,000
   - 2004: $13,900,000,000
   - 2005: $15,800,000,000
   - 2006: $16,100,000,000
   - 2007: $17,900,000,000
   - 2008: $26,300,000,000
   - 2009: $26,300,000,000
   - 2010: $26,300,000,000

2. **Energy (270)**
   - 2001: $800,000,000
   - 2002: $900,000,000
   - 2003: $800,000,000
   - 2004: $3,200,000,000
   - 2005: $8,600,000,000
   - 2006: $14,900,000,000
   - 2007: $21,400,000,000
   - 2008: $2,500,000,000
   - 2009: $16,100,000,000
   - 2010: $16,100,000,000

3. **Agriculture (350)**
   - 2001: $800,000,000
   - 2002: $600,000,000
   - 2003: $800,000,000
   - 2004: $16,100,000,000
   - 2005: $16,100,000,000
   - 2006: $16,100,000,000
   - 2007: $16,100,000,000
   - 2008: $16,100,000,000
   - 2009: $16,100,000,000

4. **Transportation (400)**
   - 2001: $62,100,000,000
   - 2002: $51,700,000,000
   - 2003: $61,000,000,000
   - 2004: $45,500,000,000
   - 2005: $53,700,000,000
   - 2006: $59,200,000,000
   - 2007: $57,700,000,000
   - 2008: $59,200,000,000
   - 2009: $59,200,000,000

5. **Natural Resources and Environment (300)**
   - 2001: $28,800,000,000
   - 2002: $26,700,000,000
   - 2003: $26,800,000,000
   - 2004: $27,000,000,000
   - 2005: $27,000,000,000
   - 2006: $27,000,000,000
   - 2007: $27,000,000,000
   - 2008: $27,000,000,000
   - 2009: $27,000,000,000

6. **General Science, Space, and Technology (250)**
   - 2001: $21,000,000,000
   - 2002: $22,200,000,000
   - 2003: $22,600,000,000
   - 2004: $23,100,000,000
   - 2005: $23,600,000,000
   - 2006: $23,300,000,000
   - 2007: $23,700,000,000
   - 2008: $23,700,000,000
   - 2009: $23,700,000,000

7. **Commerce and Housing Credit (370)**
   - 2001: $12,700,000,000
   - 2002: $12,400,000,000
   - 2003: $13,900,000,000
   - 2004: $13,600,000,000
   - 2005: $13,300,000,000
   - 2006: $13,300,000,000
   - 2007: $13,300,000,000
   - 2008: $13,300,000,000
   - 2009: $13,300,000,000

8. **Other (300)**
   - 2001: $21,000,000,000
   - 2002: $22,200,000,000
   - 2003: $22,600,000,000
   - 2004: $23,100,000,000
   - 2005: $23,600,000,000
   - 2006: $23,600,000,000
   - 2007: $23,600,000,000
   - 2008: $23,600,000,000
   - 2009: $23,600,000,000

9. **Total Budget Authority**
   - 2001: $28,400,000,000
   - 2002: $27,800,000,000
   - 2003: $27,900,000,000
   - 2004: $28,600,000,000
   - 2005: $28,600,000,000
   - 2006: $28,600,000,000
   - 2007: $28,600,000,000
   - 2008: $28,600,000,000
   - 2009: $28,600,000,000

10. **Total Outlays**
    - 2001: $24,900,000,000
    - 2002: $24,300,000,000
    - 2003: $24,300,000,000
    - 2004: $24,300,000,000
    - 2005: $24,300,000,000
    - 2006: $24,300,000,000
    - 2007: $24,300,000,000
    - 2008: $24,300,000,000
    - 2009: $24,300,000,000
(A) New budget authority, $61,300,000,000.
(B) Outlays, $66,400,000,000.
Fiscal year 2009:
(A) New budget authority, $61,800,000,000.
(B) Outlays, $68,800,000,000.
Fiscal year 2010:
(A) New budget authority, $62,200,000,000.
(B) Outlays, $69,300,000,000.
Fiscal year 2011:
(A) New budget authority, $63,100,000,000.
(B) Outlays, $71,200,000,000.
(9) Community and Regional Development (450):
Fiscal year 2001:
(A) New budget authority, $11,200,000,000.
(B) Outlays, $11,400,000,000.
Fiscal year 2002:
(A) New budget authority, $10,100,000,000.
(B) Outlays, $11,100,000,000.
Fiscal year 2003:
(A) New budget authority, $10,300,000,000.
(B) Outlays, $11,000,000,000.
Fiscal year 2004:
(A) New budget authority, $10,600,000,000.
(B) Outlays, $10,700,000,000.
Fiscal year 2005:
(A) New budget authority, $10,900,000,000.
(B) Outlays, $10,400,000,000.
Fiscal year 2006:
(A) New budget authority, $10,900,000,000.
(B) Outlays, $10,400,000,000.
Fiscal year 2007:
(A) New budget authority, $11,700,000,000.
(B) Outlays, $11,700,000,000.
Fiscal year 2008:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $12,500,000,000.
Fiscal year 2009:
(A) New budget authority, $13,300,000,000.
(B) Outlays, $13,300,000,000.
Fiscal year 2010:
(A) New budget authority, $14,200,000,000.
(B) Outlays, $14,200,000,000.
Fiscal year 2011:
(A) New budget authority, $15,200,000,000.
(B) Outlays, $15,200,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 2001:
(A) New budget authority, $76,900,000,000.
(B) Outlays, $69,800,000,000.
Fiscal year 2002:
(A) New budget authority, $82,100,000,000.
(B) Outlays, $76,200,000,000.
Fiscal year 2003:
(A) New budget authority, $82,000,000,000.
(B) Outlays, $76,100,000,000.
Fiscal year 2004:
(A) New budget authority, $87,300,000,000.
(B) Outlays, $84,800,000,000.
Fiscal year 2005:
(A) New budget authority, $90,200,000,000.
(B) Outlays, $87,700,000,000.
Fiscal year 2006:
(A) New budget authority, $90,200,000,000.
(B) Outlays, $87,700,000,000.
Fiscal year 2007:
(A) New budget authority, $92,800,000,000.
(B) Outlays, $85,700,000,000.
Fiscal year 2008:
(A) New budget authority, $89,400,000,000.
(B) Outlays, $85,900,000,000.
Fiscal year 2009:
(A) New budget authority, $104,600,000,000.
(B) Outlays, $104,100,000,000.
(11) Health (550):
Fiscal year 2001:
(A) New budget authority, $182,600,000,000.
(B) Outlays, $175,500,000,000.
Fiscal year 2002:
(A) New budget authority, $204,000,000,000.
Fiscal year 2011:
(A) New budget authority, $229,300,000,000.
(B) Outlays, $233,300,000,000.

Fiscal year 2005:
(A) New budget authority, $248,500,000,000.
(B) Outlays, $248,500,000,000.

Fiscal year 2002:
(A) New budget authority, $16,300,000,000.
(B) Outlays, $16,100,000,000.

Fiscal year 2001:
(17) General Government (800):
(B) Outlays, $40,200,000,000.
(A) New budget authority, $38,500,000,000.

Fiscal year 2008:
(B) Outlays, $34,100,000,000.
(A) New budget authority, $34,600,000,000.
(B) Outlays, $35,300,000,000.
(A) New budget authority, $36,100,000,000.

Fiscal year 2007:
(A) New budget authority, $36,600,000,000.
(B) Outlays, $37,100,000,000.

Fiscal year 2006:
(A) New budget authority, $34,600,000,000.
(B) Outlays, $34,100,000,000.

Fiscal year 2005:
(A) New budget authority, $35,700,000,000.
(B) Outlays, $36,000,000,000.

Fiscal year 2004:
(A) New budget authority, $35,500,000,000.
(B) Outlays, $36,000,000,000.

Fiscal year 2003:
(A) New budget authority, $35,000,000,000.
(B) Outlays, $35,300,000,000.

Fiscal year 2002:
(A) New budget authority, $36,600,000,000.
(B) Outlays, $37,100,000,000.

Fiscal year 2001:
(A) New budget authority, $16,300,000,000.
(B) Outlays, $17,000,000,000.

Fiscal year 2000:
(A) New budget authority, $16,700,000,000.
(B) Outlays, $16,100,000,000.

Fiscal year 1999:
(A) New budget authority, $18,700,000,000.
(B) Outlays, $18,300,000,000.

Fiscal year 1998:
(A) New budget authority, $17,900,000,000.
(B) Outlays, $17,000,000,000.

Fiscal year 1997:
(A) New budget authority, $16,700,000,000.
(B) Outlays, $16,300,000,000.

Fiscal year 1996:
(A) New budget authority, $16,500,000,000.
(B) Outlays, $16,700,000,000.

Fiscal year 1995:
(A) New budget authority, $16,900,000,000.
(B) Outlays, $16,300,000,000.

Fiscal year 1994:
(A) New budget authority, $16,000,000,000.
(B) Outlays, $14,800,000,000.

Fiscal year 1993:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $14,800,000,000.

Fiscal year 1992:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $12,500,000,000.

Fiscal year 1991:
(A) New budget authority, $13,000,000,000.
(B) Outlays, $11,200,000,000.

Fiscal year 1990:
(A) New budget authority, $10,000,000,000.
(B) Outlays, $7,800,000,000.

Fiscal year 1989:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $6,300,000,000.

Fiscal year 1988:
(A) New budget authority, $8,000,000,000.
(B) Outlays, $5,100,000,000.

Fiscal year 1987:
(A) New budget authority, $4,500,000,000.
(B) Outlays, $3,400,000,000.

Fiscal year 1986:
(A) New budget authority, $1,800,000,000.
(B) Outlays, $1,200,000,000.

Fiscal year 1985:
(A) New budget authority, $1,000,000,000.
(B) Outlays, $900,000,000.

Fiscal year 1984:
(A) New budget authority, $1,000,000,000.
(B) Outlays, $900,000,000.

Fiscal year 1983:
(A) New budget authority, $1,000,000,000.
(B) Outlays, $1,000,000,000.

Fiscal year 1982:
(A) New budget authority, $1,000,000,000.
(B) Outlays, $1,000,000,000.
SEC. 6. STRATEGIC RESERVE FUND.

(a) ADJUSTMENTS.—In the House, the chairman of the Committee on the Budget may, at any time, recommend legislation to provide a strategic reserve fund to be established in the Treasury, with permanent duration. Such a reserve fund shall be used to provide an additional reserve to offset increases in the deficit, and may be established in any fiscal year to provide a strategic reserve fund with permanent duration.

SEC. 7. SUPPLEMENTAL RESERVE FUND FOR MEDICARE.

In the House, whenever a reconciliation bill is reported, or an amendment thereto is offered or a conference report thereon is submitted, under section 4, the chairman of the Committee on Appropriations may, by any bill referred to in subsection (a) or any separate bill or joint resolution, increase the amount of new budget authority and outlays flowing therefrom to an amount not to exceed the amount by which such bill breaches the applicable allocation or aggregate. The total adjustments made under subsection (a) for any fiscal year may not cause the surplus set forth in the resolution to be less than the surplus of the Federal Hospital Insurance Trust Fund for that fiscal year, as determined consistent with procedures set forth in H.R. 2 (107th Congress), as passed the House.


(a) ADJUSTMENTS.—In the House, the chairman of the Committee on the Budget may, at any time, recommend legislation to provide a reserve fund of not less than $25,000,000,000 to be applied as a reserve fund for any fiscal year for emergencies. Such a reserve fund shall be used to provide an additional reserve to offset increases in the deficit, and may be established in any fiscal year to provide a reserve fund with permanent duration.

SEC. 9. RESERVE FUND FOR PROMOTION OF FUNDING FOR SPECIAL EDUCATION.

In the House, whenever the Committee on Appropriations reports a bill or joint resolution, or an amendment thereto, or a conference report thereon is submitted, under section 4, the chairman of the Committee on Appropriations may, by any bill referred to in subsection (a) or any separate bill or joint resolution, increase the amount of new budget authority and outlays flowing therefrom to an amount not to exceed the amount by which such bill breaches the applicable allocation or aggregate. The total adjustments made under subsection (a) for any fiscal year may not cause the surplus set forth in the resolution to be less than the surplus of the Federal Hospital Insurance Trust Fund for that fiscal year, as determined consistent with procedures set forth in H.R. 2 (107th Congress), as passed the House.
increase the appropriate allocations of new budget authority and outlays by the amount of that excess, but not to exceed $1,250,000,000 (and adjust any other appropriate levels).

SEC. 10. RESTORATION FUND FOR ADDITIONAL TAX CUTS AND DEBT REDUCTION.

If the report provided pursuant to section 3202(e)(2) of the Congressional Budget Act of 1974, the joint explanatory statement accompanying the conference report on any fiscal year's budget and economic outlook is revised upward (for fiscal years 2002 through 2011), estimates an on-budget surplus for any of fiscal years 2001 through 2011 that exceeds the estimates made in the joint statement set forth in the Congressional Budget Office's January 2001 budget and economic outlook for such fiscal year, the chairman of the Committee on the Budget shall, in an amount for each fiscal year that the conference report on any concurrent resolution makes other appropriate adjustments for that fiscal year—

(1) reduce the recommended level of Federal revenues and make other appropriate adjustments (including the reconciliation instructions) for that fiscal year;

(2) reduce the appropriate level of the public debt, increase the amount of the surplus, and make other appropriate adjustments for that fiscal year; or

(3) any combination of paragraphs (1) and (2).

SEC. 11. APPLICATION AND EFFECT OF CHANGES IN ALLOCATIONS AND AGGREGATES.

(a) APPLICABILITY.—Revised allocations and aggregates made pursuant to this resolution shall:

(1) apply while that measure is under consideration;

(2) take effect upon the enactment of that measure; and

(3) be published in the Congressional Record as soon as practicable.

(b) EFFECT OF CHANGED ALLOCATIONS AND AGGREGATES.—Revised allocations and aggregates resulting from these adjustments shall apply to the amounts provided by the joint statement included in the joint report accompanying the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(c) BUDGET COMMITTEE DETERMINATIONS.—For purposes of this resolution—

(1) the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the chairman of the Budget Committee of the House of Representatives; and

(2) such chairman, as applicable, may make any other necessary adjustments to such estimates for this resolution, and any adjustments permitted under sections 6, 7, and 8 may include changes in the appropriate reconciliation instructions.


(a) IN GENERAL.—In the House, notwithstanding section 3202(a)(1) of the Congressional Budget Act of 1974 and section 13201 of the Budget Enforcement Act of 1990, the joint explanatory statement accompanying the conference report on any concurrent resolution on the budget shall include in its location under section 3202(a) of such Act to the Committee on Appropriations amounts for the administrative, non-discretionary expenses of the Social Security Administration.

(b) SPECIAL RULE.—In the House, for purposes of applying section 3202(f) of the Congressional Budget Act of 1974, estimates of the level of total new budget authority and total outlays provided by a measure shall include any discretionary amounts provided for the Social Security Administration.

SEC. 13. RESTRICTIONS ON ADVANCE APPROPRIATIONS.

For purposes of title III of the Congressional Budget Act of 1974, advance appropriations shall be scored as new budget authority for the fiscal year in which the appropriations are enacted, except that advance appropriations up to the levels specified in the joint statement of managers accompanying this resolution for programs, projects, activities or accounts identified in the joint statement shall not be scored as new budget authority in the year in which they first become available for obligation.

SEC. 14. FEDERAL EMPLOYEE PAY.

(a) FINDINGS.—The House of Representatives finds that:

(1) Members of the uniformed services and civilian employees of the United States make significant contributions to the general welfare of the Nation.

(2) Increases in the pay of members of the uniformed services and of civilian employees of the United States have not kept pace with increases in the overall pay levels of workers in the private sector, so that there now exists—

(A) a 32 percent gap between compensation levels of Federal civilian employees and compensation levels of private sector workers; and

(B) an estimated 10 percent gap between compensation levels of members of the uniformed services and compensation levels of private sector workers.

(3) The President's budget proposal for fiscal year 2002 includes a 4.6 percent pay raise for military personnel.

(4) The Office of Management and Budget has requested that Federal agencies plan their fiscal year 2002 budgets with a 3.6 percent pay raise for civilian Federal employees.

(5) In almost every year during the past 2 decades, there have been equal adjustments in the compensation of members of the uniformed services and civilian employees.

(b) SENSE OF THE HOUSE OF REPRESENTATIVES.—It is the sense of the House of Representatives that rates of compensation for civilian employees of the United States should be adjusted at the same time, and in the same proportion, as are rates of compensation for members of the uniformed services.

SEC. 15. ASSET BUILDING FOR THE WORKING POOR.

(a) FINDINGS.—Congress finds the following:

(1) For the vast majority of United States households, the economic mainstream and financial security is not through spending and consumption, but through savings, investing, and the accumulation of assets.

(2) One-third of all Americans have no assets available for investment and another 20 percent have only negligible assets. The situation is even more serious for minority households; for example, 60 percent of African-American households have no or negative financial assets.

(3) Nearly 20 percent of all children in America live in households that have no assets available for investment, including 40 percent of Caucasian children and 73 percent of African-American children.

(4) Up to 20 percent of all United States households do not deposit their savings in financial institutions and, thus, do not have access to the basic financial tools that make asset accumulation possible.

(5) Public policy can have either a positive or a negative impact on asset accumulation. Traditional programs based on income and consumption have rarely been successful in supporting the transition to economic self-sufficiency. Tax policy, through its preferential treatment of income tax credits, has helped lay the foundation for the great middle class.

(6) Lacking an income tax liability, low-income working families cannot take advantage of asset development incentives available through the Federal tax code.

(b) FINDINGS.—Congress finds the following:

(1) Individual Development Accounts have proven to be successful in helping low-income working families save and accumulate assets.

(2) Individual Development Accounts have proven to be successful in helping low-income working families save and accumulate assets.

(3) The high rates in the United States of death, injury, and property damage caused by fires demonstrates a critical need for Federal investment in support of firefighting personnel.

SEC. 16. FEDERAL FIRE PREVENTION ASSISTANCE.

(a) FINDINGS.—Congress finds the following:

(1) The Government should support a significant expansion of Individual Development Accounts so that millions of low-income working families can use their right to build assets, and move their lives forward; thus, making positive contributions to the economic and social well-being of the United States, as well as to its future.
The CHAIRMAN. No further amendment is in order except the amendments printed in part B of the report. Each amendment may be offered only in the order printed in the report, may be offered only by the Member designated in the report, shall be considered read, and shall not be subject to amendment.

After conclusion of consideration of the concurrent resolution for amendment, there shall be a final period of general debate which shall not exceed 10 minutes, equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget.

It is now in order to consider amendment number 1 printed in part B of House Report 107-30.

AMENDMENT NO. 1 IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. KUCINICH.

Mr. KUCINICH. Mr. CHAIRMAN, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment No. 1 in the nature of a substitute offered by Mr. KUCINICH: Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2002.

The Congress declares that this is the concurrent resolution on the budget for fiscal year 2002 and that the appropriate budgetary levels for fiscal years 2003 through 2011 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for each of fiscal years 2002 through 2011:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(a) FINDINGS.—Congress finds that the Secretary of the Treasury has the appropriate official for evaluating the existing standards for the provision of concurrent retirement and disability benefits to retired members of the Armed Forces and the need to change these standards.

(b) SENSE OF CONGRESS.—It is the sense of Congress that:

(1) the Secretary of Defense should report to the congressional committees of jurisdiction on the provision of concurrent retirement and disability benefits to retired members of the Armed Forces;

(2) the report should address the number of individuals retired from the Armed Forces who would otherwise be eligible for disability retirement and the comparability of the policy to Office of Personnel Management guidelines for civilian Federal retirees, the applicability of this policy to prevailing private sector standards, the number of individuals potentially eligible for concurrent benefits who receive other forms of Federal assistance and the cost of that assistance, and alternative initiatives that would accomplish the same end as concurrent receipt of military retired pay and disability compensation;

(3) the Secretary of Defense should submit legislation that he considers appropriate; and

(4) upon receiving such report, the committees of the House and Senate, when the committees on the Budget of the House and Senate, should consider appropriate legislation.

(7) over 50 Members of the House have co-sponsored legislation to restore the sales tax deduction option to the Federal tax code.

(8) SENSE OF THE HOUSE.—It is the sense of the House that Members believe that the Committee on Ways and Means should consider legislation that makes State sales tax deductible against Federal income taxes.
(A) New budget authority, $22,900,000,000.
(B) Outlays, $18,831,000,000.

Fiscal year 2004:
(A) New budget authority, $23,357,000,000.
(B) Outlays, $18,369,000,000.

Fiscal year 2005:
(A) New budget authority, $24,037,000,000.
(B) Outlays, $19,569,000,000.

Fiscal year 2006:
(A) New budget authority, $24,614,000,000.
(B) Outlays, $20,361,000,000.

Fiscal year 2007:
(A) New budget authority, $25,200,000,000.
(B) Outlays, $20,598,000,000.

Fiscal year 2008:
(A) New budget authority, $25,557,000,000.
(B) Outlays, $21,118,000,000.

Fiscal year 2009:
(A) New budget authority, $25,965,000,000.
(B) Outlays, $22,839,000,000.

Fiscal year 2010:
(A) New budget authority, $26,498,000,000.
(B) Outlays, $22,287,000,000.

Fiscal year 2011:
(A) New budget authority, $27,087,000,000.
(B) Outlays, $22,287,000,000.

Fiscal year 2012:
(A) New budget authority, $25,879,000,000.
(B) Outlays, $24,749,000,000.

Fiscal year 2013:
(A) New budget authority, $25,335,000,000.
(B) Outlays, $24,339,000,000.

(4) Energy (270):
(A) New budget authority, $25,879,000,000.
(B) Outlays, $24,749,000,000.

Fiscal year 2011:
(A) New budget authority, $16,313,000,000.
(B) Outlays, $11,734,000,000.

Fiscal year 2012:
(A) New budget authority, $16,242,000,000.
(B) Outlays, $15,743,000,000.

Fiscal year 2013:
(A) New budget authority, $16,313,000,000.

(5) Natural Resources and Environment (300):
Fiscal year 2002:
(A) New budget authority, $30,032,000,000.
(B) Outlays, $28,305,000,000.

Fiscal year 2003:
(A) New budget authority, $30,826,000,000.
(B) Outlays, $30,076,000,000.

Fiscal year 2004:
(A) New budget authority, $31,810,000,000.
(B) Outlays, $31,152,000,000.

Fiscal year 2005:
(A) New budget authority, $32,648,000,000.
(B) Outlays, $31,695,000,000.

Fiscal year 2006:
(A) New budget authority, $33,519,000,000.
(B) Outlays, $32,842,000,000.

Fiscal year 2007:
(A) New budget authority, $34,417,000,000.
(B) Outlays, $35,627,000,000.

Fiscal year 2008:
(A) New budget authority, $35,341,000,000.
(B) Outlays, $34,465,000,000.

Fiscal year 2009:
(A) New budget authority, $36,714,000,000.
(B) Outlays, $35,813,000,000.

Fiscal year 2010:
(A) New budget authority, $37,761,000,000.
(B) Outlays, $36,840,000,000.

Fiscal year 2011:
(A) New budget authority, $38,787,000,000.
(B) Outlays, $37,841,000,000.

(6) Agriculture (350):

Fiscal year 2002:
(A) New budget authority, $12,239,000,000.
(B) Outlays, $11,183,000,000.

Fiscal year 2003:
(A) New budget authority, $12,239,000,000.
(B) Outlays, $11,183,000,000.

Fiscal year 2004:
(A) New budget authority, $12,696,000,000.
(B) Outlays, $11,913,000,000.

Fiscal year 2005:
(A) New budget authority, $13,067,000,000.
(B) Outlays, $12,360,000,000.

Fiscal year 2006:
(A) New budget authority, $13,583,000,000.
(B) Outlays, $12,933,000,000.

Fiscal year 2007:
(A) New budget authority, $14,048,000,000.
(B) Outlays, $13,460,000,000.

Fiscal year 2008:
(A) New budget authority, $14,592,000,000.
(B) Outlays, $13,987,000,000.

Fiscal year 2009:
(A) New budget authority, $15,180,000,000.
(B) Outlays, $14,541,000,000.

Fiscal year 2010:
(A) New budget authority, $16,053,000,000.
(B) Outlays, $14,874,000,000.

Fiscal year 2011:
(A) New budget authority, $16,203,000,000.
(B) Outlays, $14,819,000,000.

(7) Commerce and Housing Credit (370):
Fiscal year 2002:
(A) New budget authority, $10,029,000,000.
(B) Outlays, $6,261,000,000.

Fiscal year 2003:
(A) New budget authority, $11,246,000,000.
(B) Outlays, $6,961,000,000.

Fiscal year 2004:
(A) New budget authority, $15,891,000,000.
(B) Outlays, $11,503,000,000.

Fiscal year 2005:
(A) New budget authority, $15,982,000,000.
(B) Outlays, $11,643,000,000.

Fiscal year 2006:
(A) New budget authority, $16,086,000,000.
(B) Outlays, $11,904,000,000.

Fiscal year 2007:
(A) New budget authority, $16,242,000,000.
(B) Outlays, $11,784,000,000.

Fiscal year 2008:
(A) New budget authority, $16,313,000,000.
Fiscal year 2002:
(A) New budget authority, $492,688,000,000.
(B) Outlays, $460,520,000,000.

Fiscal year 2003:
(A) New budget authority, $460,355,000,000.
(B) Outlays, $430,412,000,000.

Fiscal year 2004:
(A) New budget authority, $378,665,000,000.
(B) Outlays, $352,265,000,000.

Fiscal year 2005:
(A) New budget authority, $315,675,000,000.
(B) Outlays, $298,278,000,000.

Fiscal year 2006:
(A) New budget authority, $284,179,000,000.
(B) Outlays, $258,667,000,000.

Fiscal year 2007:
(A) New budget authority, $279,956,000,000.
(B) Outlays, $252,162,000,000.

Fiscal year 2008:
(A) New budget authority, $282,221,000,000.
(B) Outlays, $262,534,000,000.

Fiscal year 2009:
(A) New budget authority, $291,588,000,000.
(B) Outlays, $278,365,000,000.

Fiscal year 2010:
(A) New budget authority, $194,220,000,000.
(B) Outlays, $182,136,000,000.

Fiscal year 2011:
(A) New budget authority, $305,450,000,000.
(B) Outlays, $291,588,000,000.

Fiscal year 2012:
(A) New budget authority, $319,479,000,000.
(B) Outlays, $317,443,000,000.

Fiscal year 2006:
(A) New budget authority, $372,026,000,000.
(B) Outlays, $348,270,000,000.

Fiscal year 2007:
(A) New budget authority, $334,033,000,000.
(B) Outlays, $312,385,000,000.

Fiscal year 2008:
(A) New budget authority, $348,527,000,000.
(B) Outlays, $347,026,000,000.

Fiscal year 2009:
(A) New budget authority, $360,130,000,000.
(B) Outlays, $350,581,000,000.

Fiscal year 2010:
(A) New budget authority, $371,190,000,000.
(B) Outlays, $369,513,000,000.

Fiscal year 2011:
(A) New budget authority, $382,791,000,000.
(B) Outlays, $380,496,000,000.

Social Security (650):
Fiscal year 2002:
(A) New budget authority, $322,445,000,000.
(B) Outlays, $310,723,000,000.

Fiscal year 2003:
(A) New budget authority, $327,860,000,000.
(B) Outlays, $316,027,000,000.

Health (550):
Fiscal year 2002:
(A) New budget authority, $191,085,000,000.
(B) Outlays, $182,136,000,000.

Fiscal year 2003:
(A) New budget authority, $222,445,000,000.
(B) Outlays, $210,723,000,000.

Fiscal year 2004:
(A) New budget authority, $227,483,000,000.
(B) Outlays, $220,534,000,000.

Fiscal year 2005:
(A) New budget authority, $228,384,000,000.
(B) Outlays, $223,370,000,000.

Fiscal year 2006:
(A) New budget authority, $212,445,000,000.
(B) Outlays, $190,959,000,000.

Fiscal year 2007:
(A) New budget authority, $194,085,000,000.
(B) Outlays, $178,667,000,000.

Fiscal year 2008:
(A) New budget authority, $300,281,000,000.
(B) Outlays, $258,181,000,000.

Fiscal year 2009:
(A) New budget authority, $321,645,000,000.
(B) Outlays, $281,851,000,000.

Fiscal year 2010:
(A) New budget authority, $346,303,000,000.
(B) Outlays, $344,676,000,000.

Fiscal year 2011:
(A) New budget authority, $373,436,000,000.
(B) Outlays, $371,993,000,000.

Medicare (707):
Fiscal year 2002:
(A) New budget authority, $284,179,000,000.
(B) Outlays, $232,221,000,000.

Fiscal year 2003:
(A) New budget authority, $299,226,000,000.
(B) Outlays, $296,278,000,000.

Fiscal year 2004:
(A) New budget authority, $315,675,000,000.
(B) Outlays, $315,485,000,000.

Fiscal year 2005:
(A) New budget authority, $339,054,000,000.
(B) Outlays, $336,782,000,000.

Fiscal year 2006:
(A) New budget authority, $352,860,000,000.
(B) Outlays, $352,265,000,000.

Fiscal year 2007:
(A) New budget authority, $378,665,000,000.
(B) Outlays, $378,812,000,000.

Fiscal year 2008:
(A) New budget authority, $403,469,000,000.
(B) Outlays, $403,292,000,000.

Fiscal year 2009:
(A) New budget authority, $430,766,000,000.
(B) Outlays, $430,112,000,000.

Fiscal year 2010:
(A) New budget authority, $460,355,000,000.
(B) Outlays, $460,520,000,000.

Fiscal year 2011:
(A) New budget authority, $492,686,000,000.
(B) Outlays, $492,601,000,000.

Income Security (600):
Fiscal year 2002:
(A) New budget authority, $284,148,000,000.
(B) Outlays, $278,365,000,000.

Fiscal year 2003:
(A) New budget authority, $294,503,000,000.
(B) Outlays, $291,588,000,000.

Fiscal year 2004:
(A) New budget authority, $305,450,000,000.
(B) Outlays, $301,723,000,000.

Fiscal year 2005:
(A) New budget authority, $319,479,000,000.
(B) Outlays, $317,443,000,000.
(A) New budget authority, $483,000,000.
(B) Outlays, $457,000,000.

February 2003:
(A) New budget authority, $492,000,000.
(B) Outlays, $452,000,000.

February 2004:
(A) New budget authority, $499,000,000.
(B) Outlays, $560,000,000.

February 2005:
(A) New budget authority, $519,000,000.
(B) Outlays, $603,000,000.

February 2006:
(A) New budget authority, $531,000,000.
(B) Outlays, $583,000,000.

February 2007:
(A) New budget authority, $540,000,000.
(B) Outlays, $629,000,000.

February 2008:
(A) New budget authority, $551,000,000.
(B) Outlays, $640,000,000.

February 2009:
(A) New budget authority, $560,000,000.
(B) Outlays, $652,000,000.

February 2010:
(A) New budget authority, $571,000,000.
(B) Outlays, $665,000,000.

February 2011:
(A) New budget authority, $580,000,000.
(B) Outlays, $665,000,000.

(20) Undistributed Offsetting Receipts (950):

Percy Jr. and a Member opposed each will control 20 minutes.

Mr. Chairman, I yield myself 1 minute.

A budget is a plan. It shows what we stand for. It measures that commitment that the Progressive Caucus stands for. It shows that the Progressive Caucus budget stands for building enough schools, hiring enough teachers to create the 18 student classrooms ideal for learning, affordable prescription drugs for everyone, 100 percent government help to lower the price of prescription drugs, and a full and direct assistance on Medicare, enough polling booths to accurately record the votes of every American, building affordable new housing, cutting wasteful spending in the Department of Defense.

The Progressive Caucus budget will give every American a $300 dividend as a fair share of the budget surplus. We have set aside one-third of the budget surplus to give the American people their dividend.

Mr. Chairman, I ask my colleagues to look at the Progressive Caucus budget, take a measure of our commitment. You will see that the caucus leads in advancing education, affordable prescription drugs, accurate elections, affordable housing, and government efficiency, and we provide more tax relief for average Americans.

Mr. Chairman, I reserve the balance of my time.

Mr. NUSSLE. Mr. Chairman, I claim the time.

Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. CULBERSON).

Mr. CULBERSON. Mr. Chairman, I want to reiterate a vitally important point that the American people need to remember as they listen to this debate. The Republican budget pays off as much of the publicly held debt as can be paid without incurring a significant financial penalty. This is a logical point that I as a new Member of Congress understand. I am a member of the Committee on the Budget we listened to the testimony of the experts. I sought very carefully to find the truth of this matter and determined as logically and clearly as I could see that a bond can only be paid off within the time period specified in the life of the bond; and clearly, all of the Americans out there listening to me know that if you have a bond fund to pay the bond, you are going to get a premium for being paid off early.

The Republican budget, as confirmed by the testimony given to the Committee on the Budget, the Budget pays off much publicly held debt as can be paid without incurring a penalty. The chart that we prepared shows what we are paying off. This is the amount of the national debt after a 10-year period. Chairman Alan Greenspan, who is, everyone acknowledges, an objective, impartial observer, said in his testimony to the Committee on the Budget that we are paying off all of the Federal debt by the end of this decade. In fact, Chairman Greenspan points out that we need to think about what happens when we have eliminated all publicly held debt.

The Progressive budget, the amendment before the House offered by the Democrats, seeks to pay off $747 billion more debt than can be paid off without incurring a penalty. If we adopt the amendment offered by the Democrats, the American taxpayers will incur a very significant financial penalty. The Office of Management and Budget estimates that the penalty that the American taxpayers will incur will exceed $100 billion.

Why should we incur this additional penalty? Why should we saddle the American taxpayer, who is already overtaxed, with an additional penalty?

The Republican budget alternative I want to stress pays off every single penny of this debt that can be paid off, and I think it is also vitally important for the American public as they listen to this debate to think about the implications of paying off more publicly held debt. Once all of that debt is paid off, we reach a point, as Chairman Greenspan said in his testimony, where once all the debt is eliminated, what is the Treasury going to do with all of this additional money that is coming in that is above and beyond what is necessary to pay for government programs and since there is no more publicly held debt to pay off, what do we do with all of that extra cash?

Chairman Greenspan said in his testimony he believes for long-term fiscal stability that it is far better for the Nation that the tax surpluses, and they are tax surpluses because we are being overtaxed, that the tax surpluses be lowered by tax reductions rather than by spending increases.

Mr. KUCINICH. Mr. Chairman, I would remind the gentleman from Texas that our budget would give $151 million to Texas for energy assistance.

Mr. Chairman, I did expect to hear from the gentleman from Oregon (Mr. DeFazio), one of the architects of this budget.
Mr. DEFAZIO. Mr. Chairman, I thank the gentleman for yielding me this time.

The question here is are we going to have a people’s budget, a budget that addresses the real needs and priorities of average Americans; or are we going to have a debt fatted budget that cuts the programs important to most Americans in their daily lives, such as education, Medicare and others, and return to the days of huge deficits? If we care about education, school construction, Medicare, Social Security, Pell grants, access to higher education; if we care about Head Start, if we care about a real Medicare prescription—drug benefit, not a subsidy to the pharmaceutical industry, they are doing just fine, thank you very much. If we care about education reform, if we care about real tax cuts targeted to average Americans and not to those at the very top who have done so well already, then the Progressive budget is a much and far better alternative than the Republican budget.

It pays down more debt more quickly, despite this new concern about the Republicans about not paying down the debt too fast. No, that is a sham.

Then, if we are concerned about our veterans, we had better fund our veterans, particularly for the aging veterans, from both World War II and Korea. If we care about our young men and women in the military, their quality of life, we will vote for this budget.

Yes, if Members care about the continuing waste at the Pentagon, I hear again and again, do not throw money at problems. The Pentagon has huge problems. They cannot keep track of the money they spend. They are still paying $400 for $40 items. They have spent $50 billion on Star Wars, and they cannot hit anything. They have three new fighter programs in the works, two of which are over budget, behind schedule; a new helicopter that does not work, cannot meet its mission, way over budget.

They have huge management problems at the Pentagon, and their answer is throw more money at them. If it were any other part of the Federal budget, if it is education or the concerns of average Americans, no, we cannot put more money there. Do not throw Federal money at it. But the Pentagon, yes, throw more money at it. This budget essentially does all the things the American people need most, and reforms the Pentagon and pays down the debt. This is the best alternative before the Congress today.

Mr. NUSSLE. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. GARY MILLER), a member of the Caucus.

Mr. GARY MILLER of California. Mr. Chairman, it is interesting, we talk about education. We in our budget have proposed an increase in education, yet the proposal we have before us today is more mandates for local school districts. It says, when you are through hiring 100,000 teachers, we want you to hire another 100,000 counselors. Well, maybe schools do not want counselors; maybe they need facilities, maybe they need money for special education. Maybe they do need money for counselors, but if they do not, we should not mandate them.

What we should do is tell education and the institutions associated with it, that, here is the money; they know the needs of their children, they know the names of their children: Educate their children.

We have many Members coming before the House as if poor people only come in one color. There are black, white, brown, and red poor people. I know when I was a young man, I was raised by a single mother with my grandparents. We were poor. I remember coming home from school one day driving a gondola, and having the two boys before me, when we were driving on my street, they said, “Can you imagine anyone having to live on that street?” I never knew until that day I was poor.

When I decided to start a business, I had an old van that used more oil than gas. Every tool I had came in a cardboard box in the back. What did government do? Every time I tried to better myself, they took more of my money. I will tell you today is build a wall between poor people and success and says, “We are going to hold you down.” because every time somebody works harder, every time they make more money, we take more money from them as government.

We need to allow the working people of this Nation to keep their money, and people in Congress need to realize it is the money belonging to the people who earned it, it is not our money, because government does not earn any money.

Some say it is too much of a tax cut, that we want to eliminate the tax cut, we want to use it for new programs that the government thinks are better programs. Then one will say, we need to pay down more debt.

Our budget pays down every bit of the available debt that we have over a 10-year period. Members can go beyond that and say, we are going to pay our debt that is not due. First of all, we cannot find somebody who wants to allow us to pay off debt that is not due. If we do find those people, I guarantee Members, we will pay a premium to pay off that debt.

We need reasonable government, reasonable structure, as the private sector has. We pay our debts as they come due. We are saying we are going to do that, but we want to go farther. We want to tell the American people that they earned their money. We want them to need, we want to give them more than lip service.

When we tell people they do not deserve a tax cut, we are giving them lip service when it comes to them being successful in life. Let us allow people to succeed. Let us allow people to be entrepreneurs if they want to, to take advantage of the capitalistic system we have out there, a free-market system. If people want to work, want to work harder, let them keep more of their money.

Their budget does not do that, our budget does that.

Mr. KUCINICH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to reassure my good friend, the gentleman from California, that California, the Progressive Caucus would get $306 million in energy assistance under our bill.

Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. SOLIS), who is someone who fights for the economic rights of her people.

Ms. SOLIS. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise to express my full support for the Progressive Caucus budget resolution, which provides responsible and just resources for all Americans.

Unlike the Republican-proposed budget, which would ravage any reliable social programs that serve our Nation’s poor, hard-working Americans, the Progressive Caucus would offer a fair tax without sacrificing the welfare of any of our citizens.

On the other hand, the Republican budget alternative would absolutely devastate the people in my district. They get no benefit from this budget. The majority of the people in my district make $31,000 a year. They get absolutely zero. The glass is empty. It is not even half full for them.

I am asking Members to consider alternatives that we are putting forward in the Progressive Caucus budget which would add and actually double grants. Pell grants for new students who would have a first chance, many the first in their family, to go forward and get a good education. Let us not leave any child behind. Let us not leave any minority or low-income student behind. Let us give them that education.

Let us also not rob those senior citizens that rely on MediCal and Social Security. There are thousands of senior citizens who need that support, many who have paid into the system. This is their money. They have worked many, many years here in our country to build this economy. Let us make sure that it goes back to their pockets, to those programs that they vitally need to survive.

I would also ask that we consider looking at what is happening right now in America. What are we talking about is an energy crisis in California, and we are talking about that happening all over the country. We really need to focus on how we are going to provide some relief.

In California we know the experiment did not work. Let us not make that something that other States adopt
as well. Let us move forward. Let us provide relief where it is needed. It is our money; send it back home. Vote for the Progressive Caucus budget.

Mr. NUSSLE. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from South Carolina (Mr. BROWN).

Mr. BROWN of South Carolina. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I would like to congratulate the chairman on putting together a mighty fine budget. Having chaired the Committee on Ways and Means in South Carolina, I recognize the difficulty of trying to match all the needs and all the requirements that are out there in this Nation with the limited resources we have.

But I applaud the gentleman and the other members of the Committee for standing firm that we would address the needs of the people who are facing this country, one being paying down the debt, and the other being returning some of the excess money back to those people that worked hard to make this great Nation strong, and giving some of that back to them.

Our goal was to save Social Security, we have done that; to repay the debt, and we have a program to do that; improving education and returning tax overcharges back to our citizens, and those are being accomplished in this budget. I applaud the chairman and the other members of the committee for making that happen.

We also know that paying down the debt will mean better interest rates for all Americans. The Progressive Caucus budget calls for $745 billion more debt reduction than the committee’s budget during the years 2002 to 2011. To achieve this, however, the government will have to face the challenge that people will probably retire “unredeemable” debt, or will build up cash surpluses which would be invested in private equities, introducing government ownership of the private economy.

We are making the strongest strides possible without unwise penalties. In 2002, we will eliminate some $213 billion in debt; in 5 years we will be up to $1.2 trillion; and in 10 years, $2.34 trillion.

In defense, we have made a decision that policy would drive the budget for defense, not dollars.

Another great concern of mine surrounds the Armed Forces budget. While the committee budget recognizes both immediate and long-term defense needs, the Progressive Caucus budget cuts deeply in defense. It provides $753 billion less in budget authority and $698 billion less in outlays during the years 2002 to 2011 than does the committee budget.

The quality of life for our Armed Forces personnel and their families is a priority in the House Republican budget, including increased pay, better housing, and $3.9 billion for the first year of education benefits for over-65 military retirees.

The progressive budget slashes funds for national defense. We cannot afford to neglect our Armed Forces any longer. I applaud the chairman for supporting the committee budget.

Mr. KUCINICH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my friend from South Carolina and I want to know our budget includes an additional $45.5 million for energy assistance for the people of his great State.

Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. DAVIS), a fighter for the people of Chicago.

(Mr. DAVIS of Illinois asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Chairman, the need for public housing, low- and moderate-income housing, housing for the homeless, housing for veterans, housing for people with AIDS, all of these needs are well defined and well documented, yet the Bush budget cuts $859 million from the public housing budget.

We all know about the problems of drugs in public housing, yet the Bush budget takes $316 million from drug elimination grants. The Bush budget cuts $122 million from the Community Development Block Grants program, $200 million from home housing block grants, $640 million from Section 8. It is unbelievable.

Mr. Chairman, these cuts can do nothing but leave pain, frustration, and blood. I believe we will know how to bleed with compassion, because these cuts surely are not. When we cut, cut, cut, and cut, all that we get is blood, blood, blood, and blood. The blood of the American people will be on the heads of those who wielded the knife.

On the other hand, the Progressive Caucus has a budget which invests $2 billion per year in affordable housing, gives increased funding for Section 8 by $575 million to provide 100,000 more vouchers; $500 million more to address the backlog of public housing; a 50 percent increase for the Child Care Block Grant program, and a $200 million increase for homelessness assistance grants.

This is the kind of budget, Mr. Chairman, that we need. This is the kind of progressive budget that I would be pleased to vote for. So I urge support for the Progressive Caucus’ budget.

Mr. NUSSLE. Mr. Chairman, I yield 3½ minutes to the gentleman from New Hampshire (Mr. BASS).

Mr. BASS. Mr. Chairman, I thank the chairman for yielding time to me.

Mr. Chairman, I rise in strong support of the Committee on the Budget’s budget. This is a budget that balances very clearly the need to provide tax relief for working Americans, the need to save and protect Social Security, the need to pay down our Nation’s debt, and, yes, the need to meet unfunded liabilities of the Federal Government.

This is the kind of budget, Mr. Chairman, who has led the way every single year that he has been on this Committee on the Budget, and now as chairman, in finding the necessary resources to significantly increase funding not only for education programs, but most specifically the Individuals with Disabilities Education Act, IDEA.

Every year that I have been in this Congress, as contrasted with the years prior to me being in Congress, funding for this critical program has increased. I am pleased to say that this year in this budget we have set aside $1.25 billion to increase the part B IDEA funding program. It was never done before, and it is testimony to the chairman’s commitment to IDEA as a program.

I will yield to the chairman for a couple of clarifications on this groundbreaking accomplishment. The fact is that the reserve fund allocation of $1.25 billion is intended solely for the part B IDEA grants to States, not just IDEA-related funding generally.

Now, the report specifies that the IDEA reserve fund is for part B, but the resolution does not. I was wondering if the chairman would respond to that briefly.

Mr. NUSSLE. Mr. Chairman, will the gentleman yield?

Mr. BASS. I yield to the gentleman from Iowa.

Mr. NUSSLE. Mr. Chairman, the gentleman is correct, number one.

Number two, we anticipate that the Committee on Appropriations will provide other committees with the continued flexibility so that States and local school districts can meet the challenges of IDEA.

While the gentleman gave me some of the credit for that, and I appreciate that because it is a labor of love for me, there has been no one in this Congress who has held the banner any higher than the gentleman from New Hampshire.

I want to show Members what the gentleman has accomplished. This is the gentleman’s work, I say to the gentleman from New Hampshire, since he has been here in Congress, these kinds of increases for special education. We are going to build on this average annual increase of 23 percent for special education.

While we celebrate that in this speech here today, we are not where we want to be yet. It is a labor of love for us. It is a labor of intellectual honesty, as well, of unfunded mandates. We are going to keep that fight going, but we have accomplished quite a bit in this budget. I appreciate the gentleman’s leadership.
Mr. NUSSLE. Mr. Chairman, will the 
gentleman yield?

Mr. BASS. I yield to the gentleman 
from Iowa.

Mr. NUSSLE. It is a commitment 
of $1.25 billion yes, number tens, but 
more importantly, as the gentleman 
knows, the House should work, under 
the circumstances will, to increase 
as much as possible to meet its 
commitment to special education.

Mr. BASS. Mr. Chairman, I thank 
the gentleman from Iowa (Mr. NUSSLE), 
chairman of the Committee on the 
Budget, for his leadership on this 
important issue.

Mr. KUCINICH. Mr. Chairman, I 
would say to the gentleman from New 
Hampshire (Mr. Bass), my good friend, 
he will be glad to know this budget 
does not leave the people of New Hamp- 
shire out in the cold. We have $33 mil- 
lion for energy assistance.

Mr. FILNER. Mr. Chairman, I yield 
myself 30 seconds to answer the ques- 
tion of the gentleman from California 
(Mr. FILNER).

The Progressive Caucus say they 
spend more on veterans. Well, that is 
important. I appreciate that the Pro- 
gressive Caucus may spend more, but 
evidently it is spent in the wrong 
places, because it is the Republican 
budget that has been applauded and 
endorsed by the House Committee on 
Veterans’ Affairs, the American Le- 
ague of Veterans, the American Vets, 
the Veterans of America, the Paralyzed Vet- 
ers of America, and the VFW.

So I guess the gentleman can make 
his claims, but the veterans are on the 
side of the budget that we have here as 
the base bill today.

Mr. FILNER. Mr. Chairman, will the 
gentleman yield?

Mr. NUSSLE. I asked the gentle- 
man to yield. The gentleman did not yield. 
Mr. FILNER. The gentleman did not 
answer my question.

Mr. NUSSLE. I certainly would be 
willling to do that.

The CHAIRMAN. The time is con- 
rolled by the gentleman from Iowa 
(Mr. NUSSLE). Mr. Chairman, I yield 
myself 15 seconds and say I am very 
happy to yield to the gentleman from 
California (Mr. FILNER), but I would 
appreciate the same courtesy allowed to 
me.

Mr. Chairman, I yield 3 minutes to 
the gentleman from Florida (Mr. CRENSHAW), my friend and member of 
the Committee on Veterans’ Affairs. 
Mr. CRENSHAW. Mr. Chairman, there 
are a lot of things wrong with this 
Progressive budget, but probably 
the most important thing that is 
wrong with it is the way it slashes de- 
fense spending.

I happen to believe that the number 
one responsibility of the Federal Gov- 
ernment is to protect American lives, 
and the only way you keep America 
safe is you keep America strong. This 
budget moves in the wrong direction.

In the last 8 years, we watched our 
military get hollowed out, reduced by 
40 percent; and, yet, deployment has 
increased almost 400 percent. We sent 
our troops gallivanting all over the 
world; and, today, the young men and 
women in uniform are worried about the 
direction that we are going to take.

I would say this budget as it is 
slashes defense spending. It does not 
recognize the world as it is today. The 
Cold War is over, yes, but we still face 
uclear proliferation, non-State terror- 
ists, world criminal elements with 
tentacles all over the world, and I 
think we have to recognize that.

We have to make America strong 
again, and that is what our budget 
does. It increases defense spending al- 
most 5 percent. It adds $2.6 billion 
to our top-to-bottom review, so that 
our defense strategy will drive our de- 
fense spending and not the other way 
around.

It is a time of transition, a time of 
testing, and we do not want to go out 
and spend money on technology that 
might not work or be available.

And once this top-to-bottom review 
is finished, once our President and our 
military leaders know the direction we 
want to take and have a clear vision to 
to begin to increase the pay of our mil- 
tary, give them better housing, give 
them health care benefits. Already, 
you can see the morale is boosted 
among our troops.

Mr. Chairman, our budget spends $2.6 
billion on research and development. It 
is a down payment for what we need to 
spend in the future. The President 
believes, and I believe, that we ought to 
have a top-to-bottom review, so that 
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As the economy has spun up, housing costs have spun out of control. There is zero, amazingly zero, for affordable housing in the majority’s budget. The Progressive Caucus budget would give $2 billion. Amazingly, the majority actually cuts public housing instead by $1 billion. We would increase it $500 million, because at the very least, we ought to save what pitiful housing stock we already have invested in.

There is more than enough tax cut to pay for affordable housing for working people. We would only make a start with our budget. Surely, a start is working people. We would only make a start with our budget. Surely, a start is working people are entitled to.

The Progressive Caucus budget focuses on the documented priorities of the American people: Affordable housing, prescription drugs, money for school construction and funds to reduce class size and electoral reform, finally.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. PUTNAM), a member of the Committee on the Budget.

Mr. PUTNAM. Mr. Chairman, I appreciate the opportunity to address this issue. Mr. Chairman, one of the things I am reminded of as a freshman in this body is how diverse our land really is and how diverse the viewpoints are that come that was talked and staked out their positions. The Progressive Caucus has laid out an interesting blueprint for the future of this country.

It has gutted defense allocations. It says to those young soldiers and sailors who are keeping the peace, defending the freedoms that we take for granted each and every day, it says to them that you are not our highest priority; that national defense is not our highest priority.

Mr. Chairman, I would submit that that is progress, then I would rather stay put. I submit that that is regressive. We are going in the wrong direction.

Progress would be to look those soldiers and sailors in the eye and say we are behind you 100 percent. America supports the efforts and the dedication and the commitment that you display each and every day and the Congress will back you up your sacrifice in a very meaningful and real way.

The Progressive Caucus budget does not address principle-based tax relief, the principle that it is wrong to tax people after they have died. It is wrong to tax people differently in the Tax Code because they choose to get married.

It does not address those bedrock foundation principles that government should not be involved in allocating how people run their lives based on the Tax Code. When it comes to education, it does not address the situation with individuals with disabilities, a very important issue that we have set aside, a tremendous trust fund in the Committee on Education presentation of the budget to address those needs.

It adds Federal mandates to those local school teachers, the local principals and counselors from California to Florida, from Maine to Texas who are trying day in and day out to treat the young people with respect, who inculcate in them the lessons of life instead of freeing them up to do what they do best. It adds another Federal mandate.

Mr. Chairman, I would submit that the Federal Department of DOE has never graduated a single student. They have never had the first parent-teacher conference, and for that reason, Mr. Chairman, I submit to you that the body to reject the regressive caucus position on the budget.

Mr. KUCINICH. Mr. Chairman, the gentleman from Florida (Mr. PUTNAM), I am sure, would be pleased to know that our budget provides $51 million for child care.

Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. HINCHEY), who is a strong defender of American security. It is also the people’s money, but it does not give the money back to the people.

First of all, that assertion is simply false. The biggest bulk of the tax cut goes to a tiny fraction of the American people, the wealthiest in the country get the highest reduction. If you are a millionaire, you will receive a reduction of about $50,000 when their budget and their tax cut is fully implemented.

The rest of the people in the country get very little and most of them get nothing.

If we were really interested in putting the people’s money back in the pockets, in the hands of people so they could go to a 7-Eleven and make the purchase that was talked about a few moments ago, we would adopt the Progressive budget; that puts more money into the hands of more people sooner than the Republican tax cut does.

Yes, it is the people’s money, but it is also the people’s Social Security. The Republican budget cuts Social Security. It is also the people’s Medicare. The Republican budget cuts Medicare. Their budget takes fully $1 trillion out of Social Security and Medicare in a bogosity called improving the quality of drug program, by which they subsidize the insurance companies and would provide very little in the way of prescription drugs to the people who really need them.

If we are interested in doing something for health care, adopt the Progressive budget. If we are interested in putting money in the hands of the people who can use it and would spend it, adopt the Progressive budget. If you are interested in doing something for education improving the quality of education for all the people of this country, adopt the Progressive budget, therein lies the solution to much of our economic problems not in the Republican budget.

Mr. HINCHEY. Mr. Chairman, will the gentleman yield?

Mr. NUSSLE. Mr. Chairman, I yield the gentleman to come over here and show me the cut. We have a difference of opinion on how to get there, but do not tell me.

Mr. HINCHEY. Mr. Chairman, the gentleman yield?

Mr. NUSSLE. Mr. Chairman, I ask the gentleman to come over here and show me the cut. Mr. HINCHEY. Mr. Chairman, will the gentleman yield?

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE asked and was given permission to revise and extend his remarks.

Mr. DOOLITTLE. Mr. Chairman, I rise to strongly support the committee budget. It is a good budget. It meets our priorities. I am interested to hear my friends from the Progressive Caucus. They represent the liberal wing of their party, and I will be speaking for the conservative wing when we have the Republican Study Committee budget coming up.

But I heard the tax cut attacked in this committee budget, that it was giving the money away to the wealthiest taxpayers. It does no such thing except it does give the money back to the people who paid the taxes. Thank heavens we do not live in a socialist republic yet, although perhaps if my friends in the Progressive Caucus have their way, we may get that. But thankfully, we still believe in equality under the law, and we do not believe it is just to take from one to give to another. So this is simply giving the money back to the people who pay the tax.

On the question of taxes, Mr. Chairman, I note that our budget here lets taxpayers keep substantially more of their own earnings, $1.6 billion over 10 years versus the less than $700 million under the Progressive budget.

Every American who pays income taxes receives tax relief under the House Republican budget. Only a select few get tax relief under the Progressive Caucus plan.

The other thing I would like to focus on in my remaining time is the question of defense. While the committee budget recognizes both the immediate and long-term defense needs, the Progressive budget cuts defense deeply. It provides $753 billion less in budget authority than does ours.
Mr. Chairman, I think most people in this country know what is going on today. At a time when the wealthiest 1 percent of the population own more wealth than the bottom 95 percent, at a time when CEOs of major corporations now earn 500 times more than their workers, and the wealthiest 5 percent of people in large corporations flood the United States Congress with all kinds of money, Mr. Chairman, this is payback time. That is what is going on.

The gentleman from California (Mr. Doolittle), the previous speaker, made a funny remark. He said the Progressive Caucus is only providing tax relief to, I believe he said, the select few. Do my colleagues know who the select few is? It is the middle class and the working class of this country, the vast majority.

Yes, we plead guilty. We are not providing 43 percent of the tax breaks to the richest 1 percent. We are apologetic about that, but we think the middle class and the role people who are working 50 and 60 hours a week, who are making $30,000, $40,000 a year, need the help and not the millionaires and the billionaires.

The issue that I want to focus on, and urge people to support, is the Progressive Caucus budget on is prescription drugs. The Progressive Caucus says it is absurd, that at a time when the pharmaceutical industry is enjoying record-breaking profits, that the American people should have to pay by far the highest prices in the industrialized world for prescription drugs.

We say that every American senior citizen is entitled to prescription drugs because they are a citizen in this country and because they are on Medicare, and no senior should pay more than 20 percent out-of-pocket for their prescription drugs.

We do this in a number of ways, but one of them is by doing away with the loopholes for drug manufacturers in this bill. We say that, if people in Europe can pay 30 or 40 or 50 percent for the same exact prescription drug that our people are paying for, then prescription drug distributors and pharmacists should be able to bring that drug into this country and sell it to the American people for the same price.

The CHAIRMAN. The Chair advises the gentleman from Iowa (Mr. Nussle) that he has 45 seconds remaining. The gentleman from Ohio (Mr. Kucinich) has 5 minutes remaining.

Mr. Nussle. Mr. Chairman, I reserve the balance of my time to close the debate.

Mr. Kucinich. Mr. Chairman, I yield 2 minutes to the gentleman from Vermont (Mr. Sanders).

Mr. Sanders. Mr. Chairman, I thank the gentleman for yielding me this time.
no child behind with arsenic in the water, with more carbon dioxide in the air, and unsafe schools that do not encourage learning, unsafe buildings.

So we would like to stress the fact that we have made a breakthrough. This is the message that.

Mr. Chairman, I will submit a letter that was sent to President Bush on February 6, 2001, by 141 Members of the House asking him to appropriate the money that was put in the budget last year.

Mr. KUCINICH. Mr. Chairman, I yield 30 seconds to the gentleman from Alabama (Mr. HILLIARD).

Mr. HILLIARD. Mr. Chairman, I am concerned about the dangers to our great Nation, not from outside enemies, but from those within. These enemies are ignorance, poverty, crime, diseases, the destruction of our countryside, and most importantly, corporate greed.

I believe that the most powerful Nation on the earth, this country, can cope militarily with the weaponry it has.

Rather than lining the pockets of the rich with a huge, unfair tax cut, and pumping our Nation’s resources into the pockets of the corporate contractors who need to repair and build new schools and fund a complete medical system for everyone.

Mr. Chairman, the Progressive budget protects all the American people, and our budget is a danger to the health and welfare of the American people.

Mr. KUCINICH. Mr. Chairman, I yield myself 45 seconds.

Mr. Chairman, our budget gives money to the troops for housing, for wage increases. Our budget takes money away from weapons systems which do not work. There has been 7.6 trillion in accounting entries in the Pentagon; and of that, 2.3 trillion were not supported by enough evidence to determine their validity.

The Department of Defense stores nearly 30 billion worth of spare parts it does not need, according to the GAO. The GAO also reports that the Navy recently wrote off as lost over $3 billion in accounting entries in the Navy. The Navy also reported that the Navy have not used nearly $110 billion worth of in-transit inventory, and the Air Force is missing over 2.3 billion in stock.

Today’s defense budget is 80 percent of the amount allocated during the height of the Cold War and is 15 percent higher than in real terms than when Mr. Rumsfeld left the Pentagon in the 1970s.

We need to pay attention to housing, to education, to opportunities for all Americans and adopt this progressive budget, the majority budget is a danger to the American people.

Mr. KUCINICH. Mr. Chairman, I yield 45 seconds to the gentleman from Oregon (Mr. DeFazio) to close the debate on behalf of the Progressive Caucus.

Mr. DeFazio. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, everything in the majority’s budget revolves around a $2.6 trillion tax cut of which 43 percent will go to the people in the top 1 percent, people who average over $912,000 a year. In order to do that, they are going to cut education, Head Start. They are going to jeopardize Medicare, Social Security. They are going to pay down the debt more slowly than the Progressive alternative.

We have offered a responsible alternative based in reality. We are not going to spend the money before it is earned. We have one-third for debt reduction, one-third for the priorities of the American people, and one-third for targeted tax cuts. Yes, targeted tax cuts toward middle-income families who are struggling to make ends meet, not the people at $930,000 a year. I have not noticed that they are having such a hard time.

It is time that the Federal Government began to pay attention to the needs of average Americans in this country, not just the special interests and the wealthy.

Mr. Nussle. Mr. Chairman, since no one has shown me the Medicare or Social Security cuts in my budget, I yield the balance of our time to the gentleman from Illinois (Mr. Kucinich).

Mr. Kucinich. Mr. Chairman, I rise in opposition to this budget, and I really question the competence of those who wrote it. This budget pays massive prepayment penalties on the U.S. debt to wealthy bondholders. If one wants to tax, taxpayers’ money and give it to rich people, then vote for the Progressive budget because we would pay those penalties to wealthy Americans.

I would say for all of those who have looked at the charts of either side showing steep cuts in the Medicare fiscal viability as the baby boom generation retires, adding money to Medicare without Medicare reform is like arguing about whether we can afford dessert in the cafeteria of the Titanic.

Our budget lays the groundwork for bipartisan reform on Medicare, ensuring that Medicare will survive into the future as the baby boomers retire. This budget includes a prescription-drug benefit. This budget operates under the key principle that Medicare should offer health care coverage as good as the one offered Congressmen.

Mr. Nadler. Mr. Chairman, I rise in support of the Progressive Caucus Budget.

This budget takes care of the American people, not big business, wealthy campaign donors, or big oil companies. Working families want us to improve education, health care, and the economy.

We respond by spending $110 billion on education—for more teachers, school renovation, and school counselors. We double Head Start and triple funding for new schools.

The Progressive Caucus Budget offers the only substantial Medicare prescription drug program—one that includes an 80/20 federal/beneficiary cost sharing. Our plan would help millions of Americans struggling to pay the high costs of prescription drugs.

Our budget is also designed to stimulate the economy. We provide for a $300 billion tax cut, by providing $300 annually to every man, woman, and child in America. Our plan would actually provide more tax relief to more people than the Administration plan. In fact, 80% of the American people would get more money from the Progressive Caucus tax cut plan.

This is one of the reasons we believe in the future of the Progressive Caucus budget.

We also stimulate the economy with funds for new housing construction and badly needed energy assistance. We increase LIHEAP by 400 percent and weatherization programs by 650 percent. We cut nuclear power research and instead direct those funds to clean alternative energy research on wind and solar power development. Lowering energy costs, stimulating the economy, and creating a cleaner environment for our children and grandchildren.

Our plan may sound radical to some in Congress and especially those conservatives in the Administration, but to the American people its not radical, its common sense. Why not spend the surplus on education, health care, and the economy? Why not? Because President Bush wants to give wealthy individuals $46,000 dollars each instead. What a shame!

Ms. McKinney. Mr. Chairman, the great Republican hero Ronald Reagan once said, ‘Trust, but verify.’ That is wonderful advice coming from the icon of the Republican revolution. So, I decided to verify Bush’s new budget.

Of course, a major portion of Bush’s proposal will include a $1.6 trillion dollar tax cut. Now we all know that the American people need not and deserve a tax cut. But it turns out that 50% of the tax relief is going to the richest 5% of the population. The very wealthy can expect to get back $46,000, while low-income families will get zero.

Meanwhile, President Bush and the richest Cabinet in the history of this country are pushing for Estate Tax Relief. This will provide a tax kickback of over $100 million to President Bush and his cabinet.

Bush’s first budget cuts Head Start, Child Care, and Public Housing.

At least now we have verified who is paying for the kickbacks to Bush’s rich friends. The nation’s children and the poor.

It was once said that the true measure of a society is in how it treats its least fortunate. That is why we must support the Progressive Caucus Budget. In my home state of Georgia, the budget increase for Head Start would serve over 20,000 children. The brave Americans who served our country would see big increases in Veterans Medical care and construction programs. Low-income families would benefit from increases in Section 8 vouchers and the Public Housing Capital Fund.

We will pay for the Progressive Caucus budget by eliminating wasteful programs and corporate welfare, such as the tax deductibility of tobacco advertising. We cut back on Star Wars, so that we can pay our military personnel what they deserve rather than increasing profits of defense contractors.

The Progressive Caucus budget takes care of our nation’s children, seniors, veterans, military personnel, and middle and low-income families.

Upon verification, the Bush plan will fill the coffers of big business at the expense of the
hard working men and women of this country who created the prosperity that led to our budget surplus. Mr. Chairman, I challenge my colleagues to do what they know is right for their constituents, and support the Progressive budget.

Ms. EE. Mr. Chairman, I rise today in strong support of the Progressive Caucus’s alternative budget resolution and in strong opposition to the Republican budget. It is clear which budget truly benefits the American people.

Let me give you just a few examples of why we should support the Progressive Caucus budget.

First, the Progressive Caucus budget places a priority on affordable housing, which is not only important in the Bay Area, including my congressional district, but also in many other parts of this country. Families are finding the American dream of homeownership harder and harder to attain and the Progressive Caucus budget takes low- and moderate-income Americans one step closer to realizing that dream. We included $2 billion for affordable housing construction. The Republican budget does not include one penny for this purpose.

And in order to ensure that low-income families don’t have to live in squalor in public housing, our budget includes a $500 million increase for public housing repairs while the Republican budget actually cuts this program by $1 billion! That is outrageous.

Second, my home state of California is facing an energy crisis. Just yesterday, the California Public Utilities Commission voted in favor of a rate increase for consumers, raising the rates by as much as 46 percent. I order for LIHEAP, a low-income energy assistance program, and affordable housing so that every family may achieve the American dream of owning their own home. It addresses our energy concerns and the debt we owe to our veterans. It provides for our priorities of strengthening and extending Social Security and Medicare. It also provides $2.5 billion for upgrading election procedures and voting technology.

In doing so, the Progressive Caucus Budget addresses one of the most important issues to come out of the past election, assuring the American people that their elections are fair, free, and that everyone has the opportunity and ability to cast their vote. None of the other budgets we will consider today set aside any funding to address this issue, so critical to the integrity of our democracy. Antiquated voting technology in primarily minority communities casts a cloud over our elections this November. We must do everything in our power, to prove to ourselves and the world, that America is the cradle and the bastion of democracy. It is our duty as Members to foster and sustain America’s faith in the very essence of democracy, the act of casting a vote. It is one of my highest priorities, to insure the integrity of our democracy. Antiquated voting technology.

In doing so, the Progressive Caucus Budget provides programs that are important to all of America’s families: new school construction, one hundred thousand new teachers, one hundred thousand new school counselors, a Medicare prescription drug program, and affordable housing so that every family may achieve the American dream of owning their own home. It addresses our energy concerns and the debt we owe to our veterans. It provides for our priorities of strengthening and extending Social Security and Medicare. It also provides $2.5 billion for upgrading election procedures and voting technology.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. KUCINICH).

The question was taken; and the CHAIRMAN announced that the noes appeared to have it.

RECORDED VOTE
Mr. KUCINICH. Mr. Chairman, I demand a recorded vote.

The vote was taken by electronic device, and there were—ayes 79, noes 343, not voting 10, as follows:

[Roll No. 66]

AYES—79

For a complete list of the Roll Call Vote, please refer to the Congressional Record for March 28, 2001.
The Congress determines and declares that the concurrent resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2001: $1,832,900,000,000.
Fiscal year 2002: $1,916,700,000,000.
Fiscal year 2003: $1,996,700,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be reduced are as follows:

Fiscal year 2001: $23,220,000,000.
Fiscal year 2002: $22,340,000,000.
Fiscal year 2003: $21,230,000,000.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for each of fiscal years 2001 through 2005:

(A) New budget authority, $1,160,000,000.
(B) Outlays, $1,000,000,000.

Fiscal year 2001: $27,750,000,000.
Fiscal year 2002: $26,310,000,000.
Fiscal year 2003: $24,140,000,000.
Fiscal year 2004: $21,400,000,000.
Fiscal year 2005: $19,000,000,000.

General Science, Space, and Technology (250):

Fiscal year 2001: $23,220,000,000.
Fiscal year 2002: $22,340,000,000.
Fiscal year 2003: $21,230,000,000.
Fiscal year 2004: $20,140,000,000.
Fiscal year 2005: $18,900,000,000.

Energy (270):

Fiscal year 2001: $1,300,000,000.
Fiscal year 2002: $1,300,000,000.
Fiscal year 2003: $1,300,000,000.
Fiscal year 2004: $1,300,000,000.
Fiscal year 2005: $1,300,000,000.

Natural Resources and Environment (300):

Fiscal year 2001: $3,600,000,000.
Fiscal year 2002: $3,600,000,000.
Fiscal year 2003: $3,600,000,000.
Fiscal year 2004: $3,600,000,000.
Fiscal year 2005: $3,600,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority and budget outlays for fiscal years 2003 through 2011 for each major functional category are:

1. National Defense (050):

Fiscal year 2001: $317,500,000,000.
Fiscal year 2002: $329,100,000,000.
Fiscal year 2003: $322,500,000,000.
Fiscal year 2004: $334,200,000,000.
Fiscal year 2005: $332,900,000,000.

2. International Affairs (150):

Fiscal year 2001: $1,300,000,000.
Fiscal year 2002: $1,400,000,000.
Fiscal year 2003: $1,674,000,000,000.
Fiscal year 2004: $1,738,000,000,000.
Fiscal year 2005: $1,784,000,000,000.

3. Budget Outlays:

For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2001: $1,481,000,000,000.
Fiscal year 2002: $1,550,000,000,000.
Fiscal year 2003: $1,617,000,000,000.
Fiscal year 2004: $1,641,000,000,000.
Fiscal year 2005: $1,692,000,000,000.

For purposes of the enforcement of this resolution, the amounts of the surpluses are as follows:

Fiscal year 2001: $90,850,000,000.
Fiscal year 2002: $94,650,000,000.
Fiscal year 2003: $100,950,000,000.
Fiscal year 2004: $113,750,000,000.
Fiscal year 2005: $121,500,000,000.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

The Congress declares that the concurrent resolution, the amounts of the public debt are as follows:

Fiscal year 2001: $5,637,200,000,000.
Fiscal year 2002: $5,385,400,000,000.
Fiscal year 2003: $5,421,100,000,000.
Fiscal year 2004: $5,401,300,000,000.
Fiscal year 2005: $5,385,300,000,000.

SEC. 5. DUTY OF THE CHAIRMAN AND EXECUTIVE OFFICER.

The Chairman shall transmit this concurrent resolution and the reports therewith to the President and the Congress. The Chairman shall cause a like number of copies of this concurrent resolution and the reports therewith to be printed for their information, and for the use of committees of the Congress on which they are interested.
Social Services (500):

- Fiscal year 2002: New budget authority, $231,300,000,000.
- Fiscal year 2002: Outlays, $229,500,000,000.

Health (550):

- Fiscal year 2002: New budget authority, $76,900,000,000.
- Fiscal year 2002: Outlays, $10,200,000,000.

Community and Regional Development

- Fiscal year 2002: New budget authority, $68,200,000,000.
- Fiscal year 2002: Outlays, $55,490,000,000.

Transportation (400):

- Fiscal year 2002: New budget authority, $231,300,000,000.
- Fiscal year 2002: Outlays, $229,500,000,000.

Income Security (600):

- Fiscal year 2002: New budget authority, $85,300,000,000.
- Fiscal year 2002: Outlays, $84,950,000,000.

Medicare (570):

- Fiscal year 2002: New budget authority, $265,500,000,000.
- Fiscal year 2002: Outlays, $263,500,000,000.

General Government (800):

- Fiscal year 2002: New budget authority, $16,800,000,000.
- Fiscal year 2002: Outlays, $16,400,000,000.

Administration of Justice (750):

- Fiscal year 2002: New budget authority, $231,100,000,000.
- Fiscal year 2002: Outlays, $229,500,000,000.

Income Security (600):

- Fiscal year 2002: New budget authority, $38,000,000,000.
- Fiscal year 2002: Outlays, $37,500,000,000.

General Government (800):

- Fiscal year 2002: New budget authority, $156,900,000,000.
- Fiscal year 2002: Outlays, $155,200,000,000.
SEC. 4. RECONCILIATION.
(a) Submissions by the House Committee on Ways and Means for Tax Relief.—The House Committee on Ways and Means shall submit to the Committee on the Budget recommendations pursuant to section (c)(2)(D)(i) not later than July 24, 2001, that consists of changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays, as follows:

1. Fiscal year 2001:

- $2,000,000,000 for fiscal year 2001.
- $5,000,000,000 for fiscal year 2002.

2. Fiscal year 2002:

- $5,000,000,000 for fiscal year 2002.

3. Fiscal year 2003:

- $5,000,000,000 for fiscal year 2003.

4. Fiscal year 2004:

- $7,500,000,000 for fiscal year 2004.

(b) Congressional Budget Office Update and Repair for Medicare Reform and Prescription Drugs.—(1) Not later than July 24, 2001, the Chairman of the House Committee on Energy and Commerce shall submit to the Committee on the Budget recommendations pursuant to section (c)(2)(D)(ii), amendment thereto or conference report thereon, that cause a surplus for any of fiscal years 2001 through 2006 to be less than the sum of the level set forth in subsection (b) and the level of the Federal Hospital Insurance Trust Fund set forth in section 6, except as provided for in subsection (c).

(c) Exception for Legislation Strengthening Social Security or Medicare Solvency.—(1) Subsections (a) and (b) shall not apply to social security reform legislation or Medicare reform legislation.

SEC. 5. Reserve for Debt Reduction and Strengthening Social Security and Medicare.
(a) Point of Order.—It shall not be in order in the House of Representatives or the Senate to consider any reported bill or joint resolution, or any amendment thereto or conference report thereon, that would cause a surplus for any of fiscal years 2001 through 2006 to be less than the sum of the level set forth in subsection (b) and the level of the Federal Hospital Insurance Trust Fund set forth in section 6, except as provided for in subsection (c).

(b) Debt Reduction Reserve.—(1) The sums referred to in subsection (a) are as follows:

- Fiscal year 2002: $46,650,000,000.
- Fiscal year 2003: $61,950,000,000.
- Fiscal year 2004: $72,750,000,000.
- Fiscal year 2005: $80,750,000,000.
- Fiscal year 2006: $100,750,000,000.

(2) The funds in the debt reduction reserve shall be used exclusively for buying back publicly held debt, except as provided for in subsection (c).

(c) Exception for Legislation Strengthening Social Security or Medicare Solvency.—(1) Subsections (a) and (b) shall not apply to social security reform legislation or Medicare reform legislation.

SEC. 6. Enforcement of Medicare Levels.
(a) It shall be the duty of the House or Senate to consider any bill, joint resolution, amendment, motion, or conference report that would cause a decrease in surpluses or an increase in deficits of the Federal Hospital Insurance Trust Fund and the Federal Disability Insurance Trust Fund, taken together, for 75 years.

(b) For purposes of this subsection, Medicare reform legislation refers to legislation that the chief actuary of the Health Care Financing Administration certifies extends the solvency of the Federal Old Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, taken together, for 75 years.

(c) A joint resolution of the House and Senate to consider or pass any legislation that the chief actuary of the Health Care Financing Administration certifies extends the solvency of the Federal Old Age and Survivors Insurance Trust Fund, taken together, for 75 years.
(c) BUDGET COMMITTEE DETERMINATIONS.—

For purposes of this resolution—

(1) the levels of new budget authority, outlays, spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the bipartisan Blue Dog Coalition in the House of Representatives or the Senate, as applicable; and

(2) such chairman, as applicable, may make any other necessary adjustments to such levels to carry out this resolution.

SEC. 11. SENSE OF CONGRESS REGARDING RETIREMENT TRUST FUNDS.

(a) FINDINGS.—Congress finds that—

(1) the Congress has made commitments to balance the Federal budget without including the surpluses of trust funds dedicated to particular purposes, such as the Old-Age and Survivors Insurance Trust Fund, the Disability Insurance Trust Fund, and the Hospital Insurance Trust Fund;

(2) the Department of Defense Military Retirement Fund is used to finance the military retirement and survivor benefits programs of the Department of Defense;

(3) the Department of Defense Military Retirement Fund is facing a long-term unfunded actuarial liability which will require all of the Federal surplus to pay the retirement and survivor benefits promised to current and future members of the Armed Forces; and

(4) the assets in the Department of Defense Military Retirement Fund are included in the calculation of the Federal budget surplus and account for approximately $100,000,000,000 of the estimated Federal budget surplus during the next 10 years.

(b) SENSE OF THE HOUSE.—It is the sense of the House of Representatives that any portion of budget surplus attributable to the Department of Defense Military Retirement Fund should be used exclusively for the financing of the military retirement and survivor benefits programs of the Department of Defense, and not for the financing of tax policy changes, new Federal spending, or any other purpose.

SEC. 12. SENSE OF CONGRESS REGARDING SURPLUS PROJECTIONS.

(a) FINDINGS.—Congress finds that—

(1) disagreements on objective budget surplus figures, in the annual budget and appropriations process, have led to repetitive and time-consuming budget votes, decreasing the time available for consideration and oversight of budget resolutions, undermining legislation to provide responsible tax relief, and delaying enactment of legislation necessary to fund the Government;

(2) Congress and the Administration want to work together to do everything possible to maintain a strong and growing economy;

(3) an agreement on baseline estimates will prevent us from undermining the fiscal discipline that has contributed to our economic strength and allow Congress and the Administration to address their collective priorities in a bipartisan manner;

(3) a bipartisan majority of the Members of the House of Representatives and the Senate have voted to protect the social security and medicare trust funds;

(4) empirical evidence and the Congressional Budget Office agree that changes in economic conditions make projections based on ten-year forecasts highly uncertain; and

(5) the caps on discretionary spending are set to expire at the end of fiscal year 2002 and no new budget targets will be put in place to contain the growth in discretionary spending;

(b) SENSE OF THE HOUSE.—It is the sense of the House that future budget resolutions, as well as all tax and spending legislation, should maintain our commitment to fiscal responsibility by using agreed-upon surplus, tax, and spending figures derived from the following principles:

(1) The size of the available surplus should reflect social security and medicare trust funds.

(2) The uncertainty of long-term economic forecasts should be recognized.

(3) Realistic estimates of the growth in discretionary spending should be accounted for.

(4) The projected surplus should be adjusted to account for changes in policies that do not incorporate the costs of policies that Congress historically reauthorizes.

(5) There should be a recognition that the Federal Government will incur sizable, future obligations due to demographic pressures set to occur upon the retirement of our baby-boom generation.

SEC. 13. SENSE OF CONGRESS REGARDING BUDGET ENFORCEMENT.

It is the sense of Congress that legislation should be enact legislation enforcing this resolution by—

(1) establishing a plan to retire half of the publicly held debt by the end of fiscal year 2006;

(2) setting discretionary spending limits for budget authority and outlays at the levels set forth in this resolution for each of the next five years;

(3) extending the pay as you go rules set forth in Section 252 of the BBEDCA for the next ten years; and

(4) establishing modified line item veto authority requiring Congress to rescissions submitted by the President and reducing the discretionary spending limits to reflect savings from any rescissions enacted into law.

SEC. 14. SENSE OF THE CONGRESS ON THE UNCERTAINTY OF BUDGET FORECASTS.

(a) FINDINGS.—Congress finds that—

(1) the Congressional Budget Office (CBO) has not produced ten year forecasts frequently enough to produce meaningful average projections of the Federal budget surplus; and

(2) 71 percent of the projected surplus outside of Social Security and Medicare occurs in the second half of the ten-year projection, the period more subject to error.

(b) SENSE OF THE HOUSE.—It is the sense of Congress that legislation should—

(1) baseline estimates typically overstate the size of available surpluses by not assuming costs of extending or changing policies that affect revenues, such as expiring tax provisions and the cost of indexing the alternative minimum tax (AMT) to protect middle-class families;

(2) current baseline estimates do not recognize underlying demographic pressures that will increase federal expenditures; and

(3) baseline estimates typically understate the size of available surpluses outside the ten-year budget window.

(c) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) this resolution recognizes the uncertainty of 10-year budget projections; and

(2) a reserve fund, consisting of non-Social Security, non-Medicare surplus, should be created to ensure that the Social Security and Medicare trust funds are protected in the event surplus projections do not materialize.

The CHAIRMAN. Pursuant to House Resolution 100, the gentleman from Texas (Mr. STENHOLOM) and the gentleman from Iowa (Mr. NUSSELE) each will control 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. STENHOLOM).

Mr. STENHOLOM. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, a few weeks ago I read a quote from a gentleman across the aisle who wondered why some of us got so exercised about having a budget put in place first. He knew that the budget does not really mean anything because Congress will do whatever we want later on anyway.

The Blue Dogs rise today to insist that the budget should mean something. It should provide the blueprint which carries enough integrity, realism and authority to force us to pound out our priorities and keep us in line through the subsequent appropriation and reconciliation steps. That is why the Blue Dogs put together a plan we can live with for the next 5 years. It prioritizes removing the taxpayers' debt off our children's shoulders. It maximizes the tax cuts we can afford while remaining fiscally conservative. It reflects the fact that we do want some of their dollars invested in things like Social Security, Medicare, veterans, education, prescription drugs, and agriculture.

Today, we offer an honest, balanced plan that we can live with, both practically and politically. Even more importantly, it is a budget our constituents can live with. We ask support for the Blue Dog budget alternative.

Mr. NUSSELE. Mr. Chairman, I yield 3 minutes to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Chairman, all parents want their children to succeed. In today’s America, success often requires a college education. It is a way out of poverty for many. Yet, for many families, particularly middle-class families, a college education is out of their reach. With rising tuition costs, rising room and board, the dream of a college education is simply that for too many people, a dream; a dream deferred for too many children of middle-class parents.

However, if we pass the budget resolution offered by the gentleman from
We have placed, Mr. Chairman, a $5.7 trillion mortgage on the future of our children and grandchildren, and now we are talking about tax cuts. All of us on both sides of the aisle are for tax cuts, but responsible tax cuts that we can afford. I suggest that if we do what we are talking about here, this weekend, and that is look at 5-year projections as opposed to these 10-year projections, we are going to be a much steadier ground when it comes to enacting new tax cuts.

I would ask the people on both sides of the aisle to take a hard look at the Blue Dog budget. I think it is fiscally responsible. It is conservative and it recognizes the income that we are going to have in terms of revenues in the next few years, not 10 years but the next 5 years. I think if we do that we will have a much sounder basis for enacting tax cuts in the rest of our budget.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. SAM JOHNSON), a friend and colleague from the Committee on Ways and Means.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I just say God bless our President, George W. Bush. Finally, we have a President who wants to limit government bureaucracy so the people can have more. Compared with the Blue Dog budget, the Republican budget sets in place common sense priorities that are good for America and simple to understand.

First, the Republican plan gives the people some of their money back because the tax surplus is really theirs; not ours.

Second, the Republican proposal pays down the public debt by $2 trillion, and it protects defense.

Third, our plan protects Social Security and Medicare by locking away every penny of the trust fund surplus. Fourth, it stops Federal spending at 4 percent. That means to us in America that the era of tax increases and runaway government spending has ended. It means that Washington bureaucrats will give better run for cover, because this President, for the first time in 8 years, is going to put people first, not a bloated Federal Government.

Furthermore, the people of America should know this: President Bush is going to be granting every American a pardon from high taxes because he will sign, not veto, elimination of the marriage penalty and the death tax.

The Republican budget is responsible, fair, and above all, good for our economy. It is not a Blue Dog budget; it is an American budget that we need to vote for, the Republican budget. Vote for a strong America. Vote for freedom. Vote for the Republican budget.

Mr. STENHOLM of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Utah (Mr. MATHESON).

Mr. MATHESON of Utah. Mr. Chairman, I rise today in support of the fiscally responsible Blue Dog budget. From what I am hearing so far, I think we need to encourage everyone in this body to read this budget and pay attention to what it actually does, because it cuts through the rhetoric and it takes a fiscally responsible approach to what we ought to be doing.

We agree we want to cut taxes, and we agree we want to have debt reduction. This budget commits four times the amount of tax relief in the first year, compared to the Republican budget. But beyond that, this budget reflects the voice of responsibility. The Blue Dogs believe in paying down debt. In fact, this budget, over the first 5 years, pays down $400 million of additional debt compared to the Republican plan.

This is the real deal. This makes a down payment on our future. We need to take a look at our children and not place the burden of that debt that we ran up over the last 20 years on them.

My concern is that we are all talking about a surplus here when, in fact, the proper term is a projected surplus; and if the projected surplus does not actually occur and if the conditions under that, our tax cuts and our spending are going to move forward and debt reduction is going to fall off the table. It is going to be the odd man out. This budget says, let us be aggressive; let us push down our debt burden.

Mr. Chairman, I encourage everyone to support the Blue Dog budget.

Mr. NUSSLE. Mr. Chairman, I yield 1½ minutes to the gentleman from Tennessee (Mr. WAMP).

Mr. WAMP of Tennessee. Mr. Chairman, it is my desire to enter into a colloquy with the gentleman from Iowa on an important science investment called the Spallation Neutron Source, which represents a $1.4 billion investment. It is under construction in Oak Ridge, Tennessee, in my district; but the benefits will be generational. It is a physical science investment, but we are going to have advanced science and life science benefits come out of this most important science initiative. It crosses over from the previous administration to this administration. We are in our second year of funding. This current year is $78 million. The President is asking for a large number for the coming year. It is very important generationally I think that we accede science and basic research investment for future generations for benefits that we really do not even fully realize at this time.

Mr. Chairman, the science community supports this initiative. It is a consortium of five different laboratories all across our country. It has been the subject of many technical reviews over the last couple of years. The science community really scrubbed this project clean before they fully supported it, and they do fully support it.

So my question is, Mr. Chairman, as we are considering the budget resolution, there is a 5.7 percent increase in...
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Mr. NUSSLE. Mr. Chairman, will the gentleman yield?

Mr. WAMP. I yield to the gentleman from Iowa.

Mr. NUSSLE. Mr. Chairman, I share the gentleman’s belief that the President will continue his commitment for full funding, and there is room within this budget function to accommodate that request.

Mr. WAMP. I thank the chairman.

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. BOYD).

Mr. BOYD. Mr. Chairman, I want to thank the gentleman from Texas (Mr. STENHOLM) for yielding me this time, and I want to thank the gentleman from Iowa (Mr. NUSSLE) and the leadership team for allowing us to have this debate on the Blue Dog budget.

We have had many discussions with leaders here in Washington, including the President and the Vice President; and often the comment comes up, Mr. Chairman, that if we leave the money in Washington, they will just spend it. I think many of us in this country understand why some of us are leery of that and some of us have that feeling.

So, Mr. Chairman, I would encourage my colleagues strongly, all of the Members of this body, to look at this budget and the way it treats spending restraint.

Mr. NUSSLE. Mr. Chairman, I yield 3 minutes to the very distinguished gentleman from California (Mr. HUNTER), a member of the Committee on Armed Services.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, defense does need to be rebuilt. In the wake of the outgoing administration, the CBO estimates that we need $150 billion just to put our equipment, that is on replacing the tanks, trucks, planes, ships. The Army tells us we are $3.5 billion short on the way. We can expect that they will just spend it. I think many of us in this country understand why some of us are leery of that and some of us have that feeling.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from California (Ms. HARMAN).

Ms. HARMAN. Mr. Chairman, I thank the gentleman for yielding me this time. I say to the last speaker, the gentleman from California (Mr. HUNTER), my friend, that if he wants to fund defense plus-ups, as I do, he has a better chance of doing that if we enact the Blue Dog budget.

Mr. Chairman, I am in strong support of the Blue Dog budget and urge bipartisan support for the most fiscally responsible plan we will consider in this House.

Many of us are veterans of the hard fought votes of the early and mid-1990s, votes like the 1993 Clinton budget, Penny-Kasich, a constitutional amendment for a balanced budget, a constitutional amendment for limiting tax increases, and the 1997 Balanced Budget Act. These last votes helped produce the first budget surplus we have had in a generation and restored economic vitality to our Nation. Let us not squander our good fortunes.

The Blue Dog budget is a responsible and balanced plan. It pays down the national debt, the best tax cut for all Americans.

It protects Social Security and Medicare by enacting a strong lock box, and sets us on a path that will cure the problem that missed estimates of the strength of the economy, projected surpluses, or the cost of tax cuts do not result in renewed deficit spending or borrowing from the Social Security and Medicare surplus. This time, the President's Blue Dog budget maps out a higher level of defense spending. It funds improvements in education and respects the sacrifice of our veterans, and it funds plus-ups in agriculture, a key component of California’s economy.

Unlike the GOP budget, the Blue Dog budget proposes a responsible approach to cutting taxes. It shapes what tax cuts we can afford, not the other way around.

I enthusiastically support the Blue Dog budget. It is responsible, fair, balanced, and honest. It is a framework for policy choices which will sustain our nation's economic prosperity.

Mr. NUSSLE. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota (Mr. GUTENKECHT), a member of the committee.

Mr. GUTENKECHT. Mr. Chairman, I would like to thank the gentleman for yielding me this time.

I want to congratulate the Blue Dogs on what they are attempting to do. But I would remind Members that they are working off a 5-year plan. Frankly, in many respects I think we should be working off a 5-year plan. I think that is the right thing to do. Unfortunately, we are working off a 10-year plan; and it makes it very difficult for us to really do a comparison.

I do want to talk about a couple of things because I think they need to be addressed, because one of the things we have heard last night and we have heard in some of the debate so far today and I suspect we will hear again and that is that we are being reckless somehow that we cannot afford this large tax cut, that the budget numbers do not work.

When we had the Director of the Office of Management and Budget in front of the Committee on the Budget, he made a point that actually what we are using for projections in terms of revenue to the Federal Government over the next 10 years are very conservative. As a matter of fact, he told us that if revenue growth to the Federal Government simply averages what it has averaged for the last 40 years, we will not have a $5.5 trillion surplus over the next 10 years, we will have a $7.5 trillion budget. In fact, this is in response to clarify what he told us, I asked him this question: So if revenue growth just equals the 40-year average, I using for projections in terms of revenue to the Federal Government over the next 10 years are very conservative. As a matter of fact, he told us that if revenue growth to the Federal Government simply averages what it has averaged for the last 40 years, we will not have a $5.5 trillion surplus over the next 10 years, we will have a $7.5 trillion budget. In fact, this is in response to clarify what he told us, I asked him this question: So if revenue growth just equals the 40-year average, what if revenue growth just equals the 40-year average, we will actually be in excess of $2 trillion more than we are currently using in our budget projections; is that correct? And the answer from
Mr. Daniels was, yes, sir, that is correct.

So the numbers we are working off of here today are incredibly conservative, and they also assume that we will probably have sometime in the next 10 years an economic slowdown, at least one.

But I want to come back to another point that we have heard a lot about today and probably will hear more about and that is that somehow this budget is being unfair to farmers.

Mr. TURNER. Mr. Chairman, the Blue Dog Democrats want the biggest tax cut we can afford, and we want it as soon as we can get it. American families need immediate tax cuts to put money into their pockets. They deserve tax cuts that fit within a responsible budget and that are paired with aggressive repayment of the national debt. When shaping our tax cuts, we should be generous with the real surpluses that we have today, just as we should be cautious with the uncertain surplus projections that are paired with aggressive repayment of the national debt.

The Blue Dog budget offers immediate tax relief. For every dollar in tax cuts in the Republican plan, the Blue Dog budget gives us $4. That is four times the tax relief in our plan than in the Republican plan.

The Blue Dog budget fits significant tax relief into a budget that will not send us back into deficit spending or raid Social Security or Medicare. Our budget takes a smaller fraction of national debt faster than any budget on the floor today.

We do more to be sure our children will not be left with a massive Federal debt. We do more to ensure that we do not cut corners. We do not delay in just interest payments on our debt. We do more to prepare for the looming crisis in Social Security and Medicare that arises with the retirement of the baby-boom generation when the short-term solutions are worn thin and Medicare and Social Security run out of money. We urge Members to seriously consider the Blue Dog plan. It will return us to a course of fiscal responsibility.

Mr. Berry. Mr. Chairman, I yield myself 10 seconds.

I would correct the record, Mr. Chairman. I know the gentleman did not intend to misspeak, but the Blue Dog budget does provide for a 5.4 percent increase in the first year; an average of 3.7 percent over the 5 years.

Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Chairman, I thank the distinguished gentleman from Texas for yielding time to me, and thank him also for his leadership in this matter and all of the hard work that he has put into the budgets over the years.

Mr. Chairman, there is no greater need in America that is unfulfilled than prescription drugs for our seniors. The Blue Dog budget provides $92 billion over 5 years for real, defined, voluntary prescription drug benefits for Medicare. The Republican budget, however, over 10 years, provides $133 billion for an undefined prescription drug plan that is no more than pie in the sky, and they will take that money out of the Medicare Trust Fund to do it. This is not keeping the Medicare Trust Fund in a lockbox, as everyone loves to talk about. It is robbing Peter to pay Paul.

The Blue Dog budget also provides for more money for our hospitals, who continue to struggle. We get letters and calls every day about the difficult times our hospitals are having, particularly in rural areas.

So we have dealt honestly and fairly with these issues. We deal with health
Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky (Mr. FLETCHER), a member of the Committee.

Mr. FLETCHER. Mr. Chairman, as we look at the budget that we have passed today, I think it is a very balanced budget. It is not a perfect budget. I do not think there is a perfect budget that comes out of this body. There is always room for improvement or tweaking here and there.

One of the first things that I think is most important out of this budget is that we find that it does give a tax refund. It understands that principle that it is not the government's money, it is the people's money.

I asked some of the Blue Dogs, where were they 2 years ago when we wanted to pass a tax bill, that we would have given tax money back to citizens? When we tried to override that veto? We would have been able to give that money. It would have been in the economy now, and possibly would have really ameliorated some of the decline that we have seen in the economy thus far if they would have acted then.

I say that the tax relief they are talking about, they are about 2 years late. We have a tax relief plan that takes only 25 percent of the surplus and nothing back to the taxpayers. We also provide substantially for education, not just throwing money at education, but reforming the way education is done so we can leave no child behind, and make sure that we give every child in this country an opportunity to learn and take away that barrier from economic prosperity.

It modernizes Medicare and sets aside money. We can throw more money at prescription drugs or whatever, but we certainly budget in a good amount for prescription drugs. Not only that, but we have some flexibility to modernize Medicare to meet the modern needs of health care, which include disease prevention and chronic disease management, which is not part of the Medicare system now. It needs updating. Medicare spending will double over the next 10 years. If we do not reform the system, we are not really going to be able to provide the health care we need.

Our budget addresses the uninsured, and provides several programs to make sure we can cover the uninsured.

This increases the funding for community health centers to make sure those who live through the cracks can get the help they need. It allows families people who are disabled or have disabled members to buy into Medicaid. It allows increased funding for NIH and research.

I encourage Members to vote for the committee's budget.

Mr. STENHOLM. Mr. Chairman, I yield myself 10 seconds to respond by saying the Blue Dogs were in exactly the same place 2 years ago that we are today; that is, we should fix Social Security and Medicare first, pay down the debt, and we should not obligate 100 percent of the projected surpluses on a yet-projected surplus into a tax cut.

Mr. CHAIRMAN. Mr. Chairman, let me thank my good friend, the gentleman from Texas, for yielding this time to me.

Mr. Chairman, farmers in southern Indiana are not getting much for their corn and soybeans. It is not going to get any better any time soon. Southern Indiana farmers are the same as the farmers and ranchers across this Nation. They are experiencing tough times. Their only certainty is more uncertainty about the future.

Over the last 3 years, Congress has had to give farmers nearly $25 billion in ad hoc emergency assistance. With the way things are, we do not think that is the way it should not be in business today. American farmers produce the world's finest food. Stop and think about where we would be if we did not have family farmers working hard to give us a safe, secure, and abundant food supply.

It is time for Congress to be honest. Our farmers and ranchers should not have to depend on a wink and a nod, and then hope their income support payments appear in a supplemental bill. Instead, they should know what to expect now, this month, as they prepare for planting.

Various farm organizations have testified before the Committee on Agriculture. They have told us Congress needs to increase the agricultural baseline by as much as $12 billion a year in the next farm bill. The majority's budget does not guarantee needed funding for agriculture. Instead, if agriculture is increased at all, it will have to compete with defense and other priorities for a limited amount of time in a so-called contingency fund.

Congress cannot do anything about uncertain weather conditions, but the Blue Dog budget does take some of the uncertainty out of farming. The Blue Dog budget follows the lead of farm groups and increases the mandatory spending baseline for agriculture by a total of $57.1 billion over 5 years. That is $57.1 billion more than the majority's budget. The Blue Dogs are responsible; they are realistic about the needs of America's farmers and ranchers.

Mr. STENHOLM. Mr. Chairman, I yield 1 1 ⁄ 2 minutes to the gentleman from Tennessee (Mr. TANNER).

Mr. TANNER. Mr. Chairman, I thank the gentleman for yielding time to me.

The Blue Dog budget does provide an additional $48 billion over the President's request for the Department of Defense. Just 1 year ago right now General Hugh Shelton appeared before the Committee on Armed Services and said that there was a $100 billion shortfall in defense spending.

It has been echoed by the gentleman from California, (Mr. HUNTER), my colleague there, that our planes are old; that there are over 900 30-year-old Huey helicopters in the Army's fleet today; that the fleet has shrunk by 74 ships since my Republican colleagues have taken over control of the House and the Senate.

We also do something we have never done as a Nation, and that is we have heard much about protecting Medicare and Social Security trust funds, we have not heard one word about protecting the military retiree trust funds.

Right now our Nation owes our military retiree trust fund $163 billion. The

Mr. STENHOLM. Mr. Chairman, I want to encourage all of my defense-oriented colleagues, Republican and Democrat, to support this budget. The Blue Dog budget would provide an additional $48 billion over the President's request for the Department of Defense.

Just 1 year ago right now General Hugh Shelton appeared before the Committee on Armed Services and said that there was a $100 billion shortfall in defense spending.

...
Blue Dog budget for the first time ever will protect those funds in a lockbox, much like Medicare and Social Security, so that those people who did so much for us will have their retirement check there for them when it comes due, rather than being a burden on future generations.

We have been pulling money out of the Department of Defense budget, but they have been spending it elsewhere. They have not been putting it aside for retirement pay. We protect those funds.

Lastly, as far as veterans' benefits, it is very sad to say, but statistically accurate that 1,300 World War II veterans are dying every day. We all know that about 90 percent of the health care costs for all of us will occur in the last 6 weeks of our lives.

Mr. Chairman, I am very sorry to say that those last sixes are coming for many of our World War II veterans. We would provide the funds to take care of our veterans with dignity in the last weeks of their lives, $21.1 billion more than my Republican colleagues and spend $10 billion more on the Montgometry GI bill benefit over the next 5 years than the Republican proposal.

I urge those of my colleagues who care about veterans, who care about defense, to support the Blue Dog budget.

The CHAIRMAN. The gentleman from Texas (Mr. STENHOLM) has 3 minutes remaining.

Mr. STENHOLM. Mr. Chairman, am I correct that the gentleman from Iowa (Mr. Nussle) is ready to close?

Mr. NUSSELLE. Yes.

Mr. STENHOLM. Mr. Chairman, I yield myself the remainder of my time.

Mr. Chairman, if I were a constituent sitting back home in West Texas watching this budget debate, I would be mighty confused by all the assertions and counterassertions which have already been bandied about.

Each of the budgets offered obviously has merits and political benefits, but the bottom line is how those strengths compare to the weaknesses? What was left out?

It has been interesting to hear our budget criticized on defense when we provide more funds for defense.

It has been interesting to hear speaker after speaker say our budget was weak on education when we provide more education.

It has been interesting to see how our budget is weak on agriculture, when we budget for agricultural matters, not depend on a contingency fund.

The weakness of the Republican budget which I find the most troubling is that the promises do not match honest numbers.

First, the oft-repeated myth that we are precariously close to retiring too much debt is laughable. Trust me, Congress will find a way to swerve if we find ourselves on the brink of that precipice.

Secondly, as the ranking member on the Committee on Agriculture, I find it frightening that we are asked to bet the ranch on a contingency fund which has been promised not only to us, but to defense, prescription drugs, business groups wanting additional tax cuts, and I would point out the majority has already spent, the $500 billion contingency fund. In fact, if we add all the tax cuts with the rhetoric and the votes that they are forcing on this House.

The contingency fund is gone. That already overstretched contingency fund will not even be around if the projected surpluses fail to materialize its promise.

As a real-life farmer, I know that agriculture always entails some degree of risk, but given the economic depression we have been through lately. I find no security and an oversubscribed, underfinanced contingency fund.

Likewise, seniors are being asked to literally bet their farm when it comes to Social Security and Medicare. The alleged protection for those two programs appears with just the slightest change in economic growth because the tax cuts already will have consumed any cushion those programs might need.

The promise of Medicare reform will be achieved only through deficit spending. Additional cuts on already stressed hospitals and nursing homes are significantly reduced by program solvency under the scenario created by the majority budget. It will be impossible to match my friend's rhetoric on Social Security modernization. Since their budget fails to set aside any one-budget surplus to finance the transition reform to Social Security, and that is one of my most disappointing aspects of the Republican budget.

In contrast, the Blue Dog budget does not make promises it cannot keep or rely on numbers that are unrealistic or downright deceptive. We know that even 5-year projections much less 10-year projections are no reason to bet the farm.

We know that Americans have a variety of priorities which all must be balanced. We know that they want tax cuts, but not at the expense of their children and grandchildren.

We know that our veterans deserve fulfillment of the promises made to them. Seniors need health care and retirement security. Children need a good education.

I hope Members and constituents alike know beyond the gloss of how a budget is advertised and consider what and who gets left behind.

Mr. Chairman, I strongly urge my colleagues to support the Blue Dog budget.

Mr. NUSSELLE. Mr. Chairman, I yield myself 30 seconds to respond very briefly to the gentleman from Texas (Mr. STENHOLM).

Mr. Chairman, let me say to my friend from Texas, there is no one in this House that has put together more budgets than the gentleman from Texas. I respect the quality of his work and I respect his concerns about the priorities we have laid out.

His budget is my second favorite. However, I support the committee mark and the Committee on the Budget, and I appreciate the tenor and the quality of the debate today with regard to the Blue Dog budget.

Mr. Chairman, I yield the balance of my time to the gentleman from New Hampshire (Mr. SUNUNU), the vice chairman of the Committee on the Budget.

(Mr. SUNUNU asked and was given permission to revise and extend his remarks.)

Mr. SUNUNU. Mr. Chairman, I think it is important to distill the facts, to clarify, to try to cut through some of this fog, as the Members from the minority have suggested, and I just want to review where we really are in this budget debate and talk about this alternative and where it falls short.

The Republican budget proposal pays down as much debt as we can over the next 10 years. I am not arguing that it pays down too much. I think that we should spend too much time to talk about whether we should pay down $2.4 trillion or $2.5 trillion.

The fact is, we have paid down $600 billion in debt. We will keep paying down debt, and this sets aside funds to do it throughout the 10 years of this budget proposal.

Of course, we have tax relief. As the gentleman from Kentucky (Mr. FLETCHER) pointed out, we give 25 percent and 28 percent of the surplus back to the taxpayers. I will talk more about that in just a moment.

We strengthen funding for education and for national defense. Of course, we set aside funds for Social Security and Medicare. The suggestion is that by creating reserve accounts for Medicare or reserve accounts for Social Security was somehow part of a conspiracy or it was risky.

I think that is ridiculous. We have never created a reserve account like this in the history of our government. I think it makes common sense. Any one that does a budget at home understands that simple fact.

Is the difference between these two budgets about agriculture? I do not think so. We could take a guess at a funding level for agriculture, but I do not think that is good policy.

We allow the budget chair to come back and make amends and address agricultural issues as they come out of committee.

Is this about defense spending? I do not think so. We make sure that once enacted, we have a review from Secretary Rumsfeld, and we can devote those needs in an immediate way and treat the men and women in our Armed Services with the equipment and the resources they need.

In short, what is the difference and the distinction really about? It is about taxes. Clearly and simple, it is about taxes. We put roughly 28 percent of the surplus back in the pockets of working
men and women across the country. We cut taxes for everyone that pay income taxes.

Twenty-eight percent of the surpluses, does this alternative give 28 percent of the surplus back? No. Does it give back 25 percent? No. Does it give back 15 percent of the surplus? No. About how 10 percent? It does not even do that. It gives back less than 10 percent of the surplus to the men and women who are being overcharged today.

Why? What is the excuse? I could not tell you exactly what the excuse is. But the minority and, in particular, those that crafted this budget today have found every reason under the sun to oppose budget resolutions that contain tax relief in them.

First, they say you cannot cut taxes. We have not balanced the budget; that was just 4 years ago when I was first elected to Congress. We balanced the budget, and we did it while cutting taxes.

They then said we cannot support the tax cut in your budget resolution, because we have not set aside every penny of Social Security. Three years ago, we did just that. Then they suggested that we set aside Medicare. We did that. Now, they are saying we have to pay down every penny of the debt. What is the excuse now?

Mr. Chairman, I urge my colleagues to reject this excuse for a budget alternative and support the Republican platform. Mr. SANDLIN. Mr. Chairman, I rise to oppose the budget resolution reported by the committee and to support the Blue Dog budget alternative.

The Republican budget is completely inadequate. It is inadequate in its treatment of priorities that this House has time and time again said are important. It is inadequate in its treatment of our senior citizens. It is inadequate in its treatment of agriculture. It is inadequate in its treatment of health care. It is inadequate in its treatment of education. And it is inadequate in its treatment of the national debt.

The Republican budget is an exercise in fuzzy math. They have based their numbers on-10-year projections. These types of projections have proven time and time again to be completely inaccurate. In fact, just yesterday, we learned that the Administration now plans to spread their tax cut over 11 years instead of 10 because of the uncertainty of the numbers. The Comptroller General has testified to spread their tax cut over 11 years instead. We learned that the Administration now plans to spread their tax cut over 11 years instead. They have based their numbers on-10-year projections. These types of projections have proven time and time again to be completely inaccurate. In fact, just yesterday, we learned that the Administration now plans to spread their tax cut over 11 years instead of 10 because of the uncertainty of the numbers. The Comptroller General has testified to spread their tax cut over 11 years instead. We learned that the Administration now plans to spread their tax cut over 11 years instead.

The Republican budget would harm the hard-working farmers in my district. They would force important agriculture programs to compete with defense, prescription drugs, and other priorities for limited funds in the strategic reserve that could be wiped out if the tax cut exceeds $1.62 trillion or surplus projections deteriorate—either or both of which seem likely under current conditions. In contrast, the Blue Dog budget would provide $9 billion in assistance this fiscal year and increases the agriculture baseline by $12 billion for each subsequent year. These funds would be available to improve farm income, conservation, export, rural development, and research programs as recommended by the farm and commodity organizations.

The Republican budget provides less than half of the defense funding the Blue Dog budget would provide. The Republicans have chosen to play a dangerous game with our national security. The Blue Dog budget provides the tools that our military needs to draw men and women into uniform. The Montgomery G.I. Bill has proven to be the Armed Forces’ most valuable recruiting tool. Unfortu-nately, the combination of a substantially de-valued G.I. Bill and expanded federal financial assistance to college-bound students without military service has crippled the G.I. Bill’s effectiveness.

The Armed Forces face serious recruiting problems. In order to meet our defense needs, the Armed Forces must have the tools it needs to draw men and women into uniform. The Montgomery G.I. Bill has proven to be the military’s most valuable recruiting tool. Unfortunately, the combination of a substantially de-valued G.I. Bill and expanded federal financial assistance to college-bound students without military service has crippled the G.I. Bill’s effectiveness.

The Republican budget does nothing to meet the tragic problem of leaving a child behind. It barely increases education funding above inflation! It would not continue to progress we have made on smaller class sizes. It would not provide adequate funding to restore dilapidated schools and build new schools. It would not address many of the education priorities that we have identified in recent years. In contrast, the Blue Dog budget would allow for an increase in the maximum Pell Grant award and provide funding to help schools meet the increased accountability of education reform, comply with IDEIA, and meet other local obligations. Furthermore, the Blue Dog budget provides funding specifically for the Hunger Relief Act, a program to increase nutritional assistance to low-income working families with children. Studies have shown that children who come to school hungry don’t learn at their full capacity. By providing nutritional assistance, we help children to learn.

Finally, the Republican budget shows that they are not serious about debt reduction. They would leave too much debt for our children to pay off. They do not allocate one dime of the on-budget surplus outside of Social Security and Medicare to debt reduction in the first five years. That means that all of their debt reduction would occur in years 6–10—the time when the surplus is most unreliable. In contrast, the Blue Dog budget devotes half of the on-budget surplus outside of Social Security and Medicare—$370 billion over the next five years—to reducing the publically held debt. We would reduce the publicly held debt by more than half over the next five years—from a projected $3.148 trillion at the end of FY 2001 to $1.57 trillion at the end of FY 2006.

Mr. Chairman, the priorities reflected in the Republican budget simply are not the priorities of American people. I encourage my colleagues to join me in supporting the Blue Dog budget and rejecting the Republican budget.

Mr. DINGELL. Mr. Chairman, I rise in support of the Blue Dog budget which balances fiscal responsibility with the need to adequately fund the priorities of our nation. The Blue Dog budget is a responsible plan that balances the budget, reduces public debt, and provides modest tax cuts without tapping into the Social Security trust fund. Unlike the Republican plan, it does not foolishly drive our budget back into the red with massive and unnecessary tax cuts for the wealthy.

Mr. Chairman, I am particularly pleased the Blue Dog budget provides needed funding to expand the Montgomery G.I. Bill in accordance with H.R. 320, the Montgomery G.I. Bill Improvements Act which I, along with my colleague LANE EVANS, introduced earlier this year. It also provides funds to pay for a substantial military pay raise and improve the veterans’ and military retirees’ health care system.

The Armed Forces face serious recruiting problems. In order to meet our defense needs, the Armed Forces must have the tools it needs to draw men and women into uniform. The Montgomery G.I. Bill has proven to be the military’s most valuable recruiting tool. Unfortunately, the combination of a substantially de-valued G.I. Bill and expanded federal financial assistance to college-bound students without military service has crippled the G.I. Bill’s effectiveness.
provides funding to expand the G.I. Bill in line with H.R. 320 and will restore the MGB’s value both as a meaningful readjustment benefit and an effective recruiting incentive.

Mr. Chairman, the Blue Dog budget is good for America’s veterans and soldiers and is a solid blueprint for our nation’s future. Unlike the Republican budget that would foolishly squander the surplus, the responsible Blue Dog budget pays down the national debt and provides sensible tax relief. It will put the nation on a course to cut the publicly held debt in half during the coming, immediate commitment to debt reduction rather than return us to deficit spending.

Mr. Chairman, I urge my colleagues to do the right thing for veterans, soldiers and our nation’s future. Vote for the Blue Dog Budget.

Mr. HELPS. Mr. Chairman, I rise today in opposition to the Republican Budget Resolution for fiscal year 2002 and in favor of the Substitute offered by Mr. STENHOLM on behalf of the Blue Dog Coalition. It is an extreme approach to a balanced federal budget because it is based on real, not projected, surpluses and presents a balanced, honest view to meeting our many budget concerns. The Blue Dog Budget builds on the fiscal progress we have made during the past four years, but provides needed tax relief and priority funding for education, health, and agriculture. I will not support the Republican Resolution simply because it is not credible. The major- ity’s plan is built on thin air. It promises every- thing, will pay for nothing, and is not believable. If the economy slows, as it is already doing, this budget will force us to borrow from Social Security, cut spending and stop paying down national debt.

In contrast the Blue Dog Budget Resolution operates on a more conservative five year cycle and preserves the balanced budget while paying down the debt, providing for meaningful tax relief, and honestly meeting our spending priorities.

The Blue Dog Budget does not squander the proceeds by having immediate revenue. In fact, it provides $375 billion more debt reduction than the Republican plan. The Blue Dog Budget provides immediate and fair tax relief. In fact, it allows for $23 billion in immediate tax relief for 2001, four times the amount of the majority’s budget.

The Blue Dog Budget does not drastically cut critical spending or use gimmicks and emergency funding to balance the budget. In fact, the Blue Dog budget establishes realistic discretionary spending caps which will restrain spending but also provide room to fund new initiatives without relying on unspecified or unrealistic spending. It also does not rely on an overly-committed contingency fund to address necessary agriculture and defense needs.

In short, the Blue Dog Budget is honest because its majority proposal is not. The Blue Dog Budget is credible, where the Republican plan is not. Most importantly, the Blue Dog budget is responsible and the other plan is not.

Mr. HILLIARD. Mr. Chairman, as Ranking Member of the House Conservation Subcommittee, I cannot remain silent in the face of the inadequacy of the funding for agriculture in the budget presented by the majority.

Conservation programs are already facing a shortfall in funding, while the precious lands which are our original heritage, are ravaged by erosion, fire, pestilence, and many other dangers.

The Conservation Reserve Program needs to grow, and the Wetlands Reserve Program deeply undermined by the sum of $586 million. The Environmental Quality Incentives Program needs to be nearly doubled in acreage, and the essential Farmland Protection Program needs to more than double.

These programs allow our farmers to partici- pate in restoring our nation’s resources to a healthy state while keeping the farmers solvent. Conservation is a win/win matter, and the majority budget fails to meet the needs of the American people and our lands. I strongly support the agriculture provisions of the Blue Dog Budget and call upon all members who want to preserve and restore the health of our environment to support them.

Mr. NUSSELE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on adoption of the amendment to H.R. 183 that is before the House.

Mr. NUSSLE. Mr. Chairman, I yield back the balance of my time.
March 28, 2001

CONGRESSIONAL RECORD — HOUSE

Messrs. CALLAHAN, LEWIS of California, OTTER, TOOMEY, COOKSEY, BRYANT and MORAN of Kansas changed their vote from "aye" to "no.

Messrs. BARRETT of Wisconsin, BROWN of Ohio, CONYERS, BLAGOJEVICH, CUMMINGS, DUNCAN, MOLLOHAN, WAMP and Ms. WOOLSEY and Ms. MCKINNEY changed their vote from "no" to "aye.

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. SHAWS. Mr. Chairman, on rollcall Nos. 65, 66 and 67 I was absent due to a family medical emergency. Had I been present, I would have voted "aye" on rollcall No. 65 and "no" on rollcall Nos. 66 and 67.

The CHAIRMAN. It is now in order to consider amendment No. 3 printed in part B of House Report 107-30.

AMENDMENT NO. 3 IN THE NATURE OF A SUBSTITUTE

Mr. FLAKE. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment No. 3 in the nature of a substitute.

Mr. FLAKE. The text of the amendment in the nature of a substitute is as follows:

At the conclusion of the vote, the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2002.

The Congress declares that the concurrent resolution on the budget for fiscal year 2001 is hereby amended and replaced and that this is the concurrent resolution on the budget for fiscal year 2002 and that the appropriate budgetary levels for fiscal years 2003 through 2011 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for each of fiscal years 2001 through 2011:

(i) FEDERAL REVENUES.—For purposes of the enforcement of this resolution, the appropriate levels of Federal revenues should be reduced as follows:

Fiscal year 2001: $224,000,000,000
Fiscal year 2010: $392,000,000,000
Fiscal year 2011: $393,000,000,000

(ii) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2001: $1,554,200,000,000
Fiscal year 2002: $1,667,300,000,000
Fiscal year 2003: $1,825,000,000,000
Fiscal year 2004: $1,701,700,000,000
Fiscal year 2005: $1,779,600,000,000
Fiscal year 2006: $1,851,300,000,000
Fiscal year 2007: $1,904,300,000,000
Fiscal year 2008: $1,963,200,000,000
Fiscal year 2009: $2,036,800,000,000
Fiscal year 2010: $2,120,600,000,000
Fiscal year 2011: $2,206,500,000,000

(iii) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2001: $1,502,700,000,000
Fiscal year 2002: $1,564,400,000,000
Fiscal year 2003: $1,612,100,000,000
Fiscal year 2004: $1,672,800,000,000
Fiscal year 2005: $1,750,000,000,000
Fiscal year 2006: $1,791,200,000,000
Fiscal year 2007: $1,851,300,000,000
Fiscal year 2008: $1,904,300,000,000
Fiscal year 2009: $2,010,500,000,000
Fiscal year 2010: $2,094,800,000,000
Fiscal year 2011: $2,208,500,000,000

(iv) SURPLUSES.—For purposes of the enforcement of this resolution, the amounts of the surpluses are as follows:

Fiscal year 2001: $1,808,000,000,000
Fiscal year 2002: $1,371,000,000,000
Fiscal year 2003: $1,658,000,000,000
Fiscal year 2004: $1,574,000,000,000
Fiscal year 2005: $1,556,000,000,000
Fiscal year 2006: $1,599,000,000,000
Fiscal year 2007: $1,670,000,000,000
Fiscal year 2008: $1,750,000,000,000
Fiscal year 2009: $1,851,300,000,000
Fiscal year 2010: $1,904,300,000,000
Fiscal year 2011: $1,990,000,000,000

(b) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 2001: $5,656,000,000,000
Fiscal year 2002: $5,641,900,000,000
Fiscal year 2003: $5,692,000,000,000
Fiscal year 2004: $5,742,000,000,000
Fiscal year 2005: $5,987,700,000,000
Fiscal year 2006: $5,950,500,000,000
Fiscal year 2007: $5,570,000,000,000
Fiscal year 2008: $5,250,000,000,000
Fiscal year 2009: $4,940,000,000,000

(c) NATIONAL DEFENSE (250).

Fiscal year 2001: $12,755,000,000,000
Fiscal year 2002: $10,975,100,000,000
Fiscal year 2003: $12,078,000,000,000
Fiscal year 2004: $11,575,000,000,000
Fiscal year 2005: $10,958,000,000,000
Fiscal year 2006: $11,309,000,000,000
Fiscal year 2007: $11,931,000,000,000
Fiscal year 2008: $12,502,000,000,000
Fiscal year 2009: $13,677,000,000,000
Fiscal year 2010: $15,200,000,000,000
Fiscal year 2011: $16,000,000,000,000

(d) GENERAL SCIENCE, SPACE, AND TECHNOLOGY.

Fiscal year 2001: $1,756,400,000,000
Fiscal year 2002: $1,742,600,000,000
Fiscal year 2003: $1,805,700,000,000
Fiscal year 2004: $1,824,000,000,000
Fiscal year 2005: $1,895,500,000,000
Fiscal year 2006: $1,765,000,000,000
Fiscal year 2007: $1,770,000,000,000
Fiscal year 2008: $2,038,800,000,000
Fiscal year 2009: $2,063,800,000,000
Fiscal year 2010: $2,110,600,000,000
Fiscal year 2011: $2,170,000,000,000

(e) INTERNATIONAL AFFAIRS (150).

Fiscal year 2001: $2,180,000,000,000
Fiscal year 2002: $2,243,000,000,000
Fiscal year 2003: $2,320,000,000,000
Fiscal year 2004: $2,295,000,000,000
Fiscal year 2005: $2,335,000,000,000
Fiscal year 2006: $2,295,000,000,000
Fiscal year 2007: $2,374,000,000,000
Fiscal year 2008: $2,450,000,000,000
Fiscal year 2009: $2,383,000,000,000
Fiscal year 2010: $2,420,000,000,000
Fiscal year 2011: $2,480,000,000,000

(B) Outlays, $14,100,000,000.
Fiscal year 2003:
(A) New budget authority, $15,600,000,000.
(B) Outlays, $16,000,000,000.
Fiscal year 2006:
(A) New budget authority, $14,100,000,000.
(B) Outlays, $15,600,000,000.
Fiscal year 2007:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2012:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $12,700,000,000.
Fiscal year 2013:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2015:
(A) New budget authority, $14,100,000,000.
(B) Outlays, $13,600,000,000.
Fiscal year 2016:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2017:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2018:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2019:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2020:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2021:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2022:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2023:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2024:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2025:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2026:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2006:

(A) New budget authority, $11,700,000,000.
(B) Outlays, $11,000,000,000.

Fiscal year 2005:

(A) New budget authority, $229,100,000,000.
(B) Outlays, $225,000,000,000.

Fiscal year 2004:

(A) New budget authority, $237,500,000,000.
(B) Outlays, $237,500,000,000.

Fiscal year 2003:

(A) New budget authority, $243,900,000,000.
(B) Outlays, $235,000,000,000.

Fiscal year 2002:

(A) New budget authority, $283,400,000,000.
(B) Outlays, $279,800,000,000.

Fiscal year 2001:

(A) New budget authority, $370,600,000,000.
(B) Outlays, $368,800,000,000.

Fiscal year 2000:

(12) Medicare (707):

Fiscal year 2001:

(A) New budget authority, $370,600,000,000.
(B) Outlays, $368,800,000,000.

Fiscal year 2002:

(A) New budget authority, $229,100,000,000.
(B) Outlays, $225,000,000,000.

Fiscal year 2003:

(A) New budget authority, $243,900,000,000.
(B) Outlays, $235,000,000,000.

Fiscal year 2004:

(A) New budget authority, $237,500,000,000.
(B) Outlays, $237,500,000,000.

Fiscal year 2005:

(A) New budget authority, $243,900,000,000.
(B) Outlays, $235,000,000,000.

Fiscal year 2006:

(A) New budget authority, $11,700,000,000.
(B) Outlays, $11,000,000,000.

Fiscal year 2007:

(A) New budget authority, $12,500,000,000.
(B) Outlays, $12,500,000,000.

Fiscal year 2008:

(A) New budget authority, $13,300,000,000.
(B) Outlays, $13,300,000,000.

Fiscal year 2009:

(A) New budget authority, $14,200,000,000.
(B) Outlays, $14,200,000,000.

Fiscal year 2010:

(A) New budget authority, $15,200,000,000.
(B) Outlays, $14,900,000,000.

Fiscal year 2011:

(A) New budget authority, $15,500,000,000.
(B) Outlays, $15,100,000,000.
<table>
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<th>Fiscal Year</th>
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<td>2001</td>
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(2) Submit to the Committee on the Budget recommendations pursuant to section 251(b)(2)(A) of the Balanced Budget Act of 1997 for fiscal year 2002 by the amount provided by that measure for an emergency that is a sudden, urgent, or compelling need requiring immediate action; and

(c) Definitions.—As used in this section:

(1) The term ‘sudden’ means quickly coming into being or not building up over time;

(2) The term ‘urgent’ means a pressing and compelling need requiring immediate action;

(3) The term ‘compelling need requiring immediate action’ means the underlying situation is—

(a) sudden, which means quickly coming into being or not building up over time;

(b) urgent, which means a pressing and compelling need requiring immediate action; and

(c) temporary, which means not a permanent situation.

(d) Development of Guidelines.—As soon as practicable, the chairman of the Committee on Appropriations and the chairman of the Appropriations of the House shall, after consulting with the chairman of the Committee on Appropriations, publish in the Congressional Record guidelines for application of the definition of emergency set forth in subsection (b).

(e) Committee Explanation of Emergency Legislation.—Whenever the Committee on Appropriations of the House (including a conference committee) reports any bill or joint resolution that provides new budget authority for any emergency, the report accompanying that bill or joint resolution shall explain—

(1) the circumstances for application of the definition of emergency set forth in subsection (b) pursuant to the guidelines published under subsection (c).

(f) Special Rules.—In the House, if any bill reported pursuant to subsection (a) or subsection (c)(2)(F)(ii), amendment thereto or conference report thereon, has refundable tax provisions that increase outlays, the chairman of the Committee on the Budget may increase the amount of new budget authority provided by such provisions (and outlays following therefrom) allocated to the Committee on the Budget, and adjust the revenue levels set forth in such subsection accordingly such that the increase in outlays and reduction in revenue resulting from such amounts is specified in subsection (a) or subsection (c)(2)(F)(ii), as applicable.

(g) Section 314(b)(1) Adjustment.—Sections 314(b)(1) of the Balanced Budget and Emergency Deficit Control Act of 1974 may not apply to amounts for emergencies for fiscal years through 2011.
thereon is submitted that enhances retirement security through structural programmatic reform and the creation of personal retirement accounts, provided that such account holdings will be deductible for purposes of the Federal Old-Age and Survivors Insurance Program, the chairman of the Committee on the Budget shall not report a bill in compliance with Section 4(b) of this Concurrent Resolution that achieves long-term Medicare reform and provides for an expanded prescription drug benefit, the Chairman of the Committee on the Budget may—

(1) increase the appropriate allocations and aggregates of new budget authority and outlays by the amount of new budget authority provided by such measure (and outlays flowing therefrom) for that purpose; and
(2) reduce the revenue aggregates by the amount of the revenue loss resulting from that measure; and
(3) make all other appropriate and conforming adjustments.

SEC. 7. RESERVE FUND FOR MEDICARE REFORM AND COMPLIANCE WITH SECTION 4(b).

Whenever the Committees on Ways and Means and Energy and Commerce report a bill in compliance with Section 4(b) of this Concurrent Resolution that achieves long-term Medicare reform and provides for an expanded prescription drug benefit, the Chairman of the Committee on the Budget may—

(1) increase the appropriate allocations and aggregates of new budget authority and outlays by the amount of new budget authority provided by such measure (and outlays flowing therefrom) for that purpose provided that:
(a) for the period of fiscal year 2001 through 2011 the increase in new budget authority is $0; and
(b) the increase for any one fiscal year does not exceed the amount of surplus credited in that fiscal year to the Federal Hospital Insurance Trust Fund;
(2) make all other appropriate conforming adjustments.

SEC. 8. CHANGES IN ALLOCATIONS AND AGGREGATES RESULTING FROM REALISTIC MEASURES AFFECTING REVENUES.

(a) Whenever the House considers a bill, joint resolution, amendment, motion or conference report, including measures filed in compliance with Section 4 of this Concurrent Resolution, that propose to change federal revenues the impact of such measure on federal revenues the impact of such measure on federal deficits, and surpluses for any fiscal year or for the entire period of the bill, joint resolution, amendment, motion, or conference report providing new discretionary budget authority for Fiscal Year 2002 allocated to the Committee on Appropriations of the other House pursuant to the Conference Report on the budget shall include in its allocations and aggregates accompanying this resolution for purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(b) BUDGET COMMITTEE DETERMINATIONS.

For purposes of this resolution—

(1) the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the Joint Committee on Taxation of the House of Representatives; and
(2) such chairman, as applicable, may make any other adjustments to such levels to carry out this resolution.


(a) IN GENERAL.—In the House, notwithstanding section 302(a)(1) of the Congressional Budget Act of 1974 and section 1301 of the Budget Enforcement Act of 1990, the joint explanatory statement accompanying the conference report on any concurrent resolution on the budget (or any provision in its allocation under section 302(a) of such Act to the Committee on Appropriations for purposes of the Committee pursuant to paragraph (a) of this Section).

(b) SPECIAL RULE.—In the House, for purposes of applying section 302(f) of the Congressional Budget Act of 1974, estimates of the level of total new budget authority and total outlays provided by a measure shall include any discretionary amounts provided for the Social Security Administration.

SEC. 13. RESTRICTIONS ON ADVANCE APPROPRIATIONS.

For purposes of title III of the Congressional Budget Act of 1974, advance appropriations shall be scored as new budget authority for the fiscal year in which the appropriations are enacted, except that advance appropriations in excess of the levels specified in the joint explanatory statement of managers accompanying this resolution for programs, projects, activities or accounts identified in such joint statement shall continue to be scored as new budget authority in the year in which they first become available for obligation.

SEC. 14. ACTION PURSUANT TO SECTION 302(b)(1) OF THE CONGRESSIONAL BUDGET ACT.

(a) COMPLIANCE.—When complying with Section 302(b)(1) of the Congressional Budget Act of 1974, the Committee on Appropriations of each House shall consult with the Committee on Appropriations of the other House to ensure that the allocation of budget outlays and new budget authority among each Committee’s subcommittees are identical.

(b) POINT OF ORDER.—The Committee on Appropriations of each House shall report to its House when it determines that the report made by the Committee pursuant to Section 302(b) of the Congressional Budget Act of 1974 and the report made by the Committee on Appropriations of the other House pursuant to the same provision contain identical allocations of budget outlays and new budget authority among each Committee’s subcommittees.

(c) LEVEL OF PUBLIC DEBT.

For purposes of title III of the Congressional Budget Act of 1974, the joint explanatory statement accompanying the conference report on any concurrent resolution on the budget (or any provision in its allocation under section 302(a) of such Act to the Committee on Appropriations for purposes of the Committee pursuant to paragraph (a) of this Section).


(a) Congress finds that—

(1) Each year, the House Appropriations Committee provides funding to hundreds of programs whose authorization has expired or were never authorized by an Act of Congress.
(2) For Fiscal Year 2002, there were over 200 appropriation bills totaling just over $7.8 billion whose authorization had expired.
(3) According to the Congressional Budget Office (CBO), the largest amount for a single program is for veterans programs which was last authorized in 1998 and totals over $23.3 billion. Funding for the economic support and development assistance programs totals over $112 billion whose expiration has not been authorized by law.

(b) The House Rules Committee typically waives Rule XIX when considering general appropriation bills.

(c) The lack of congressional oversight over the years, as far back in 1979, has led to the deterioration of the power of the respective Appropriating Committees and thus the loss of congressional oversight and fiscal responsibility, which is a blow to the voters of America and their role in the process.
the Executive Branch and unelected federal bureaucrats.

(b) It is the sense of the Congress that:
(1) The House of Representatives and the Senate, given authority to the authorization of expired programs, with an emphasis on federal programs which have been expired for more than five years.
(2) Congress should pass, and the President should sign into law, legislation to amend the Congressional Budget Act of 1974 to require Congress to fund programs that are currently unfunded or unauthorized at 90 percent of prior fiscal year levels.
(3) Congress should pass, and the President should sign into law, legislation to require the Congressional Budget Office to prepare budget baselines based on the figures where unauthorized programs are frozen and funded at 90 percent of current levels.

SEC. 16. SENSE OF THE HOUSE REGARDING DEPARTMENT AND AGENCY AUDITS AND WASTE, FRAUD, AND ABUSE

(a) FINDINGS.—The House finds the following:
(1) Each branch of government and every department and agency has a fiduciary responsibility to ensure that tax dollars are spent in the most efficient and effective manner possible and to eliminate mismanagement, waste, fraud, and abuse.
(2) The nature or whether a department or agency is upholding its fiduciary responsibility is its ability to pass an audit.
(3) The most recent audits for Fiscal Year 1999 revealed that nine major agencies—the Departments of Agriculture, Defense, Education, Housing and Urban Development, Justice, and Treasury and the Agency for International Development, Environmental Protection Agency, and Office of Personnel Management—could not provide clean financial statements.
(4) Mismanagement, waste, fraud, and abuse cost American taxpayers billions of dollars.

(b) SENSE OF THE HOUSE.—It is the sense of the House that no agency or department which has failed its most recent audit should receive an increase in their budget over the previous year, unless the availability of the increased funds is contingent upon the completion of a clean audit.

SEC. 17. SENSE OF CONGRESS ON THE USE OF FEDERAL SURPLUS FUNDS TO INVEST IN PRIVATE SECURITIES

It is the sense of Congress that Congress should pass, and the President should sign into law, legislation codifying a general prohibition on the use of Federal surplus by the Secretary of the Treasury to make investments in securities (within the meaning of the securities laws of the United States) other than government securities.

SEC. 18. SENSE OF CONGRESS ON FULLY FUNDING SPECIAL EDUCATION

(a) Congress finds that—
(1) all children deserve a quality education, including children with disabilities;
(2) the Individuals with Disabilities Education Act provides that the Federal, State and local governments are to share in the expenditure of educating children with disabilities;
(3) the high cost of educating children with disabilities and the Federal Government’s failure to fully meet its obligation under the Individuals with Disabilities Education Act stretches limited State and local education funds, creating difficulty in providing a quality education to all students, including children with disabilities;
(4) the current level of Federal funding to States and localities under the Individuals with Disabilities Education Act is contrary to the goal of ensuring that children with disabilities receive a quality education;
(5) the Federal Government has failed to fully fund the Individuals with Disabilities Education Act and appropriate 40 percent of the national average per pupil expenditure per child with a disability as required under the Act to fully fund the Act’s requirements to educate children with disabilities;
(6) the levels in function 500 (Education) for fiscal year 2002 assume sufficient discretionary budget authority to accommodate the fiscal year 2002 appropriations for IDEA at least $10.6 billion above such funding levels 2000, thus, fully funding the Federal Government’s commitment to the Individuals with Disabilities Education Act;
(7) the levels in function 500 (Education) to accommodate the fiscal year 2001 appropriation for fully funding IDEA may be reached by eliminating inefficient, ineffective and unauthorized education programs.

(b) It is the sense of Congress that—
(1) Congress and the President should increase function 500 (Education) fiscal year 2002 funding for programs under the Individuals with Disabilities Education Act by at least $10.6 billion above fiscal year 2001 appropriated levels, fully funding the Federal Government’s commitment;
(2) Congress and the President can accomplish this goal by eliminating inefficient, ineffective and unauthorized education programs.

SEC. 19. SENSE OF CONGRESS ON FISCAL YEAR 2002 APPROPRIATIONS

It is the sense of Congress that—
(1) the Chairman and the President should increase function 500 (Education) fiscal year 2002 funding for programs under the Individuals with Disabilities Education Act by at least $10.6 billion above fiscal year 2001 appropriated levels, fully funding the Federal Government’s commitment;
(2) Congress and the President can accomplish this goal by eliminating inefficient, ineffective and unauthorized education programs.

Mr. Chairman, I never thought I would be in that far distant capital, but I am here; and I do not pretend that I have any great knowledge. I have only been here a few short months, and I have not had any epiphany about how to spend people’s money better than they can spend it themselves.

This budget, better than any budget being offered on the floor, honors those principles, limited government, economic freedom and individual responsibility.

Mr. Chairman, I reserve the balance of my time.

Mr. SPRATTA. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota (Mr. LUTHER).

Mr. LUTHER. Mr. Chairman, we all know that the revenue forecast on which this budget resolution is based is simply not reliable. We simply should not risk the future of our country based on this kind of an unreliable forecast. Just 1 month ago in this Chamber, the President said that we need a contingency fund, a rainy day backup plan that will take effect if our economic forecasts do not turn out to be quite as sunny as we hope. But that rainy-day fund referred to by the President somehow got lost on the way through this Congress. The budget resolution before us leaves simply no way to adjust if our economy does not continue to perform as we hope.

Mr. Chairman, let us all hope that we have sunshine in the future and not rain for this country. But to jeopardize and to risk our country’s future and the future of our children and their children based on these revenue forecasts, without any way out, is simply no way to go. I urge opposition to this underlying budget resolution.

Mr. FLAKE. Mr. Chairman, I yield 2½ minutes to the gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Chairman, I thank the gentleman from Arizona (Mr. FLAKE) for yielding me this time, and I congratulate the gentlemen of the Republican Study Committee, the staff of the Republican Study Committee, and the gentleman from Arizona for his leadership in putting together an extremely responsible, pro-growth, pro-taxpayer budget that is something that we all ought to be able to support.

Let me step back and remind my colleagues. It was a little over a year ago,
York and South Carolina (Mr. MEEKS).

I rise in support of the Democratic alternative and in opposition to H. Con. Res. 83.

The Democratic budget provides a prudent framework for meeting the needs of America and responds to the priorities set by the American people. It is risky at best to base a budget and massive tax cuts on a projected surplus and expected revenues. The Republican’s budget amounts to double-dipping by appropriating the same funds in different places. The Democratic alternative responds to these issues that Americans have noted as most important.

On education, the Democratic alternative provides $151 billion over the 10-year period; the Republican plan only $21.4 billion. The Democratic alternative seeks to provide a much-needed Medicare drug benefit with realistic numbers and adequate levels of funding. We do not try to trick the American people. We provide the full $330 billion necessary to carry this program.

While Americans have signaled Congress that they want and deserve a tax cut, they have also asked for a reasonable and responsible and realistic and timely tax cut. The Democratic alternative provides that.

The Republicans plan a massive and rapid $2 trillion tax cut, while wholly ignoring process and priorities and procedures. Mr. Chairman, that the Republican tax cut is contrary to the American people.

The Democratic alternative proposes a $730 billion tax cut, while still funding farm aid at $46 billion; the Republican budget provides nothing for America’s farmers; the alternative provides $7 billion for Veteran Health care; the Republicans cut funds to our nations veteran by $5.7 billion. The Republican plan proposes a massive and rapid $2 trillion plus tax cuts while wholly ignoring process, priorities, and procedures.

Mr. Chairman, it has become clear that the Republican budget is contrary to both the needs and the priorities of the American people. The Republican budget seeks to mortgage the Trust Fund; the needs of children and the gains of this period of prosperity for a rushed and ill-conceived tax cut.

I urge my colleagues to support the democratic alternative and vote for a fair, prudent and realistic budget.

Mr. FLAKE, Mr. Chairman, may I inquire as to the time of my time.

The CHAIRMAN pro tempore (Mr. MILLER of Florida). The gentleman from Arizona (Mr. FLAKE) has 15 minutes remaining, and the gentleman from South Carolina (Mr. SPRATT) has 18 minutes remaining.

Mr. FLAKE, Mr. Chairman, I yield 1 minute to the gentleman from the State of Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, I thank the gentleman from Arizona (Mr. FLAKE) for his leadership on this issue.

Mr. Chairman, if my colleagues are concerned about the job losses in America, if they, like me, are concerned about the thousands of layoffs that are occurring, if they are concerned about the high energy prices which are taking money right out of our economy, then they ought to vote for this budget, because this budget, in addition to protecting Medicare and Social Security, in addition to bringing back responsible spending, is the real pro-growth, pro-job-creation tax bill budget resolution.

This budget cuts taxes not next year, not in the year 2006, but it cuts taxes this year, and it does it in a way that is going to be good for our economy. It is the most pro-growth tax bill we have on the floor today. It is the best answer toward getting jobs back on line in this economy. It is the best answer that we can send to our constituents.

Help is on the way: More money is going back into the taxpayers’ paychecks this year. We are serious about getting this economy back on its feet. I urge a “yes” vote on the Republican Study Committee budget.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. HONDA).

Mr. HONDA. Mr. Chairman, I thank the gentleme for yielding me this time.

I will make a very quick point. For the past few days, we have been talking about education and budget and monies. The Democratic plan is a much better plan. We provide much more money to support our schools.

Just a while ago it was said that before we give more money, we should have accountability, and that is why the Republican plan is providing less money than the Democratic Party. But I have to tell my colleagues one thing about accountability, Public Law 94-124, which is a special ed bill, has mandated our local school districts to provide special education. Now, we said that we would support it by 40 percent of the cost of special education, yet over the years we have not supported special education to the local public schools at 40 percent.

It is somewhere between 13 and 15 percent. If we were to support public education to 40 percent, say over the next 10 years, what that does, and we do not speak about this, we do not speak about its impact at the local level, it will release the local general fund monies that have been allocated for special ed; support that. We could free that money up, have the local school districts provide the education, further the education at the local level. We believe in local direction of curriculum instruction, and yet we are not providing and not doing the very thing that we want everybody else to do, and that is to fulfill our promises.

Accountability is a Monday street.

We mandate. We should support it with our funds that we said we would, and that way the local districts will not be burdened with the mandates that we
give them and therefore they can use more of the local monies for the local educational projects that they have for their own kids.

We have to go all the way to support special ed at its full 40 percent. Accountability, again, is a two-way street.

Mr. FLAKE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to point out that the Republican Study Committee budget actually prioritized IDEA funding. I thank the gentleman for the opening here.

Mr. Chairman, I yield 1½ minutes to the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Chairman, I am proud to support the Republican Study Committee budget. This budget is good for the American people, and this budget helps to rebuild the military.

Mr. Chairman, this is a very unsafe world. I want to make reference to three news articles and read the titles. In February of this past year, 2000, “China Warns U.S. of Missile Strike.” The second article I want to make reference to, “Russia Sends Cruise Missiles to China for New War Ships.” Mr. Chairman, just today, “Admiral Warns of Perilous Buildup of Chinese Missiles.”

Mr. Chairman, this budget helps to rebuild the military. Let me also report that China has proposed a 17.7 percent increase in defense spending for this coming year. That is the largest increase in 20 years. In addition, when all the expenditures are added up, it is generally believed that China’s defense spending is three or four times the official figure. China figures defense spending as a percentage of their total government expenditures is 1.29 percent in the year 2000.

Mr. DOOLITTLE. Mr. Chairman, I yield another 1½ minutes to the gentleman from North Carolina (Mr. JONES).

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review, and I support the review, it is still the constitutional responsibility, the constitutional obligation of the Congress, to provide for our Armed Forces to meet our threats.

The Republican Study Committee budget provides a $5 billion more than the committee's budget, to eliminate some serious readiness woes, such as, one, a combat readiness rate of 41 percent for Air Force aircraft stationed in the continental United States; a acute shortage of ammunition for our Army and Marine Corps, Navy and Coast Guard aircraft, as well as ships and cutters that are grounded for lack of funding.

Remember, it was President Ronald Reagan who said, quote, "I believe it is immoral to ask the sons and daughters of America to protect this land with second-rate equipment and bargain-basement weapons," end quote.

It seems a long way in meeting these obvious requirements and necessary requirements for our national defense.

Mr. SPRATT. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. Mr. Chairman, Republican budgets are a blueprint for disaster. To pay for President Bush's irresponsible and fuzzy math tax cut for the rich, the Republican budget ignores the needs and priorities of the American people who have sent us to Washington to fight for their interests. This Republican budget ignores people like 73-year-old Olga Kipnis from my district. With the help of the Federal Government, Olga now lives in an apartment in a safe and quiet neighborhood but soon she may lose that apartment and be forced to move out of the neighborhood.

Does this budget address our national affordable housing crisis? Hardly. This Republican budget resolution would guarantee millionaires a down payment for a summer home and seniors like Olga their eviction notice. And because of that tax cut, any of our national priorities will not be met. $300 billion is needed for a quality prescription drug benefit for seniors under Medicare. The Republican budget dedicates only a paltry amount for a meaningless benefit. The Democratic alternative budget will provide $151 billion for education needs like teacher recruitment and school construction. The Republican budget does not commit anything to school construction. The American public believes the Federal Government has a role to play to meet our Nation's education, public housing and health care needs and to ensure the health of Medicare and Social Security. The Republican budget fails that role miserably.

Mr. FLAKE. Mr. Chairman, I yield 1 minute to the gentlewoman from North Carolina (Mrs. MYRICK).

Mrs. MYRICK. Mr. Chairman, I just wanted to make a couple of points about this budget that I think are very important. One of them is that this budget provides immediate retroactive income tax relief for all taxpayers to the tune of $38 billion. That is immediate tax relief. It also phases out the alternative minimum tax, which affects a lot of people in our country.

The third point that I wanted to make was it does repeal the capital gains tax, starts that repeal of capital gains. I think that is very important. These are all things that are going to do a tremendous amount to spur our economy, which we need right now.

Mr. SPRATT. Mr. Chairman, I yield 1 minute to the gentlewoman from Michigan (Ms. KIPLINGER).

Ms. KIPLINGER. Mr. Chairman, we have an opportunity in America today to invest in America. Sadly, the budget before us and the underlying budget does not do that.

The Democratic budget will do that. It will provide a tax cut with one-third of the budget surplus. It will also require one-third be spent for Social Security and Medicare. Why are we not doing this?

Mr. FLAKE. Mr. Chairman, I yield 1 minute to the gentleman from Maryland (Mr. WYNN).

Mr. WYNN. Mr. Chairman, I have to say, I am really amazed when I listen to my Republican colleagues. They acknowledge that the economy is getting weaker, they acknowledge we are having layoffs, but then they tell us we are going to have greater surpluses. It really does not make sense.

They move on and say what we really need is a bated tax cut for all Americans. It is not for all Americans, it is for the rich Americans, because the richer 1 percent get 50 percent of the tax benefit. Where is the fairness in that?

Let us talk about education. The Democratic alternative gives us $150 billion more for education. That means for teachers, smaller classrooms, more computers, more books, and school renovation. The Republican budget does not compare.
Let us move on and talk about debt reduction. I have not heard them talk about debt reduction. The Democratic budget gives us $915 billion more in debt reduction, which means lower interest rates for all Americans.

Finally, let us talk about law enforcement. The Democratic budget gives us $19 billion more for local law enforcement, more cops on the street; and that is a good thing. At the end of the day, the choice is very clear. The best and fairest way to handle all Americans is the Democratic budget. I urge adoption of the Democratic alternative.

Mr. FLAKE. Mr. Chairman, I would like to remind the gentleman from Maryland that this budget actually gives tax relief to anybody who pays income taxes.

Mr. Chairman, I yield 1 1/2 minutes to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Chairman, I rise today in support of the alternative budget offered by the gentleman from Arizona (Mr. FLAKE) and supported by the members of the Republican Study Committee.

Over the past 5 years, Congress has been, let us admit it, on a spending spree with the people's money. Last year's budget included an 8.7 increase in nondefense discretionary spending, and it took Congress just 5 months to consume $20 billion of the $26 billion surplus for last year.

Mr. Chairman, I believe the budget presented by the gentleman from Iowa (Mr. NUSSLE), the chairman of the Committee on the Budget, is an excellent start. However, Congress has demonstrated that if there is money to be spent in Washington, indeed it will be spent.

The Republican Study Commission reintroduces fiscal discipline to Washington, D.C. It recognizes that the surplus was created through the efforts of hard-working families of America by returning $2.2 trillion of the surplus to them, spending their surplus, and tax relief to working families, small businesses, and family farms, and by making tax cuts fully retroactive up and down the scale. At the same time, the RSC budget provides for our most important initiatives: IDEA, Medicare, Social Security, defense, and debt reduction.

Our friends and colleagues on the other side of the aisle would have us believe that a tax cut and a fair and reasonable budget is impossible. This premise is simply false. This budget has proven that we can help families with a tax cut and have a responsible and fair budget. The proof is in the numbers. Defense spending would increase to $350 billion, $25 billion more than the proposed budget. The RSC budget would require 100 percent of Social Security and Medicare surpluses, as well as other priorities be funded. It is a responsible budget, and it helps working families.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. DAVIS).

(Mr. DAVIS of Illinois asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Chairman, I rise in strong opposition to this alternative plan, which is actually worse than the President's budget and tax cut plan. I rise today on several important points. First of all, the Bush plan fails to make important investments in education, health care, law enforcement, and the digital divide. As a matter of fact, the Bush budget plan puts tax cuts first and leaves large deficits for millions of people who need them. In reality, the Bush plan leaves 53 percent of black and Hispanic families behind, despite claims that the tax cut would go to all taxpayers.

According to the Center on Budget and Policy Priorities, 53 percent of black and Hispanic families with children will receive no tax reduction from the Bush plan, even though 75 percent of these families include one who is working. Black and Hispanic families that will receive the benefit from the proposal include 6.1 million black children and 6.5 million Hispanic children, or 55 percent of all black children and 56 percent of Hispanic children. Among non-Hispanic blacks, 3 million families with children, 52.8 percent of all such families, would not benefit from the Bush tax plan. The figures are the same essentially for Hispanic children.

So, Mr. Chairman, I say, cut us in or cut it out. This is not the plan; this is not the program; this is not for America.

Mr. FLAKE. Mr. Chairman, I yield 1 1/2 minutes to the gentleman from Missouri (Mr. AKIN).

Mr. AKIN. Mr. Chairman, I arise to support the amendment.

One of the things that I find a little difficult, and perhaps some of my colleagues do as well, is to try to figure out how we can achieve a surplus. We are starting to talk about quantities of money that are sometimes hard to put into perspective. My comments this afternoon try to do that, try to talk about what does it really mean in terms of a $2.2 trillion plan.

When we take a look at the chart to my immediate left, what we see is that in spite of the comments of the Democrats, that the Kennedy plan of years ago was larger in terms of tax cuts than what is being proposed either by the President or by the plan that is before us today. We are looking at $2.2 trillion, and the Kennedy plan and the Reagan plans both were bigger. In fact, the Reagan tax cut was about 3 times bigger than what we are considering here today.

This, when we consider that the economy is already struggling and we have a tax surplus, when we put those facts together, what we are doing is proposing a very reasonable and a very temperate budget. It is still a balanced budget, we are still paying down the deficit, we are still keeping the Social Security and Medicare money where they belong; but what we are doing is we are providing that stimulus to the economy to protect jobs and to move the economy forward. This plan then, when we take a look at it in context, when we take a look at all the heroes behind a trillion, we can understand what it means. It is less than the Kennedy or the Reagan plan.

Mr. SPRATT. Mr. Chairman, I yield 1 1/2 minutes to the gentleman from Florida (Ms. BROWN).

Ms. BROWN of Florida. Mr. Chairman, this budget is about making choices, and this Republican budget makes all the wrong choices for this country.

Like monkey see, monkey do. We need to look at my home State of Florida to see the devastating effect that this budget will have on our country. When Jeb Bush took over as Governor of Florida, he inherited a surplus and a booming economy from a Democratic administration. Today, as he continues to push for more tax cuts for the wealthy Floridians, the surplus is gone. There is a $1 billion hole in Medicaid, and we cannot even afford books for our students.

Also unfortunate for the citizens of Florida is that this budget does nothing to improve the voting system that kept thousands of our votes from counting.

It is a choice. We can continue the prosperity we have worked so hard for; or we can go back to the huge debts, high interest rates, and skyrocketing unemployment that followed the Ronald Reagan tax cut. Remember, the deficit, the deficit, the deficit.

Mr. FLAKE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Florida (Ms. BROWN).

Ms. BROWN. Mr. Chairman, I rise in strong opposition to this alternative plan, which is actually worse than the President's budget and tax cut plan. I rise today on several important points. First of all, the Bush plan fails to make important investments in education, health care, law enforcement, and the digital divide. As a matter of fact, the Bush budget plan puts tax cuts first and leaves large deficits for millions of people who need them. In reality, the Bush plan leaves 53 percent of black and Hispanic families behind, despite claims that the tax cut would go to all taxpayers.

According to the Center on Budget and Policy Priorities, 53 percent of black and Hispanic families with children will receive no tax reduction from the Bush plan, even though 75 percent of these families include someone who is working. Black and Hispanic families that will receive the benefit from the proposal include 6.1 million black children and 6.5 million Hispanic children, or 55 percent of all black children and 56 percent of Hispanic children. Among non-Hispanic blacks, 3 million families with children, 52.8 percent of all such families, would not benefit from the Bush tax plan. The figures are the same essentially for Hispanic children.

So, Mr. Chairman, I say, cut us in or cut it out. This is not the plan; this is not the program; this is not for America.

Mr. FLAKE. Mr. Chairman, I yield 1 1/2 minutes to the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Mr. Chairman, national defense is in trouble. We need to spend an additional $30 billion a year on equipment; we need to spend an additional $6 billion to $10 billion on people, to keep their pay up to a level commensurate with the private sector; we need to spend an additional $3 billion or $4 billion per year on ammunition, and an additional $5 million or so for training so that our pilots can get the requisite number of hours per month. We have a lot of holes in defense.

This budget is one of the few budgets that recognizes the problem and, in fact, raises the defense spending to $350 billion, which is a $25 billion increase from the baseline that we have established over the last several years. It is excellent in that sense.

I want to remind my colleagues that the administration, George Bush, Dick Cheney, Don Rumsfeld, have promised that when they have finished their review, they are going to come in with a different defense number. I want it upward and I think it will be; and the reason I think it will be is because of the great analysis that has been done by this Republican Committee and the leaders who have put these numbers together, including the defense budget. Help is on the way,
my colleagues have helped to be leaders in that area.

Mr. SPRATT. Mr. Chairman, I yield 1½ minutes to the gentleman from Texas (Mr. RODRIGUEZ).

Mr. RODRIGUEZ. Mr. Chairman, let me, first of all, start by stating the fact that we are having a really serious problem with our budget, and our former Governor, now President, left us in shambles. We have a situation where we were supposed to have a major surplus and the fact that we do not. We have taxpayers that do not have access to insurance because of the fact that we do not have sufficient resources. We have youngsters that are not being covered for medication because of the fact that we do not have enough money to make the match. We have families that are uninsured and kids that are uninsured because of the fact that we do not have sufficient resources. We have youngsters that are not being covered for medication because of the fact that we do not have enough money to make the match. We have families that are uninsured and kids that are uninsured because of the fact that we do not have sufficient resources.

Now, the President is trying to do the same thing on the Federal level. Without proposing the exact budget that we need in terms of making priorities that we need to consider such as education, which is critical as we move into the global economy; our national defense where we know full well that we need 40,000 additional troops out there; the testimony from Gingrich that we talked about where we need the $60 billion to $80 billion right now as a a safety net.

We are not talking about those items. What we are talking about is a tax cut that is irresponsible, not considering the fact that we have a situation before us that we have a problem with our economy.

Mr. SPRATT. Mr. Chairman, I yield 1½ minutes to the gentleman from Texas (Mr. RODRIGUEZ).

Mr. RODRIGUEZ. Mr. Chairman, let me just reflect on what the overall effect on this budget does. It increases spending, but it does responsibly, not massively, as the Democratic alternative would.

It takes all the Social Security and surpluses and puts that aside. It retires all the available debt.

Now, after we have increased spending, put all of the Social Security and Medicare money aside, paid off all of the debt, how could we not provide tax relief with the money left over?

I have heard my colleagues suggest that the tax package is unfair. We do not tax package is the relief for everyone who pays income taxes. Now, does that go back to people in proportion to the taxes they pay? No, a more than proportionate share goes to the lowest-income workers. People making $35,000 a year, a family of four, would pay no taxes at all. There is no question this disproportionately benefits the people at the lower end of the income spectrum.

Finally, the biggest and best reason we should be supporting the Republican Study Committee budget is the effect it will have on the economy, the ability it has to unleash economic growth and prosperity. That is what this is all about.

The empirical evidence is overwhelming: Every time in American history everywhere around the world when societies lower the burden that government imposes on an economy, the result is increased tax revenue, the taxation and litigation and regulation, those kinds of burdens, the result is economic growth and prosperity. That means more jobs, higher wages, greater productivity, rising standards of living.

That is what we are here for. That is what our obligation is as representatives in Congress, to provide that opportunity for the hard-working men and women across America to enjoy their dreams, enjoy the fruits of their labor. That budget does better than any other budget.

I urge my colleagues to support the Republican Study Committee budget. Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, I would like to address again some of the misperceptions that I think surround the basic resolution today. I am particularly disturbed by assertions contained in letters of support from various agricultural groups. Ostensibly their support hinges on agriculture being guaranteed priority status out of the $517 billion reserve fund.

I have examined and continue to examine the legislative language that establishes this reserve, and nowhere do I find a priority given to agriculture. The resolution provides for a strategic reserve fund for agriculture, defense, and other appropriate spending that does not to mention the additional defense and other appropriate spending that the chairman of the Committee on the Budget wishes to squeeze out of this account.

In addition, increased defense expenditures, additional funding for prescription drug coverage, or additional tax provisions severely limit funding. Unfortunately, the only budget that would have addressed this, the Blue Dog budget, it lost. This budget does even less favoring.

Mr. FLAKE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to thank my colleagues on the Republican Study Committee and the staff for putting together this budget. We believe it is a great budget.

First and foremost, as has been outlined, when President Bush outlined his economic plan during the campaign, times were different. The surplus was a lot smaller, and the economy was a lot more robust. We were doing a lot better.

Times are certainly different now. The times call for a larger tax cut, and also, as President Bush has said, we need to move more money out of Washington.

I would say to my colleagues across the Capitol in the Senate who are considering campaign finance reform and looking for ways to get more money out of politics, the best way to do that is to get more money out of Washington, because the reason there is so much money in politics is because there is so much money in Washington. The Tax Code is too complex and too tough to deal with.

I would simply ask that this budget be favorably considered, our alternative budget.

Mr. Chairman, I yield back the balance of my time.

Mr. SPRATT. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN pro tempore (Mr. MILLER of Florida). The gentleman from South Carolina (Mr. SPRATT) is recognized for 4 minutes.

Mr. SPRATT. Mr. Chairman, I would emphasize once more what I have said throughout: What we do today in deciding on this budget resolution may be little noted in all of the country, but it
will be long remembered, because the consequences of this budget resolution will flow on for years to come.

I have three basic problems with the resolution that the majority has brought to the floor, and the conservative alternative which is being presented now only worsens those problems.

In the first place, in making so much room for tax cuts, their budget leaves very little room for anything else. Over the last 18 years, we have deferred and denied many needs and priorities of this country. Education is one.

Now that we finally have a surplus, surely some part of it ought to be dedicated to those things that not only we want to do, but the American people clearly want us to do. Look at any poll, any opinion chart. Everybody ranks education as number one.

Between us and them, the difference on education is like night and day. We provide $130 billion more than the base Republican resolution. I have not done the calculus on this resolution, but I am sure we provide substantially more than that for education.

There is one other thing that makes me back off from the proposal they are making. That is, that for years now we have been able to look into the future and see that Social Security and Medicare faced a shortfall. It is just over the horizon of this budget. We did not have any way to provide for them, at least in the third of people in Idaho and around the nation are delaying home ownership, college educations and starting their own businesses because, I think it is a moral problem. That is not only a budgetary problem, I think it is a moral problem. That is why I opposed this resolution and the base Republican resolution because both of them slough off that obligation, leave it to our children to pay for the baby boomers’ retirement. I think that is not only a budgetary problem. I think it is a moral problem. That is why I opposed this resolution and the base Republican resolution as well.

Mr. OTTER. Mr. Chairman, I rise today to support the Republican Study Committee budget alternative. The leadership budget puts in place the framework for enacting the President’s budget and tax cut plan. It is a good budget, not just for the taxing American, but for the parents and children of America’s taxpayers. This budget will eliminate $2.3 trillion of the national debt by 2001, freeing our descendants from the crushing weight of debt. It gives tax relief to every taxpayer, and immediate tax cuts for the lowest brackets increases the educational IRA contribution limit from $500 to $5000, enabling families to save, not just for college, but for primary and secondary schools as well. Perhaps most importantly, this budget will eliminate the death tax. No longer will the grieving children of farmers and small businessmen have to sell their inheritance to pay off the taxman.

The leadership budget is a good bill. But in the last few weeks we have begun to see the changes in our priorities may be in jeopardy. The strain of paying for a huge surplus is beginning to drag on our economy. That is why I am voting for the Republican Study Committee alternative budget. It does everything the leadership budget does, but adds more and even more immediate tax cuts. Additional tax cuts are needed now to help our economy. Just as an ounce of prevention is worth a pound of cure, larger tax relief now will generate economic growth that will save us untold amounts later. The RSC alternative will give us $600 million more in tax relief over the next 10 years, from $1.6 trillion in the leadership budget to $2.2 million.

By making more of these tax cuts retroactive, it will help taxpayers now. Thousands of people in Idaho and around the nation are delaying home ownership, college educations and starting their own businesses because they don’t know when they will see the money they sent to Washington. We need people working, not worrying. Sending the surplus home will release a flood of inward investment that will improve the life of every American.

Passing the RSC budget alternative will have a tremendous impact on the financial markets and consumer confidence. It will declare to America and the world that the 107th Congress is serious about maintaining the economy. It will encourage investors and businesspeople to bet on American prosperity. I urge my colleagues to join me in voting for the RSC budget and empowering the American economy. Send the surplus home, and vote for the Republican Study Committee alternative.

Mr. SPRATT. Mr. Chairman, I yield back the balance of my time.

The Thomas budget, the question is on the amendment in the nature of a substitute offered by the gentleman from Arizona (Mr. FLAKE). The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.
Fiscal year 2002: $252,600,000,000.
Fiscal year 2003: $210,600,000,000.
Fiscal year 2004: $186,700,000,000.
Fiscal year 2005: $163,800,000,000.
Fiscal year 2006: $142,500,000,000.
Fiscal year 2007: $124,900,000,000.
Fiscal year 2008: $110,900,000,000.
Fiscal year 2009: $99,000,000,000.
Fiscal year 2010: $90,000,000,000.
Fiscal year 2011: $86,500,000,000.

(3) BUDGET OUTLAWS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays as follows:

Fiscal year 2002: $6.3 billion.
Fiscal year 2003: $5.4 billion.
Fiscal year 2004: $4.3 billion.
Fiscal year 2005: $3.4 billion.
Fiscal year 2006: $2.8 billion.
Fiscal year 2007: $2.4 billion.
Fiscal year 2008: $2.1 billion.
Fiscal year 2009: $1.9 billion.
Fiscal year 2010: $1.7 billion.
Fiscal year 2011: $1.5 billion.

(4) SURPLUSES.—For purposes of the enforcement of this resolution, the amounts of the surpluses as follows:

Fiscal year 2002: $1.5 billion.
Fiscal year 2003: $1.2 billion.
Fiscal year 2004: $1.0 billion.
Fiscal year 2006: $700 million.
Fiscal year 2007: $600 million.
Fiscal year 2008: $500 million.
Fiscal year 2009: $400 million.
Fiscal year 2010: $300 million.
Fiscal year 2011: $200 million.

(5) PUBLIC DEBT.—The appropriate levels of the public debt as follows:

Fiscal year 2002: $42.3 trillion.
Fiscal year 2003: $44.9 trillion.
Fiscal year 2004: $47.9 trillion.
Fiscal year 2005: $51.2 trillion.
Fiscal year 2006: $55.1 trillion.
Fiscal year 2007: $59.4 trillion.
Fiscal year 2008: $64.3 trillion.
Fiscal year 2009: $70.0 trillion.
Fiscal year 2010: $76.3 trillion.
Fiscal year 2011: $83.3 trillion.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority and budget outlays for fiscal years 2002 through 2011 for each major functional category are:

(1) National Defense (050): This function includes funding for the Department of Defense, the nuclear-weapons-related activities of the Department of Energy, and miscellaneous national security activities in various other agencies such as the Coast Guard and the Federal Bureau of Investigation. The policy of this resolution is that there shall be budget authority of $327,200,000,000 and outlays of $320,500,000,000 in fiscal year 2002, and budget authority of $353,100,000,000 and outlays of $346,100,000,000 over fiscal years 2002 through 2011. This is greater than the level of the Committee-passed resolution by $2.6 billion of budget authority and $1.2 billion of discretionary budget authority and $48.1 billion of budget authority and $28.9 billion of outlays over fiscal years 2002 through 2011, better to address priorities such as but not limited to: maintaining a high level of military readiness; improving the quality of life for military personnel and their families, specifically including pay and housing, ensuring health care for active-duty members, their families, and all military retirees and their families; transforming our military to meet post-Cold War threats; and modernizing conventional forces required to execute the national military strategy.

Fiscal year 2002: (A) New budget authority, $327,200,000,000. (B) Outlays, $320,500,000,000.
Fiscal year 2003: (A) New budget authority, $353,100,000,000. (B) Outlays, $346,100,000,000.
Fiscal year 2004: (A) New budget authority, $345,100,000,000. (B) Outlays, $334,600,000,000.
Fiscal year 2005: (A) New budget authority, $356,900,000,000. (B) Outlays, $349,200,000,000.
Fiscal year 2006: (A) New budget authority, $366,700,000,000. (B) Outlays, $358,100,000,000.
Fiscal year 2007: (A) New budget authority, $379,600,000,000. (B) Outlays, $366,400,000,000.
Fiscal year 2008: (A) New budget authority, $390,400,000,000. (B) Outlays, $389,400,000,000.
Fiscal year 2009: (A) New budget authority, $406,000,000,000. (B) Outlays, $391,400,000,000.
Fiscal year 2010: (A) New budget authority, $409,800,000,000. (B) Outlays, $402,000,000,000.
Fiscal year 2011: (A) New budget authority, $420,100,000,000. (B) Outlays, $412,500,000,000.

(2) International Affairs (150): This function includes virtually all United States international activities, such as: operating United States embassies and consulates throughout the world, military assistance to allies, aid to underdeveloped nations, economic assistance to fledging democracies, promotion of United States exports abroad, United States payments to international organizations, and United States contributions to international peacekeeping efforts. The policy of this resolution is that there shall be budget authority of $23,900,000,000 and outlays of $23,600,000,000 in fiscal year 2002, and budget authority of $261,200,000,000 and outlays of $259,600,000,000 over fiscal years 2002 through 2011, which is $0.7 billion of discretionary budget authority and $0.7 billion of discretionary outlays greater than the CBO current services baseline in 2002, and $7.6 billion of discretionary budget authority and $6.7 billion of discretionary outlays greater than the CBO current services baseline over fiscal years 2002 through 2011, to address priorities such as but not limited to: providing greater security for foreign-service personnel and embassies, improving health care in poor countries, with particular emphasis on combating HIV/AIDS, providing a supplemental appropriation to advance the national security interests of Israel, supporting drug-interdiction efforts, and promoting the economic, environmental, political, and national security interests of the United States.

Fiscal year 2002: (A) New budget authority, $23,900,000,000. (B) Outlays, $23,600,000,000.
Fiscal year 2003: (A) New budget authority, $324,300,000,000. (B) Outlays, $325,100,000,000.
Fiscal year 2004: (A) New budget authority, $345,100,000,000. (B) Outlays, $334,600,000,000.
Fiscal year 2005: (A) New budget authority, $356,900,000,000. (B) Outlays, $349,200,000,000.
Fiscal year 2006: (A) New budget authority, $368,700,000,000. (B) Outlays, $358,100,000,000.
Fiscal year 2007: (A) New budget authority, $379,600,000,000. (B) Outlays, $366,400,000,000.
Fiscal year 2008: (A) New budget authority, $390,400,000,000. (B) Outlays, $389,400,000,000.
Fiscal year 2009: (A) New budget authority, $406,000,000,000. (B) Outlays, $391,400,000,000.
Fiscal year 2010: (A) New budget authority, $409,800,000,000. (B) Outlays, $402,000,000,000.
Fiscal year 2011: (A) New budget authority, $420,100,000,000. (B) Outlays, $412,500,000,000.
Pecysal year 2006:
 (A) New budget authority, $25,200,000,000.
 (B) Outlays, $21,400,000,000.

Pecysal year 2007:
 (A) New budget authority, $26,900,000,000.
 (B) Outlays, $22,100,000,000.

Pecysal year 2008:
 (A) New budget authority, $27,400,000,000.
 (B) Outlays, $22,200,000,000.

Pecysal year 2009:
 (A) New budget authority, $28,000,000,000.
 (B) Outlays, $23,500,000,000.

Pecysal year 2010:
 (A) New budget authority, $28,400,000,000.
 (B) Outlays, $24,200,000,000.

Pecysal year 2011:
 (A) New budget authority, $29,600,000,000.
 (B) Outlays, $25,500,000,000.

Pecysal year 2012:
 (A) New budget authority, $30,200,000,000.
 (B) Outlays, $25,500,000,000.

Pecysal year 2013:
 (A) New budget authority, $31,000,000,000.
 (B) Outlays, $26,700,000,000.

Pecysal year 2014:
 (A) New budget authority, $32,000,000,000.
 (B) Outlays, $28,000,000,000.

Pecysal year 2015:
 (A) New budget authority, $33,000,000,000.
 (B) Outlays, $29,800,000,000.

Pecysal year 2016:
 (A) New budget authority, $34,000,000,000.
 (B) Outlays, $31,200,000,000.

Pecysal year 2017:
 (A) New budget authority, $35,000,000,000.
 (B) Outlays, $31,700,000,000.

Pecysal year 2018:
 (A) New budget authority, $36,000,000,000.
 (B) Outlays, $33,100,000,000.

Pecysal year 2019:
 (A) New budget authority, $37,500,000,000.
 (B) Outlays, $34,200,000,000.

Pecysal year 2020:
 (A) New budget authority, $39,000,000,000.
 (B) Outlays, $36,800,000,000.

Pecysal year 2021:
 (A) New budget authority, $41,000,000,000.
 (B) Outlays, $39,500,000,000.

Pecysal year 2022:
 (A) New budget authority, $43,000,000,000.
 (B) Outlays, $42,000,000,000.

Energy (270): This function includes funding for the nondefense programs of the Department of Energy as well as for the Ten- nessee Valley Authority, rural electrification loans, and the Nuclear Regulatory Commission. The programs supported by this function are intended to increase the supply of energy, energy conservation, facilitate an emergency supply of energy, and safeguard energy production. The policy of this resolution is that there shall be budget authority of $1,400,000,000 and outlays of $0 in fiscal year 2002, and budget authority of $177,000,000,000 and outlays of $2,900,000,000 over fiscal years 2002 through 2011, which is $0.6 billion of budget authority and $0.2 billion of outlays greater than the Committee-passed resolution in 2002, and $2.1 billion of outlays greater than the Committee-passed resolution over fiscal years 2002 through 2011, to maintain funding for appropriated energy programs after full adjustment for inflation; to address priorities including but not limited to: funding energy research, stabilizing energy prices, reducing energy costs, increasing energy production, conserving energy, using energy more efficiently, protecting the environment, reducing pollution through deployment of clean-coal technologies, and assisting low-income families who are hard-pressed by high home heating and cooling costs by protecting programs such as the Weatherization Assistance Program.

Fiscal year 2002:
 (A) New budget authority, $1,400,000,000.
 (B) Outlays, $0.

Fiscal year 2003:
 (A) New budget authority, $1,300,000,000.
 (B) Outlays, $100,000,000.

Fiscal year 2004:
 (A) New budget authority, $1,300,000,000.
 (B) Outlays, $100,000,000.

Fiscal year 2005:
 (A) New budget authority, $1,300,000,000.
 (B) Outlays, $100,000,000.

Fiscal year 2006:
 (A) New budget authority, $1,300,000,000.
 (B) Outlays, $0.

Fiscal year 2007:
 (A) New budget authority, $1,400,000,000.
 (B) Outlays, $100,000,000.

Fiscal year 2008:
 (A) New budget authority, $2,200,000,000.
 (B) Outlays, $400,000,000.

Fiscal year 2009:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $800,000,000.

Fiscal year 2010:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $1,000,000,000.

Fiscal year 2011:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $1,300,000,000.

Fiscal year 2012:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $1,800,000,000.

Fiscal year 2013:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $2,300,000,000.

Fiscal year 2014:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $2,800,000,000.

Fiscal year 2015:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $3,300,000,000.

Fiscal year 2016:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $3,800,000,000.

Fiscal year 2017:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $4,300,000,000.

Fiscal year 2018:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $4,800,000,000.

Fiscal year 2019:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $5,300,000,000.

Fiscal year 2020:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $5,800,000,000.

Fiscal year 2021:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $6,400,000,000.

Fiscal year 2022:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $6,900,000,000.

Fiscal year 2023:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $7,400,000,000.

Fiscal year 2024:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $7,900,000,000.

Fiscal year 2025:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $8,400,000,000.

Fiscal year 2026:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $8,900,000,000.

Fiscal year 2027:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $9,400,000,000.

Fiscal year 2028:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $9,900,000,000.

Fiscal year 2029:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $10,400,000,000.

Fiscal year 2030:
 (A) New budget authority, $2,300,000,000.
 (B) Outlays, $10,900,000,000.
reflecting spending levels consistent with recent needs; providing farmers with a more stable, dependable source of supplementary income assistance, rather than continued unpredictable emergency assistance, minimizing the need for continued emergency assistance, and making spending assumptions more realistic, in preparation for the upcoming reauthorization of the farm program.

Fiscal year 2002:

(A) New budget authority, $27,300,000,000.
(B) Outlays, $25,500,000,000.

Fiscal year 2003:

(A) New budget authority, $24,500,000,000.
(B) Outlays, $23,000,000,000.

Fiscal year 2004:

(A) New budget authority, $22,600,000,000.
(B) Outlays, $21,100,000,000.

Fiscal year 2005:

(A) New budget authority, $22,400,000,000.
(B) Outlays, $20,900,000,000.

Fiscal year 2006:

(A) New budget authority, $22,000,000,000.
(B) Outlays, $20,400,000,000.

Fiscal year 2007:

(A) New budget authority, $20,000,000,000.
(B) Outlays, $18,700,000,000.

Fiscal year 2008:

(A) New budget authority, $19,700,000,000.
(B) Outlays, $18,100,000,000.

Fiscal year 2009:

(A) New budget authority, $18,900,000,000.
(B) Outlays, $17,800,000,000.

Fiscal year 2010:

(A) New budget authority, $20,100,000,000.
(B) Outlays, $18,700,000,000.

Fiscal year 2011:

(A) New budget authority, $20,200,000,000.
(B) Outlays, $18,800,000,000.

(7) Commerce and Housing Credit (370):
This function includes deposit insurance and financial regulatory agencies; the mortgage credit program; increased premium collections for the Federal Housing Administration; the Postal Service; and other regulatory agencies such as the Federal Communications Commission (FCC). The policy of this resolution is that there shall be budget authority of $7,400,000,000 and outlays of $7,300,000,000 in fiscal year 2002, and budget authority of $127,900,000,000 and outlays of $84,300,000,000 over fiscal years 2002 through 2011, to address priorities such as but not limited to full funding of the authorized levels provided for highways and transit under the Transportation Equity Act for the 21st Century (TEA-21), full funding of the National Aeronautics and Space Administration (NASA). The policy of this resolution is that there shall be budget authority of $63,700,000,000 and outlays of $56,200,000,000 over fiscal year 2002, and budget authority of $61,200,000,000 and outlays of $47,300,000,000 over fiscal years 2002 through 2011, which is $2.7 billion of budget authority greater than the Committee-passed resolution in 2002, and $33.2 billion of budget authority and $7.7 billion of outlays greater than the Committee-passed resolution in 2002.

Fiscal year 2002:

(A) New budget authority, $60,000,000,000.
(B) Outlays, $52,000,000,000.

Fiscal year 2003:

(A) New budget authority, $64,100,000,000.
(B) Outlays, $59,800,000,000.

Fiscal year 2004:

(A) New budget authority, $61,600,000,000.
(B) Outlays, $59,800,000,000.

Fiscal year 2005:

(A) New budget authority, $64,000,000,000.
(B) Outlays, $60,900,000,000.

Fiscal year 2006:

(A) New budget authority, $64,300,000,000.
(B) Outlays, $64,100,000,000.

Fiscal year 2007:

(A) New budget authority, $64,800,000,000.
(B) Outlays, $64,800,000,000.

Fiscal year 2008:

(A) New budget authority, $64,000,000,000.
(B) Outlays, $64,000,000,000.

Fiscal year 2009:

(A) New budget authority, $65,500,000,000.
(B) Outlays, $68,300,000,000.

Fiscal year 2010:

(A) New budget authority, $66,200,000,000.
(B) Outlays, $69,700,000,000.

Fiscal year 2011:

(A) New budget authority, $66,900,000,000.
(B) Outlays, $71,200,000,000.

(9) Community and Regional Development (400): This function primarily includes Federal spending within the Departments of Education, Labor, and Health and Human Services for programs that directly provide or assist states and localities in providing services to young people and adults. The activities that it covers include providing developmental services to low-income children, helping disabled and other elementary and secondary school students, offering grants and loans to post-secondary students, and funding job-training and employment services for people of all ages. The policy of this resolution is that there shall be budget authority of $87,700,000,000 and outlays of $79,200,000,000 in fiscal year 2002, and budget authority of $86,500,000,000 and outlays of $905,800,000 over fiscal years 2002 through 2011. This is greater than the level of the Committee-passed resolution by $5.6 billion of budget authority and $3.0 billion of outlays in fiscal year 2002, and $123.8 billion of budget authority and $104 billion of outlays over fiscal years 2002 through 2011, better to address priorities such as but not limited to: reducing class sizes by recruiting and adequately compensating qualified teachers;
improving teacher quality through professional development programs, especially for math and science teachers; facilitating school renovation by providing grants and subsidies for Title III and local school districts; ensuring the effectiveness of all of our schools through increased funding of the title I program; enhancing the performance of our students through investments in technology, school counselors, and after-school programs; expanding the Federal commitment to special education under the Individuals with Disabilities Education Act by no less than $1.5 billion per year, expanding access to higher education by sufficiently funding Pell Grants, including an increase in the maximum Pell Grant award; sustaining the strength of the Nation’s vocational rehabilitation programs, ensuring that each state has a program of services for those individuals eligible for Head Start are enrolled in the program and are well prepared for elementary education, sustaining the competitiveness of our economy through sufficient funding for workforce investment programs, and strengthening the safety net provided to our nation’s most vulnerable people through, for example, increased funding levels for child welfare programs and the Social Services Block Grant (title XX).

Fiscal year 2002:
(A) New budget authority, $87,700,000,000.
(B) Outlays, $79,200,000,000.
Fiscal year 2003:
(A) New budget authority, $89,200,000,000.
(B) Outlays, $86,400,000,000.
Fiscal year 2004:
(A) New budget authority, $92,700,000,000.
(B) Outlays, $85,200,000,000.
Fiscal year 2005:
(A) New budget authority, $96,800,000,000.
(B) Outlays, $89,800,000,000.
Fiscal year 2006:
(A) New budget authority, $102,500,000,000.
(B) Outlays, $95,100,000,000.
Fiscal year 2007:
(A) New budget authority, $104,600,000,000.
(B) Outlays, $99,700,000,000.
Fiscal year 2008:
(A) New budget authority, $108,000,000,000.
(B) Outlays, $102,800,000,000.
Fiscal year 2009:
(A) New budget authority, $116,600,000,000.
(B) Outlays, $118,300,000,000.
Fiscal year 2010:
(A) New budget authority, $123,200,000,000.
(B) Outlays, $128,400,000,000.
Fiscal year 2011:
(A) New budget authority, $132,000,000,000.
(B) Outlays, $131,300,000,000.

(11) Income Security (600): This function includes Federal programs for health care services, disease prevention, consumer and occupational safety, health-related research, and similar activities. The largest component of spending in this function is the Medicaid and State Medicaid programs, which pays for health services for some low-income women, children, and elderly people, as well as people with disabilities. This resolution is that there shall be budget authority of $194,300,000,000 and outlays of $190,200,000,000 in fiscal year 2002, and budget authority of $2,898,600,000,000 and outlays of $2,837,100,000,000 over fiscal years 2002 through 2011. This is greater than the level of the Committee-passed resolution by $1.7 billion of discretionary authority and $400 million of discretionary outlays in fiscal year 2002, and $4.0 billion of discretionary budget authority and $2.6 billion of discretionary outlays for fiscal years 2002 through 2011, better to address priorities such as but not limited to: doubling funding for the National Institutes of Health relative to the President’s budget; maintaining inflation-adjusted funding for other discretionary health programs, expanding access to health insurance for working families by allowing states to cover families under the Medicaid or State Children’s Health Insurance Program, and allowing a buy-in to Medicaid for families that exceed the federal poverty income line but whose income is under 300 percent of poverty, increasing funding for community health centers, providing low-income Medicare beneficiaries with prescription drug benefits, and cost-sharing requirements of a Medicare prescription drug benefit, and restoring Medicaid benefits to certain legal immigrants.

Fiscal year 2002:
(A) New budget authority, $194,300,000,000.
(B) Outlays, $190,200,000,000.
Fiscal year 2003:
(A) New budget authority, $217,700,000,000.
(B) Outlays, $233,500,000,000.
Fiscal year 2004:
(A) New budget authority, $235,600,000,000.
(B) Outlays, $233,900,000,000.
Fiscal year 2005:
(A) New budget authority, $255,400,000,000.
(B) Outlays, $233,500,000,000.
Fiscal year 2006:
(A) New budget authority, $276,600,000,000.
(B) Outlays, $274,500,000,000.
Fiscal year 2007:
(A) New budget authority, $296,600,000,000.
(B) Outlays, $293,900,000,000.
Fiscal year 2008:
(A) New budget authority, $319,200,000,000.
(B) Outlays, $316,700,000,000.
Fiscal year 2009:
(A) New budget authority, $341,000,000,000.
(B) Outlays, $338,900,000,000.
Fiscal year 2010:
(A) New budget authority, $386,300,000,000.
(B) Outlays, $365,100,000,000.
Fiscal year 2011:
(A) New budget authority, $395,400,000,000.
(B) Outlays, $392,300,000,000.

(12) Housing (400): This function covers Federal programs for housing, and the earned income tax credit) and Temporary Assistance for Needy Families, Temporary Assistance for Disabled Americans (SAB), and food stamp benefits to certain legal immigrants. Some of those benefits (such as food stamps, Supplemental Security Income, Temporary Assistance for Needy Families, housing, and the earned income tax credit) are means-tested, whereas others (such as unemployment compensation and Civil Service Retirement and Disability payments) do not depend on a person’s income or assets. The policy of this resolution is that there shall be budget authority of $273,800,000,000 and outlays of $272,200,000,000 in fiscal year 2002, and budget authority of $2,230,300,000,000 and outlays of $2,217,300,000,000 over fiscal years 2002 through 2011. This is greater than the level of the Committee-passed resolution by $2.3 billion of budget authority (but $100 million less of outlays) in fiscal year 2002, and $17.6 billion of budget authority and $15.7 billion of outlays over fiscal years 2002 through 2011, better to address priorities such as but not limited to: enhancing America’s nutritional safety net through improvements that facilitate access to the Food Stamp program, providing increased funding for the Low-Income Home Energy Assistance program (LIHEAP) and emergency funds in response to escalating energy prices; ensuring that Special Supplemental Nutrition Program for Women, Infants and children (WIC) funds supplying nutritional benefits and counseling for pregnant women, infants and children increase with inflation; giving states more resources to support families moving from welfare to work through child care (TANF) block grants; addressing the Nation’s affordable housing crisis by maintaining public housing Capital Fund and Drug Elimination programs at increased levels; and addressing the need for “Section 8” contracts, maintaining adequate section 8 reserves, and adding $4.0 billion new section 8 housing assistance vouchers and maintaining them for ten years, increasing housing resources for the low-income elderly in preparation for the aging of the baby boom generation, maintaining Congress’s commitment to the flexible HOME Investment Partnership Program, ensuring that grants to state and local governments for affordable rental housing and home ownership activities at least keep pace with inflation, as opposed to the Committee-passed resolution which diminishes HOME program grants through new set-asides, and restoring SSI and food stamp benefits to certain legal immigrants.

Fiscal year 2002:
(A) New budget authority, $273,800,000,000.
(B) Outlays, $272,200,000,000.
Fiscal year 2003:
(A) New budget authority, $284,400,000,000.
(B) Outlays, $282,700,000,000.
Fiscal year 2004:
(A) New budget authority, $295,600,000,000.
(B) Outlays, $293,800,000,000.
Fiscal year 2005:
(A) New budget authority, $307,200,000,000.
(B) Outlays, $307,200,000,000.
This function covers programs that offer benefits to military veterans. Those programs, most of which are run by the Department of Veterans Affairs, provide health care, disability compensation, pensions, life insurance, education and training, and guaranteed loans. The policy of this resolution is that there shall be budget authority of $32,400,000,000 and outlays of $31,700,000,000 in fiscal year 2002, and budget authority of $606,400,000,000 and outlays of $602,900,000,000 over fiscal years 2002 through 2011. This is greater than the level of the Committee-passed resolution by $100 million of budget authority and $100 million of outlays in fiscal year 2002, and $12.4 billion of budget authority and $12.5 billion of outlays over fiscal years 2002 through 2011, better to address priorities such as but not limited to: increasing funding for appropriated veterans programs by $100 million for 2002 over the levels in the Committee-approved Republican resolution, to meet the needs of the VHA, and to increase Department of Veterans Affairs personnel and technology for claims processing and administration, reaffirming our commitment to veterans by adequately funding the Department of Veterans Affairs; avoiding shifting one program to another to meet current crises; ensuring that veterans are able to receive, in a timely manner, the benefits Congress intended for them; and increasing mandatory programs for veterans by raising the education benefit in the Montgomery GI bill from $650 to $1100, and enhancing certain burial benefits as provided in H.R. 801.

Fiscal year 2002:
(A) New budget authority, $52,400,000,000.
(B) Outlays, $51,700,000,000.

Fiscal year 2003:
(A) New budget authority, $53,900,000,000.
(B) Outlays, $53,500,000,000.

Fiscal year 2004:
(A) New budget authority, $56,200,000,000.
(B) Outlays, $55,100,000,000.

Fiscal year 2005:
(A) New budget authority, $60,300,000,000.
(B) Outlays, $59,900,000,000.

Fiscal year 2006:
(A) New budget authority, $59,800,000,000.
(B) Outlays, $59,900,000,000.

Fiscal year 2007:
(A) New budget authority, $59,300,000,000.
(B) Outlays, $58,900,000,000.

Fiscal year 2008:
(A) New budget authority, $63,400,000,000.
(B) Outlays, $65,000,000,000.

Fiscal year 2009:
(A) New budget authority, $65,000,000,000.
(B) Outlays, $64,600,000,000.

Fiscal year 2010:
(A) New budget authority, $67,000,000,000.
(B) Outlays, $66,600,000,000.

Fiscal year 2011:
(A) New budget authority, $69,000,000,000.
(B) Outlays, $68,900,000,000.

(16) Administration of Justice (750): This function covers programs that provide judicial services, law enforcement, and prison operations. The policy of this resolution is that there shall be budget authority of $32,400,000,000 and outlays of $31,400,000,000 in fiscal year 2002, and budget authority of $378,400,000,000 and outlays of $374,700,000,000 over fiscal years 2002 through 2011. This is greater than the level of the Committee-passed resolution by $50 million of budget authority and $500 million of outlays in fiscal year 2002, and $360 million of budget authority and $360 million of outlays over fiscal years 2002 through 2011, better to address priorities such as but not limited to: maintaining inflation-adjusted levels of appropriations, above the level of the Committee-approved Republican Budget Resolution, and enactment of election reform legislation guaranteeing State and local election jurisdictions sufficient funds to replace outdated and outmoded voting technologies.

Fiscal year 2002:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $16,800,000,000.

Fiscal year 2003:
(A) New budget authority, $16,300,000,000.
(B) Outlays, $16,800,000,000.

Fiscal year 2004:
(A) New budget authority, $16,700,000,000.
(B) Outlays, $16,800,000,000.

Fiscal year 2005:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $16,700,000,000.

Fiscal year 2006:
(A) New budget authority, $17,500,000,000.
(B) Outlays, $17,500,000,000.

Fiscal year 2007:
(A) New budget authority, $17,900,000,000.
(B) Outlays, $17,500,000,000.

Fiscal year 2008:
(A) New budget authority, $18,000,000,000.
(B) Outlays, $17,700,000,000.
Fiscal year 2002:
(A) New budget authority, $259,600,000,000.
(B) Outlays, $259,600,000,000.
Fiscal year 2003:
(A) New budget authority, $254,500,000,000.
(B) Outlays, $254,500,000,000.
Fiscal year 2004:
(A) New budget authority, $249,300,000,000.
(B) Outlays, $249,300,000,000.
Fiscal year 2005:
(A) New budget authority, $241,800,000,000.
(B) Outlays, $241,800,000,000.
Fiscal year 2006:
(A) New budget authority, $235,500,000,000.
(B) Outlays, $235,500,000,000.
Fiscal year 2007:
(A) New budget authority, $228,300,000,000.
(B) Outlays, $228,300,000,000.
Fiscal year 2008:
(A) New budget authority, $223,400,000,000.
(B) Outlays, $223,400,000,000.
Fiscal year 2009:
(A) New budget authority, $215,100,000,000.
(B) Outlays, $215,100,000,000.
Fiscal year 2010:
(A) New budget authority, $205,500,000,000.
(B) Outlays, $205,500,000,000.
Fiscal year 2011:
(A) New budget authority, $190,300,000,000.
(B) Outlays, $190,300,000,000.
Fiscal year 2012:
(A) New budget authority, $187,000,000,000.
(B) Outlays, $187,000,000,000.
Fiscal year 2013:
(A) New budget authority, $180,000,000,000.
(B) Outlays, $180,000,000,000.
(3) FLEXIBILITY FOR THE COMMITTEE ON WAYS AND MEANS.—If the reconciliation submission by the Committee on Ways and Means alters the Internal Revenue Code of 1986 in a manner that would increase Committee on Taxation outlay changes, as through legislation affecting refundable tax credits, the submission shall be considered to meet the revenue requirements of the reconciliation directive if the net cost of the revenue and outlay changes does not exceed the revenue amount set forth for that committee and the reconciliation directive.

Upon the submission of such legislation, the chairman of the House Committee on the Budget, with the concurrence of the chairman of the Senate Committee on the Budget, agrees in this resolution and allocations made under this resolution accordingly.

(d) Submissions by House Committees on Energy and Commerce and Ways and Means for Medicare Prescription Drugs.—

(1) Not later than June 8, 2001, the House Committees named in paragraph (2) shall report on the following changes in their jurisdiction to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall transmit to the Federal co-ordinating committee a bill carrying out all such recommendations without any substantive revision.

(2)(A) The House Committee on Energy and Commerce shall increase outlays by not more than the following: $94,000,000 for fiscal year 2002, $97,865,000,000 for the period fiscal year 2002 through 2006, and $330,000,000,000 for the period of fiscal year 2002 through 2011.

(B) The House Committee on Ways and Means shall increase outlays by not more than the following: $32,000,000 for the period fiscal year 2002, $13,475,000,000 for the period fiscal year 2002 through 2006, and $3,542,000,000 in outlays for that fiscal year and $5,524,000,000 in outlays for the period of fiscal year 2002 through 2011.

(e) Other Submissions by House Committees.—

(1) Submissions.—Not later than June 8, 2001, the House Committees named in paragraph (2) shall report on the following changes in their jurisdiction to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall transmit to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(2)(A) Submission by House Committee on Agriculture for Assistance to Farmers, Restoring Food Stamps for Legal Immigrants, and Strengthening the Nutrition Safety Net.—The House Committee on Agriculture shall increase outlays by not more than the following: $8,381,000,000 for fiscal year 2002, $16,281,000,000 for the period fiscal year 2002 through 2006, and $54,919,000,000 for the period of fiscal year 2002 through 2011.

(B) Submission by House Committee on Education and Workforce for Student Loan Forgiveness for Math and Science Teachers.—The House Committee on Education and Workforce shall increase outlays by not more than the following: $5,000,000 for fiscal year 2001, $5,000,000 for fiscal year 2002, $32,000,000 for the period fiscal year 2002 through 2006, and $82,000,000 for the period of fiscal year 2002 through 2011.

(C) Submission by House Committee on Energy and Commerce for the Family Opportunity Act and for Providing Access to Health Insurance for Low-Income Families.—The House Committee on Energy and Commerce shall increase outlays by not more than the following: $67,000,000 for fiscal year 2002, $105,000,000 for the period fiscal year 2002 through 2006, and $50,021,000,000 for the period of fiscal year 2002 through 2011.

(D) Submission by House Committee on Veteran's Affairs for Medicaid Benefits, Burial Benefits, and Other Benefits.—The House Committee on Veteran's Affairs shall increase outlays by not more than the following: $294,000,000 for fiscal year 2002, $3,285,000,000 for the period fiscal year 2002 through 2006, and $3,591,000,000 for the period of fiscal year 2002 through 2011.

(e) Submission by House Committee on Ways and Means for Extending TANF Supplemental Grants, Promoting Safe and Stable Families, Providing Independent Living Vouchers for Foster Children, Increasing the Child Care, Development Fund, and Restoring Equity in SSI and Medicaid Benefits for Certain Legal Immigrants.—The House Committee on Ways and Means shall increase outlays by not more than the following: $714,000,000 for fiscal year 2002, $9,411,000,000 for the period fiscal year 2002 through 2006, and $31,091,000,000 for the period of fiscal year 2002 through 2011.

SEC. 5. TREATMENT OF OASDI ADMINISTRATIVE EXPENSES.

In the House, in addition to amounts in this resolution, the Committee on Appropriations shall include the following amounts, which are assumed to be used for the Administrative expenses of the Social Security Administration, and for purposes of section 302(f)(1) of the Congressional Budget Act of 1974, those allocations shall be considered to be allocations made under section 302(f)(1) of the Congressional Budget Act of 1974. Such allocations shall be considered to be allocations made under section 302(f)(1) of the Congressional Budget Act of 1974.

SEC. 6. RESERVE FUND FOR SPECIAL EDUCATION.

In the House, whenever the Committee on Appropriations reports a bill or joint resolution, or an amendment thereto is offered or a conference report thereon is submitted, the provisions in the compilation of such legislation affecting the Department of Education shall increase outlays by not more than the following: $363,000,000 for fiscal year 2002, $3,542,000,000 in outlays for the period fiscal year 2002 through 2006, and $3,542,000,000 in outlays for the period of fiscal year 2002 through 2011.

SEC. 7. FUNDS ALREADY APPROPRIATED FOR ARREARAGES TO THE UNITED STATES, COUNTRIES, AND BOROUGHS.

For purposes of enforcing the allocations in this resolution, any outlays scored from authorizing legislation releasing previously appropriated funds for the United Nations (as through legislation affecting the United Nations’ budget resolution) are assumed not to be new outlays.

SEC. 8. SENSE OF CONGRESS REGARDING THE STABILIZATION OF CERTAIN FEDERAL PAY RATES AND COMPENSATION LEVELS FOR STATES, COUNTRIES, AND BOROUGHS.

It is the sense of Congress that Federal revenue-sharing payments to States, counties, and boroughs pursuant to the Act of May 23, 1908 (35 Stat. 260; 16 U.S.C. 500), the Act of March 1, 1911 (36 Stat. 963; 16 U.S.C. 500), the Act of August 28, 1937 (chapter 876; 50 Stat. 875; 43 U.S.C. 1181f), the Act of May 24, 1939 (chapter 144; 53 Stat. 753; 43 U.S.C. 1181f-1 et seq.), and sections 13982 and 13983 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103-66; 43 U.S.C. 1181f note; 43 U.S.C. 1181f note) should be stabilized and maintained for the long-term benefit of schools, roads, public services, and communities, and that providing such permanent, stable funding is a priority of the 106th Congress.

SEC. 9. SENSE OF CONGRESS ON THE IMPORTANCE OF THE NATIONAL SCIENCE FOUNDATION.

(a) Findings.—The Congress finds that—

(1) the levels in this concurrent budget resolution for function 250 (General Science, Space, and Technology) for fiscal year 2002 and $32,000,000 above the levels in the House Republican budget resolution and over ten years (fiscal years 2002 to 2011), the levels in this concurrent resolution are $3,100,000,000 above the levels in the House Republican budget resolution;

(2) the National Science Foundation is the largest supporter of basic research in the Federal Government;

(3) the National Science Foundation is the second largest supporter of university-based research;

(b) Sense of Congress.—It is the sense of Congress that the National Science Foundation has led to innovations that have dramatically improved the quality of life of all Americans;

(c) Recommendation.—The House of Representatives recommends that the National Science Foundation be provided an increase for National Science Foundation that is sufficient for it to continue its critical role in funding basic research, cultivating America’s intellectual infrastructure, and leading to innovations that assure the Nation’s economic future.

SEC. 10. FEDERAL EMPLOYEE PAY.

(a) Sense of the House of Representatives.—It is the sense of the House of Representatives that the pay of members of the uniformed services, civilian employees of the United States, and Federal civilian employees should be adjusted at the same time, and in the same proportion, as rates of compensation for members of the uniformed services.

(b) Sense of the House of Representatives.—It is the sense of the House of Representatives that rates of compensation for civilian employees of the United States should be adjusted at the same time, and in the same proportion, as rates of compensation for members of the uniformed services.
mainstream and financial security is not through spending and consumption, but through savings, investing, and the accumulation of assets.

(2) Increased demands on firefighting and emergency medical personnel have made it difficult for local governments to adequately fund necessary fire safety precautions.

(3) The high rates in the United States of death, injury, and property damage caused by fire demonstrate a critical need for Federal investment in support of firefighting personnel.

(4) The CHAIRMAN. Pursuant to House Resolution 100, the gentleman from South Carolina (Mr. SPRATT) and a Member opposed each will control 25 minutes.

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The CHAIRMAN. Pursuant to House Resolution 100, the gentleman from South Carolina (Mr. SPRATT) and a Member opposed each will control 25 minutes.
Mr. Chairman, I want to go back to some of the basic principles that undergird this basic budget. I think when people begin to understand that, they will begin to realize it is fair, it is responsible, it is reasonable, and in many respects it is innovative.

First of all, maximum debt elimination. I think every American realizes that one of the greatest gifts we can give to our kids is to pass this Nation on to our kids debt free. We pay off the maximum amount of debt possible over the next 10 years.

Tax relief for every taxpayer. For the average family of four in my district, ultimately this results in about $1,600 worth of tax relief. That is money that they will get to spend on their priorities, not Washington’s.

Improve education for our children. That is one of President Bush’s top priorities to make certain that our kids are getting the education they will need to compete in the world marketplace.

A stronger national defense. I think most of us realize we have shortchanged the kids who serve us in uniform around the world.

Health care reform that modernizes Medicare. As I will know, if we are honest with ourselves, that something has to happen in the next several years to reform and modernize our Medicare system.

Finally, a better Social Security for seniors today and for tomorrow.

These are all big goals, these are all important principles, and they are included in this budget blueprint.

One of the things we have heard a lot about in the last couple days is, well, this is all built on pie-in-the-sky projections. Well, the truth of the matter is that is not the case at all. In fact, here is a quote from the Congressional Budget Office when they testified before the House Committee on the Budget. Let me read it: “A recession of average size would probably not alter the 10-year outlook significantly. The reason is that the CBO’s baseline 10-year assumptions allow for the likelihood of a recession of average severity will occur over the next decade.”

We are assuming the economy will slow down at least once. In fact, it is even better than that. We are assuming relatively slow economic growth in this budget. In fact, the director of the Office of Management and Budget is a very serious question.

Here is my question: So if revenue growth just equals the 40-year average, we will actually have revenues in excess of $2 trillion more than we are currently using in your budget projections; is that right? The answer is: “Yes, sir, that is correct.”

What that means, Mr. Chairman, is, if the economy simply grows, if revenue to the Federal Government grows at what it has grown on average for the last 40 years, we will not have a $5.5 trillion surplus, we will have a $7.5 trillion surplus. I think we are being extraordinarily conservative in our projections.

Finally, let me just talk briefly because we have heard a lot about protecting our farmers. I said this earlier and I will say it again now. In this Congress, not this Chamber this Congress is going to take for granted our farmers. No one wants to bet the farm and end up losing a generation of younger farmers. We are going it be there. We have been there in the last several years. But when this last farm bill, we all agreed that we were going to see a reduction in the baseline for agriculture. But this is what we have actually been spending.

If we include what we are agreeing to in this budget resolution in terms of emergency spending, it would be hard for anyone honestly to argue that we are not going to keep our commitment to agriculture.

We understand that things are tough on the farm, but the answer is not necessarily in more and bigger checks from the Federal Government. The answer is better access to markets both internationally and domestically.

I think this budget is fair. It is reasonable. It has been built on a solid foundation and important principles. I think the American people will agree with it.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. HINOJOSA).

Mr. HINOJOSA. Mr. Chairman, I thank the gentleman from South Carolina for yielding me the time.

Mr. Chairman, I rise today to ask my fellow colleagues in Congress to support the Democratic amendment being offered by the gentleman from South Carolina (Mr. SPRATT).

This bill provides our Nation with the needed funding for education. Unlike the Republican proposal, the Democratic proposal provides an additional $33 billion over 10 years for class size reduction, for school renovation, for title I aid for the disadvantaged students, Pell grants, and for Head Start.

President Bush calls himself the education President, but falls short on adequately addressing the Hispanic education crisis facing our Nation. Just 70 percent of Hispanic students complete high school, and only 10.6 percent have a bachelor’s degree.

With the Republican-proposed budget, the Hispanic community will have no hope of improving upon their current situation and raise the level of education attainment.

Mr. Chairman, President Bush has stated that his budget proposal will leave no child behind. Well, today, the Republican proposal makes sure that children are not left behind. Millions of students are forgotten altogether.

My fellow Republican colleagues have said that today’s Republican proposal will take the money from Washington and return it to the people. The truth is that today’s Republican bill will take America’s education budget and return 43 percent of it to the wealthiest 1 percent.

The truth is that everyone in Congress wants to give America a tax cut, including me; but the real question is if we are willing to do it responsibly.

Finally, the Spratt Democratic plan returns $910 billion to America and provides for education, for health care, for agriculture, for Medicare and election reform. This budget plan is responsible and good for America.

Mr. NUSSLE. Mr. Chairman, I yield 2% minutes to the gentleman from Ohio (Mr. PORTMAN), a member of the committee.

Mr. PORTMAN. Mr. Chairman, I thank the chairman for yielding me this time.

Mr. Chairman, I want to address some of the concerns that have been raised on the other side of the aisle about the budget we are voting on today. This budget does protect Social Security and Medicare actually in ways that we have never done before as a Congress. It truly takes the trust funds and protects them for the future for generations to come.

It also for the first time in our Nation’s history really does do something about the debt. We pay off national debt under this budget than Congress has ever done before. In fact, we pay down all of the available national debt.

We also, despite what we have heard from the other side and the gentleman from Texas (Mr. HINOJOSA), when we talk about education, we increase funding significantly for education. We are going to improve our public schools under this budget with, again, an increase in education spending that is significantly higher than Congress had traditionally done. In fact, overall, if one looks at the spending for education and other items on the domestic discretionary side, we increase spending by 4.5 percent, well above inflation.

Finally, after we do all this for Social Security and Medicare, increase funding for education, pay down the national debt, strengthen our national defense significantly, there is still money left on the table.

I heard a story today about a woman in Iowa who spoke up at a town meeting and said, You know, I make cookies for my kids; and when the cookies are left on the table, something happens to them. They get eaten. We do not want to leave more cookies on the table to get eaten by a bigger and bigger Federal Government. We do not want a bigger, more intrusive Federal Government. We want to be able to give the taxpayers some money back of the $5.6 trillion surplus we are now building up here in Washington projected over the next 10 years.

The gentleman from Minnesota (Mr. GUTKNECHT), the speaker before me on the Republican side, talked about how the Republican position is the responsible, vote today is whether we are going to let those taxpayers keep a little of that hard-earned money. We are
saying, we are proposing that they ought to be able to keep a little less than 28 percent of that surplus, remember, every dime of which was created by the hard-working taxpayers of this country. That is what we are saying.

We are saying, at the end of the day, after we have taken care of all of these other priorities, we ought to let the people who are paying the bill, who are pulling the wagon, who created all this surplus keep a little of that hard-earned money for their own lives and their own children. We have got to do it now to help this economy.

Mr. SPRATT. Mr. Chairman, I yield 2½ minutes to the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN asked and was given permission to revise and extend his remarks.

Mr. BENTSEN. Mr. Chairman, we Democrats also care about the people that are pulling the wagon; but unlike the Republicans, we are concerned that we are going to put too much of a debt load on the people that are pulling the wagon, a little more of their hard-earned money, but we have to as a Congress stimulate economic growth and get this economy back on its feet to ensure we have jobs.

Mr. Chairman, I urge my colleagues to support our proposal before us today and reject the Democrat alternative.

Mr. SPRATT. Mr. Chairman, I yield 2½ minutes to the gentleman from New Hampshire (Mr. SUNUNU), the very distinguished vice chair of the Committee on the Budget.

(Mr. SUNUNU asked and was given permission to revise and extend his remarks.)

Mr. SUNUNU. Mr. Chairman, we are considering a Democrat alternative right now, and I think it is important to review the budget that is on the floor and to make some fair contrasts, because there are a lot of claims that are being made.

Mr. Chairman, we just heard one about retiring even more debt than is in the Republican budget proposal. We are going to retire $2.3 trillion in debt over the next 10 years. That is more debt than has ever been retired in the history of our country. We have paid down about $525 billion in public debt. I think what we are hearing is in many ways an esoteric argument whether we can pay down $2.3 trillion or $2.5 trillion or $2.7 trillion over the next 10 years, and that fog is being sent up for the shortening of that life span? Well, there are only really three ways. You can cut benefits, you can raise payroll taxes or add even more debt. To me that heaves the load for the people that are pulling the wagon. The Democrats care as much as the Republicans. Some of us would argue the Democrats care even more about the people pulling the wagon, the Dicky Flats of the world. What we are saying here today is we are not going to take a river boat gamble on something that may or may not occur 10 years down the road that would put the burden back on the American working families that are out there.

Mr. Chairman, we urge our colleagues to vote for the Spratt substitute, defeat the Republican budget, and we will be a lot better off for it.

Mr. NUSSELE. Mr. Chairman, I yield 2½ minutes to the gentleman from New Hampshire (Mr. SUNUNU), the very distinguished vice chair of the Committee on the Budget.

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Mr. SUNUNU. Mr. Chairman, we are considering a Democrat alternative right now, and I think it is important to review the budget that is on the floor and to make some fair contrasts, because there are a lot of claims that are being made.

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Mr. Chairman, the gentleman from Ohio (Mr. PORTMAN) made clear the tax proposal in this budget gives back 28 percent of the surplus to the American taxpayer, and there are a lot of my colleagues in this Chamber on the minority side who think there is too much money to give back to the American people. They do not want to cut income tax rates in order to encourage economic growth; they do not want to repeal the death tax or eliminate the marriage tax penalty. There are probably 180 Members of Congress that did not vote to repeal the marriage tax penalty when it came before us last year. That is unfortunate. Ultimately those colleagues are looking for an argument to be able to continue to stand to oppose tax relief and keep that money in Washington in order to increase the size and scope of the Federal Government.

Mr. Chairman, do we set aside every penny of the Social Security surplus? Of course we do, as a Democrat alternative. My colleagues recognize that is the right thing to do. We also set up a reserve for Social Security and a reserve for Medicare. It has never been done in the history of our country, but it makes sense, and it is the right thing to do.

Mr. Chairman, at the end of the day we come down to a whole series of excuses why we should not cut taxes until we balance the budget. Mr. Chairman, 4 years ago the same Democrats that are opposing this budget resolution said we cannot cut taxes until we balance the budget. Three years ago they said we cannot cut taxes until we set aside the Social Security surplus. We did both of these things. We set aside the entire Medicare surplus; and now what we see is we cannot cut taxes because we cannot predict the future, and there is some uncertainty as to what the level of economic growth will be next year or the year after that.

Mr. Chairman, of course on that reasoning we will never cut taxes, and I think for some of my colleagues on the minority side, that is the ultimate goal. Leave the money here in Washington. I think that is unfair. I think we should support what is a balanced budget proposal to pay down debt, cut taxes and fund the right priorities.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in response to what the gentleman from New Hampshire (Mr. SUNUNU) just said, I do not know what resolution my colleague is talking about, because the resolution now before us sets aside fully one-third of the surplus from the years 2002 through 2011 for tax reduction, and targets that tax reduction at those taxpayers that need it the most. That is a tax cut of more than $750 billion.

Mr. Chairman, in addition we say because we know there will be a substantial surplus this year, let us take two-thirds of that surplus that we can foresee coming on the end of this year.
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Mr. Chairman, I yield 2 minutes to the gentleman from New York (Ms. VELAZQUEZ), who is the ranking member of the Committee on Small Business.

(Ms. VELAZQUEZ asked and was given permission to revise and extend her remarks.)

Ms. VELAZQUEZ. Mr. Chairman, I thank the gentleman for yielding me this time.

I rise in strong opposition to the Republican budget and in support of the Democratic substitute. The Republican budget resolution is terribly flawed. It fails to protect Social Security and Medicare and makes cuts in vital areas, such as housing, transportation and the environment, to provide a tax break to the wealthiest 1 percent of Americans.

In addition to the cuts targeted at those who can ill afford to lose any more, we are asking the hard-working men and women who run our Nation’s small businesses to bear an unfair burden of this budget.

Although the Republicans continue to claim that they are providing tax relief for small businesses, the truth is that what is contained in the Republican budget resolution is not a tax break for small businesses, but a tax increase by imposing new fees for SBA loans and technical assistance.

Ask any business owner, and he or she will say that these fees are nothing more than a tax. To add insult to injury, small-business owners, who have seen their businesses destroyed in a flood, earthquake, hurricane or some other disaster, will be expected to pay almost $10,000 more for disaster assistance, effectively prohibiting many business owners from rebuilding their life’s dream.

Is this what the President means when he talks about compassionate conservatism; kicking someone when they are down?

The Democratic substitute is fair and realistic as it continues to protect and fund this Nation’s priorities while providing sensible tax relief to all Americans. Therefore, I will urge my colleagues to support the Democratic substitute and vote down the Republican budget.

Mr. NUSSELE. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. THORNBERY), a member of the committee.

Mr. THORNBERY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I believe the committee’s resolution is preferable to the substitute, and I want to focus on just one issue, and that is national defense. The committee budget recognizes that the President has ordered a strategic review, and that strategy should come first, and that strategy should drive decisions on resources.

We know there are some places we need to spend more money. The budget recognizes that we are going to spend more than $5 billion on people for pay raises, more housing and military health care. We know we are going to have to spend more on research and development, and we know we need more payment on that. But there is a lot we do not know. So we have this contingency fund so that, after the strategic review is completed, we can draw more resources to fund the strategy that the President and the Secretary of Defense recommend.

Now, the substitute takes a different approach. They believe they know how much more resources we need for defense. They believe we need $2.6 billion more on defense this year and $40 billion more over the next 10 years. But that is putting cart before the horse. For too long we have had a mismatch between the strategy, the programs to implement that strategy, and the funding of those programs to get it all together and to get it all aligned. This administration is trying to do that with a strategic review to see where we are in the world, what our missions should be, and what kind of force structures we need to accomplish those missions.

This administration also acknowledges that the world is changing around us, and we better do some hard thinking about what we need to spend money on so that we can be prepared for those threats coming in the future. I believe that the strategic review, followed by the contingency fund to implement that review, is a better approach to making sure that this Nation is safely defended in the years to come.

Mr. SPRATT. Mr. Chairman, I yield 1½ minutes to the gentleman from Florida (Mrs. MEEK).

(Mrs. MEEK of Florida asked and was given permission to revise and extend her remarks.)

Mrs. MEEK of Florida. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in strong opposition to the Republican budget plan and in strong support of the Democratic substitute offered by my good friend the gentleman from South Carolina (Mr. SPRATT).

We need a budget. We need to be able to take the money which the American public has given us and to use it fairly and wisely. We need to save certainly on taxes, but we also need enough money left to do the other things that are important to the American public.

Now, everyone who comes before this Congress and says what they think the American public wants, they do not all agree. What the American public wants. But that is sort of a word that everyone uses, the American public says so-and-so. Not so, because we need to improve education, we need to provide real prescription drug relief, we need to ensure the solvency of Social Security and Medicare, and we need to pay down the national debt. There is no question about it, we cannot do it with the Republican budget.

Now, there have been many other efforts made, but the Spratt effort shows how that can be done. We need a good balance of tax relief, debt relief and a third for new programs. The heart and soul of this budget is criminal. What they have said is that they are putting more money into housing. That is not correct.

When we look at it, we see will not be able to get the affordable housing which the Republican budget has come up with, because what they have done is, they have done what they call the funny money shuffle and mixed the FHA funds in terms of regular housing funds. They have also reduced monies for public housing. That is not correct.

We should look at this much more closely and not pass this particular approach to the budget resolution. And the Congress should understand that when they go back home to their districts they are not able to answer some of these crucial problems, particularly regarding affordable housing, one of our major problems.

Mr. NUSSELE. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. CRENSHAW), a member of the committee.

Mr. CRENSHAW. Mr. Chairman, I rise to support the Republican budget. It is sensible, it is responsible, and it is fair.

I think my colleagues have done a great job of pointing out the underlying foundation of this budget. Number one, it pays down the national debt. That is good for everybody, for our children, our grandchildren. It gives tax relief to working Americans. It helps them keep more of what they earn, and that is important.

When we look at Social Security and Medicare, it preserves those programs for our senior citizens and their kids and their grandkids as well, and it improves education by putting more money and giving more local control and flexibility.

Finally, as a new Member who comes from a district that is largely military oriented, I am proud to say that this budget begins to make America strong again. It begins to rebuild our forces which have been hollowed out for the last 8 years. It is a good budget. It is a sound budget, and I urge its adoption.

Mr. SPRATT. Mr. Chairman, I yield 3½ minutes to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Chairman, I thank the gentleman from South Carolina (Mr. SPRATT) for yielding me this time.

Mr. Chairman, a little less than a month ago, the House overwhelmingly passed a bankruptcy reform measure that while not perfect sent an unmistakable message to every household in
America: Do not spend money that you do not have because if you do you will be held responsible for your choices. We are not going to give you a pass on personal responsibility just because you could not say no to all the enticing credit card offers you received in the mail.

Thus, today, I have to stand here and shake my head in amazement. Here we are, scarcely a month later, debating a Republican budget resolution that is an abdication of fiscal responsibility. The tax cuts outlined in this GOP budget document would cost more than $2 trillion over the next decade; and as a result, they would squander projected surpluses. Note the emphasis on projected. They are not in hand. As a matter of fact, 70 percent of the American public showing their wisdom do not think they will ever be in hand.

Maybe our friends on the other side of the aisle, Mr. Chairman, ought to trust the common sense and intuition and for our constituents. Instead, they insist on pushing ahead and without regard to the wisdom of their constituents. In their judgment, Mr. Chairman, ought to think they will ever be in hand.

Public showing their wisdom do not surpluses. Note the emphasis on project. They are not in hand. As a matter of fact, 70 percent of the American public showing their wisdom do not think they will ever be in hand.

This bill, the Democratic bill, cuts three trillion dollars in taxes and the gentleman from New Hampshire (Mr. SUNUNU) gets up and says we are against tax cuts. Baloney. What we are for is responsibly helping working Americans, but not adding, as we do in the bill under President Reagan and a Republican Senate. $4 trillion to the debt of whom? Of the American public. That is whose debt we added to. It is their interest that is being put at risk. But at what cost?

Their plan would do nothing to stimulate our economy now. It threatens to invade the Social Security and Medicare trust funds and it would cut vital services, such as after-school lunch programs that improve learning and help keep kids safer.

The diversified Democratic plan, on the other hand, would provide a responsible tax cut for all Americans. It would extend the solvency of Social Security and Medicare. It will allow us to invest in crucial national priorities. I am for investing in our defense and have supported every defense bill that has been signed by the Presidents, Republican and Democratic.

I urge my colleagues to do the right thing today. Vote for fiscal responsibility. Vote for a diversified budget plan that meets our Nation's needs. Vote for this Democratic alternative.

I was here in 1981 when we passed Gramm-Latta I and Gramm-Latta II. I voted against them. I was here when we passed Con. Res. 83, the tax cut bill. And I was here when bright young people like the gentleman from New Hampshire (Mr. SUNUNU) got up here with their charts and said it will all work.

I was here when that bill was sent from this House, from this Senate, to the White House. And I was here in August of 1981 when President Reagan signed the bill and, like the gentleman from New Hampshire (Mr. SUNUNU) said, guess what, we are going to balance the budget by October 1, 1983. In that time frame, we added almost a billion extra dollars to America's debt, $3 trillion was yet to come of additional dollars that we added on the heads of Americans.

Let us be responsible. Vote for the Democratic alternative. It is good for America. It is good for our country and it is good policy.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. SMITH), the very distinguished chairman of the Committee on Veterans' Affairs.

Mr. SMITH of New Jersey asked and was given permission to revise and extend his remarks.

Mr. SMITH of New Jersey. Mr. Chairman, I thank my friend, the gentleman from Iowa (Mr. NUSSLE), for yielding me this time.

Mr. Chairman, I rise in strong support of H. Con. Res. 83 and against the pending substitute. I would like to begin my remarks by thanking the distinguished chairman of the Committee on the Budget, the gentleman from Iowa (Mr. NUSSLE) for a responsive and responsible budget in general and for being especially sensitive to the needs and the concerns of our veterans around this country.

The decision of the Committee on the Budget to increase the veterans' affairs budget by 12 percent, that is $5.6 billion over last year, including $1 billion more than even the Bush administration suggested, is a breakthrough and a very, very important plus-up for all of our veterans.

I have said all along that the Bush budget was a work in progress—and that we would do more. This 12-percent increase in funding for veterans is a tangible and a very, very important expression of solidarity and support for veterans and is especially justified in light of the personal sacrifices made by the men and women who have protected our Nation, in peace and war, and whose lives have forever been changed by their experiences. This victory is a victory for all veterans, especially those who continue to suffer from the disabling effects of war wounds or from lingering mental illnesses connected to their service. They answered the call and now we must do our part.

Mr. Chairman, record increases in spending for medical care will compensate for inflation, as well as allow for significant increases in spending on mental health care, long-term care, additional staff to reduce waiting times, higher pharmacy costs, spinal cord injury care, homeless veterans transitional housing and emergency care. Additional funds will also be provided for research and construction, state nursing home and cemetery grants, the Veterans Benefits Administration and National Cemetery Administration.

For the first time in my memory, the Budget Resolution includes additional funds to cover disability payments. We need to fund H.R. 801, the Veterans Opportunities Act of 2001, and a bill I will introduce later this week to increase benefits available to veterans using the Montgomery GI bill. By providing funds in this year's budget to immediately implement H.R. 801, the Congress will be able to provide overdue increases to cover the rising costs of many urgently needed veterans' services, such as adaptive automobile and housing grants for severely disabled veterans.

H.R. 801, which passed the House yesterday by an overwhelming vote of 417-0 will also expand the Servicemembers Group Life Insurance program to include spouses and children, and make the increase in the maximum benefit from $200,000 to $250,000 retroactive to October 1, 2000, in order to provide a higher benefit to those men and women who have recently lost their lives in tragic military accidents.

The bill also increases funds for specially adopted housing grants as well as other important projects.
Under our proposal to update the Montgomery GI bill, the monthly benefit will be increased to a level that allows a qualified recipient to cover their monthly costs of attending a State college as a commuter. It would increase the monthly benefit available to a full-time student over a 3-year period beginning October 1, 2001 from $650 to $1,100 per month.

Last night, the House also approved the Veterans Hospitals Emergency Repair Act, H.R. 811, a bill that I introduced to provide immediate emergency funding to repair and rebuild dilapidated VA medical care facilities. The increase in funds for veterans contained in this resolution is based in part on the need for funds authorized in H.R. 811. This legislation authorizes $550 million over the next 2 years for the Department of Veterans Affairs to immediately address urgent construction needs, specifically in facilities identified as having patient safety hazards, requiring seismic protection, or to improve privacy or accommodations for disabled veterans.

In closing, let me again thank the Committee and advise all of my colleagues that the level for veterans authorized in this resolution is both fair and defensible. Although there are certainly advocates who are calling for even higher levels of funding, I tell my colleagues that this is a good budget and one we should take pride in.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from California, Mr. DREIER.

MS. PELOSI. Mr. Chairman, I rise in strong support of the Democratic substitute and commend our ranking member, the gentleman from South Carolina (Mr. SPRATT), for his leadership in opposition to the Republicans’ irresponsible budget resolution.

Our national budget, Mr. Chairman, I believe, should be a statement of our national values. The Republican budget resolution makes very clear the priorities of the Republican leadership and President Bush. They value tax cuts for the wealthy above all else, above initiatives that working families rely on to care for their children.

Mr. Chairman, anyone who has studied economics or reads the business section of the paper or makes investments, or all of the above, is familiar with the term opportunity cost of money. When we use money for one purpose, we lose the opportunity to use that money for another purpose. The opportunity cost is the benefit that would have accrued to the investor.

When the House chooses to use trillions of dollars for a tax cut, it gives us an opportunity cost to American families. We lose the benefit of improving child care and education for our children. We lose the opportunity for real prescription drug benefits for our seniors. We lose the benefit of reducing interest rates on our credit cards, mortgage and car payments. We lose the benefit of fully paying down the debt, strengthening Social Security and Medicare and giving a tax cut to American working families that will stimulate the economy and be responsible.

Mr. Chairman, the opportunity cost of the Republican tax budget is an opportunity lost for America’s children and their futures. President Bush has said many times that this administration will leave no child behind. Yet his budget and the budget resolution, which is based on the funding levels proposed in President Bush’s budget resolution, require that in order to pay for the irresponsible tax cut.

Example after example demonstrate the President’s budget does leave many children behind. The Bush budget cuts the Child Care and Development Block Grant by $2 billion. It cuts grants to prevent and investigate child abuse by $15.7 million. It eliminates the Early Learning Fund, which was created last year to improve the quality of child care and pre-education.

This budget not only fails to live up to the President’s rhetoric, it fails to represent the values of our country. I urge our colleagues to support the Democratic alternative, give a vote to the children of our country and to their future.

Mr. NUSSLE. Mr. Chairman, I yield 1 minute to the very distinguished gentleman from Illinois (Mr. KIRK), a new member of the Committee on the Budget.

Mr. KIRK. Mr. Chairman, Mr. Chairman, Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. KIRK). I am pleased to participate today in the budget debate as the new chairman and as one of the few members that voted against the President’s budget. Because of the difference between our budget and the President’s budget, I am pleased to support the Democratic alternative.

The Bush administration’s budget and the President’s budget are not about the opportunity lost for America’s children and their futures. The Republican budget fully funds the supplemental for Israel, a budget that is all we do to cut taxes by. I guess I can be criticized for that, and I will take that criticism because the question is, what do we want to do with the difference?

The difference is going to some debt elimination; do more for improving education; do more for the Defense Department, $47 billion more; do more for Medicare; do more for Social Security.

On this particular list, we do not even see things like LIHEAP, things like housing, things like election reform things like things like retraining, and we can go on and on and on. They are not here. Our budget does it. The other side does not. That is why our budget is better.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DREIER), the very distinguished chairman of the Committee on Rules.

Mr. DREIER asked and was given permission to revise and extend his remarks.

Mr. DREIER. Mr. Chairman, I want to congratulate my friend, the gentleman from Iowa (Mr. NUSSLE), for the spectacular job he has done in crafting this with members of his committee.

Mr. Chairman, over the last 6 years, Republican majorities in both the House and the Senate have made history with budgets that stopped reckless Washington spending; paid down the debt; protected Social Security and funded our Nation’s defense. For the first time in the last 2 decades that I have been privileged to serve here in the United States Congress, we have a budget that has come from the President, that has not been designated “dead on arrival.”

Republicans changed the culture of Washington so much that President Clinton was forced to acknowledge that the era of big government is over.

Today, with President Bush at the helm, we continue to try.

The Republican budget pays down $2.3 trillion of national debt. This Republican budget provides real tax relief for every American taxpayer. This Republican budget makes our children’s education a top priority. This Republican budget protects Social Security from spending raids. This Republican budget restores strength to America’s military.

To sum it up, Mr. Chairman, this Republican budget is a fair and balanced American budget that fully funds our shared priorities while providing tax relief to working Americans and paying down our national debt. We should
Mr. SPRATTS. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Mrs. TAUSSCHER).

Mrs. TAUSCHER. Mr. Chairman, I rise in support of the Democratic budget alternative. The Democratic budget provides a more realistic level of funding for our Nation's immediate defense needs. If we do not increase the amount of money we spend on our military now, Navy pilots will not have enough fuel to conduct flight tests, the Army will not have enough ammunition for training, and all branches of the military will face a shortage of spare parts. These shortages will have a real and lasting effect on the readiness of our Nation's military.

President Bush promised to improve the quality of life for our men and women in the military, but the Republican budget resolution fails to fund those priorities.

However, the Democratic budget alternative provides for a fiscal year 2001 supplemental appropriations bill totaling $8 billion to immediately address these needs.

I urge my colleagues to do the right thing for national security and vote for the Democratic budget alternative.

Mr. NUSSEL. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Chairman, once again, class warfare, rich versus poor, politics of division, politics of fear. This madness must stop in America. Tell me who hires American workers. Is it the man on welfare, or is it the men and women who take a risk. Some of them go bankrupt, but some become successful and some gain great wealth. Thank God for that.

We do not want success to be dirty words in a free enterprise society; and by God, that is what we are, and we should be proud of it.

The dream of America is that we can all be all we can be. We should be promoting and incentivizing the opportunity to gain wealth, not to demean those who have gained such wealth. After all, if the wealthy lose money, they move overseas and take your people and your jobs along with them. I want to incentivize the opportunity in America to gain wealth for all people, thus keeping those jobs here in America.

Mr. Chairman, our capitalist phenomenon not only creates jobs and stabilizes families, it does one more important thing. It stabilizes democracy not only in America, but around the world; and in doing so, it highlights the pitfalls, the injustice, and the failure of communism, I say to my colleagues.

I support the budget of President Bush. I commend the great work of the gentleman from Iowa (Mr. NUSSLE). I want to close by saying, the President is right on. If we target some people in, you thus target people out. That is not the dream of America. This rhetoric of division can some day turn into the fuel of socialism, I say to my colleagues. What strengthens America is there is just one America, not two, not three. One people, under God, indivisible. That is the dream of America. Wealth, profit, and success are not dirty words.

The Democratic substitute is not all that bad; but it does still play to divide, and I shall oppose it and I will support the work of the gentleman from Ohio (Mr. TRAFICANT). I believe we have a fine budget. Parts of it can be refined. I applaud his efforts.

Mr. SPRATTS. Mr. Chairman, I yield 2 minutes to the gentlewoman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR asked and was given permission to revise and extend his remarks.

Mr. OBERSTAR. Mr. Chairman, I thank the gentleman for yielding me this time.

I rise in strong support of the Democratic substitute which provides substantially more funding for transportation over the next 10 years than does the Republican budget resolution provided by the Republican majority. Given that 70 percent of the Nation's transportation system, we must do better; and this Democratic substitute does better. The intent of the majority resolution is to honor the funding guarantees for highway, transit, and aviation as provided in TEA 21 and AIR 21; but the committee developed their resolution based on the administration's budget resolution, and they got it wrong.

The budget resolution brought to the floor by the majority does not include enough transportation funding under Function 400 to honor the firewalls of TEA 21 and AIR 21 and provide necessary funding for the Coast Guard.

This is not an issue of partisan politics, certainly not differently, the administration admits they got it wrong. Ten days ago they admitted they got it wrong.OMB wrote to the Committee on the Budget to explain the understated transportation amounts necessary to fund the President's proposed budget.

Last night, the gentleman from Alaska (Mr. YOUNG), our Committee on Transportation and Infrastructure chairman, in a discussion on the floor with my friend and colleague (Mr. NUSSEL), the chairman of the Committee on the Budget, got assurances that the chairman would work to restore funding to honor TEA 21 and AIR 21 in conference, and I commend our chairman for that effort. But the point is that what we are voting on does not provide enough funding for the transportation programs that it claims to fund. They have had 10 days to fix it. They even had a rule that included a self-executing amendment to the resolution that would maintain the nearly 20-year-old tradition of pay parity between military and civilian Federal employees.

As many of my colleagues already know, the pay rates for both civilian and military personnel have fallen significantly below those of their private sector counterparts. Very recently, the Bureau of Labor Statistics released a report that confirmed that even now, more than 10 years after the enactment of the Federal Employees Pay Comparability Act (Mr. Act), FEPAct, Federal employees are paid significantly less than their private sector counterparts.
The Committee on the Budget has taken the first important step for protecting the 20-year tradition of paying parity between military and civilian Federal employees. I would like to thank my very good friend and neighbor, the gentleman from Virginia (Mr. MORRISON), for the cause of the committee and the gentleman from Iowa (Mr. NUSSLE) for accepting this. Without this and the help of the chairman of the Committee on the Budget we would not have had this included in the fiscal year 2002 budget.

A few words about the bigger picture, Mr. Chairman. The budget we have proposed is good for America's future. It shows a strong commitment to the fiscal responsibility that has long been lacking here in Washington. We are committed to paying down the national debt by providing $2.3 trillion for this purpose. That is the most that we can pay. The substitute pays down more of the debt that we can pay because it recognizes that long-term, non-callsibility of some of the government bonds, which leads me to suspect this money would lay around Washington and could be spent on other programs.

It also recognizes that the American people have to keep more of their hard-earned money by providing tax relief for every family that pays taxes. That, Mr. Chairman, is only fair. It does not do so at the expense of important programs such as Medicare. In fact, it incorporates the vital protections on Medicare that we passed overwhelmingly in H.R. 2 by keeping the Medicare part A surplus off limits for any purpose other than for Medicare itself or paying down the debt until necessary reforms are made. It recognizes the vital role the Federal Government plays in health care by providing a $2.8 billion increase for NIH.

Finally, it reflects the obligation we have to the future of our youngest citizens by increasing education spending by $25 billion over the next 10 years, including an 11.5 percent increase for child care, Head Start and job training that are vitally important to allow people to make the most of their God-given abilities. The budget that honors America's priority to allow the elderly to age in their own homes.

Mr. SPRATT. Mr. Chairman, I yield myself the balance of my time.

Mr. SPRATT. Mr. Chairman, I yield myself the balance of my time.

Mr. ETHERIDGE asked and was given permission to revise and extend his remarks.

Mr. ETHERIDGE. Mr. Chairman, I rise in support of the Spratt amendment for the children of this country.

Mr. Chairman, I rise today in strong opposition to the Republican Budget Resolution. Unfortunately, this budget is a missed opportunity and it represents misplaced priorities.

Sadly, Mr. Chairman, this budget is very much a missed opportunity. The White House and the Republican Leadership have utterly failed to deliver on the President's promise of a bipartisan process that puts accomplishment for the American people above gamesmanship by Washington politicians.

More importantly, this budget fails to provide for America's priorities. We must pay down the national debt, but we also have to help our children and grandchildren and cut interest rates for items like cars and homes. This Republican tax package will return us to the days of big deficits, high interest rates, high unemployment and a struggling economy.

I suppose being a part of a comprehensive economic plan that will restore America's prosperity so that all of our hard working families can have security in their family finances. In my state of North Carolina, last month, we registered an unemployment rate higher than the national average for the first time in nearly two decades. We must pass a strong economic plan, not a wasteful tax giveaway.

The Republican budget mortgages the future based on a guess. If the projected surpluses fail to materialize, Social Security and Medicare will be on the chopping block. The American people know that the budget projections are not real. They are an estimate. It is irresponsible to make decisions that will directly impact people's lives based on a ten-year number we know is no more reliable than a ten-year forecast.

As the only former state schools chief serving in Congress, I was very pleased by the President's promise to increase education investment. But this budget is a big disappointment because the increase is due largely to the accumulated surplus that we passed last year. It rolls back the clock on school renovation by making those funds compete with other needs. This budget does nothing to help states build schools to relieve overcrowding and get our students out of trailers. Other areas that could be subject to cuts include child care, Head Start and job training that are vitally important to allow people to make the most of their God-given abilities.

Mr. Chairman, a great deal of attention has been paid lately to the trouble on Wall Street and significantly it will be over. One sector that hasn't been booming for some time is agriculture, and farmers in my district have been hurting in the face of production cuts, commodity price losses and natural disasters. I was appalled when the Budget Committee passed its budget that would gut important farm programs. If approved, these cuts would eliminate funds to identify solutions to the state's hog waste problems and force dozens of our Farm Service Agency offices to close their doors. These agriculture cuts are wrong, and I will fight to restore them despite the Budget Committee's cuts.

Mr. Chairman, this budget is a missed opportunity, but it doesn't have to be that way. I urge my colleagues to vote down this budget and come together to pass a responsible budget that honors America's values and renews the people's priorities.

Mr. SPRATT. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I have served in this House for more than 18 years; and for most of these years, the deficit has been our dominant concern. It has actually been a fixation. It has taken us almost 20 years and $4 trillion in debt to escape the fiscal mistakes we made in the 1980s and turn this big budget around, out of deficits and into surpluses.

Today I have one priority, one overriding objective, and it is simply this: to make sure that we do not backtrack on our commitment to a strong economy, lower unemployment and a budget surplus.

That is my overriding objective and that is why I have a problem with the Republican resolution, because it leaves so little room for error.

I hope that these blue-sky projections that total $2.7 trillion in surpluses over the next 10 years will materialize. It will be a great bounty for all of us. But if they do not and if we pass this resolution, we can find ourselves right back in the red again in the blink of an economist's eye. That chart says it all. That is how thin the ice is on which this budget skates for the next 10 years.

We, at least, avoid or lessen that problem, that risk, by setting aside one-third of the surplus, or $910 billion, if projections pan out. To the extent that these projections do not pan out, that share of the surplus serves as a buffer to protect Social Security, Medicare and their trust funds from being raided again. So we have downside protection; the other does not.

The next problem I have with the Republican resolution is that it gives us so much room, so much room to tax reduction that it leaves almost no room for anything else. If we want to see the country have a job, we are not going to be listening to this debate up until now, just go through the major accounts of the budget. We are both committed, at least rhetorically, to providing Medicare prescription drugs, but we provide a real Medicare benefit with $330 billion in real money. They provide a meager $153 billion and take that, siphon that out of the Medicare trust fund.

We provide for education. We believe in education. We provide $390 billion more than they do, because we have a balanced budget.

We provide for the environment, parks, conservation. We had a bill out here last year where we increased the amount of money we are spending there significantly. We fully fund it; they do not.

Finally, this resolution does nothing to save or make solvent Social Security and Medicare for the long run. For years and years now, we have known that we face a shortfall in both of these programs looming in the future, just over the horizon of this budget. But we have not had until now the resources to do anything about that problem. The $2.7 trillion surplus in the general fund which we hope we now have for the next 10 years gives us that opportunity, and we dare not do anything else with it if we are going to be true to the commitments that have been made to the beneficiaries of the Social Security and Medicare programs, and that includes almost all Americans.

The question is, will we uphold this great compact on which the country
By contrast, the Republican resolution siphons money out of the Medicare trust fund, shortens the solvent life of that program, and does nothing at all for Social Security.

If Members want to save Social Security, if they want to provide a real prescription drug benefit, if they want to do something for education and scientific research, for successful programs like COPS, if Members want to provide $740 billion in tax relief over 10 years and $60 billion over the next several months, if Members want to pay down the debt by $900 billion more, their choice is clear: Vote for the Democratic substitute resolution.

Mr. NUSSELE. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, I would just say to my friend and colleague, the gentleman from South Carolina (Mr. SPRATT), I am going to oppose his budget, but I want to thank the gentleman for the way he has conducted the debate today and for the honorable partnership that we have formed in the Committee on the Budget to bring this vehicle to the floor today.

We have some shared goals, even though we do not always share the ideas on how to achieve those goals. I want to applaud the gentleman publicly.

I also want to applaud the staff on both sides who have worked so hard to bring both the gentleman’s substitute and our base bill to the floor.

Mr. SPRATT. Mr. Chairman, will the gentleman yield?

Mr. NUSSELE. I yield to the gentleman from South Carolina.

Mr. SPRATT. I very much appreciate the gentleman yielding.

Mr. Chairman, we have had a different working relationship, more methodical, to the problem this year than in years past, and I appreciate that. I do, however, look forward to the day when the well of the House becomes a free market of ideas again, and we can hope to meet on common ground and negotiate our differences and come up with a final result that has something for the gentleman and something for us both in it.

I am sorry to see us diverge on this occasion rather than converge, but I hope some day soon, and perhaps this year before this process is all over, we will sit down and try to find common ground.

Mr. NUSSELE. We will work together to enforce the budget.

Mr. SPRATT. Let me also, Mr. Chairman, if I might, thank my staff, who have worked arduously. I am not sure about the Fair Labor Standards Act, our compliance with it, with the hours they have worked. But we could not have pulled this together or brought this to the floor or made this presentation had it not been for the diligent work of our young staff.

Mr. NUSSLE. Mr. Chairman, I yield the balance of my time to the very distinguished gentleman from Texas (Mr. DelAY), the majority whip.

Mr. DelAY. Mr. Chairman, I thank the gentleman for yielding time to me.

I, too, want to add my congratulations to the chairman of the Committee on the Budget and to the ranking member for a job well done. This is the chairman’s first budget, and we are very proud of the work that he has done in bringing this budget to the floor. He has done an outstanding job in bringing a lot of people together and listening to a lot of people, and now we have a budget I think that is good for America.

Mr. Chairman, the Members need to be real careful, because the Democrat substitute budget is a beguiling mirage. It is sold as fiscal discipline, but a close inspection shows that it sustains huge deficits, causes taxpayers little more than a patched waste of paltry relief.

The Democrat budget gives the impression that it offers significant debt reduction, but it really comes down to this, a false choice. The Green- span has reservations about paying off too much of the debt too quickly. Democrats do not take his concerns into account.

Because Democrats refuse to return the tax surplus to the people who earned it, their budget leads to two unacceptable outcomes: first, excessive bonus payments to foreign investors who now hold U.S. debt and who will not sell them back before they mature; and second, the federal government buying up stocks and bonds once our public debt is gone.

Under the Democrat plan, the Federal government could actually eventually control up to 5 percent of the entire stock market in just 10 year’s time. After the Treasury has to invest the surplus dollars in an investment product other than Treasury securities. For the first time, the Federal government would own stock in the stock market. The Federal government already has more than $700 billion for tax relief. After we account for their $300 billion alternative minimum tax proposal, there is not even enough room to drop the bottom tax bracket from 15 percent to 10 percent, or is there not enough room to double the per child tax credit.

That is not all that the taxpayers give up for the Democrat plan. The Democrats keep the death tax. The Democrats keep the marriage penalty. Their plan shortchanges taxpayers.

The Democrat substitute budget will spur job creation, enhance economic freedom, and provide the resources to restore limited constitutional government.

Vote down and reject the Democrat substitute, and support freedom by supporting the President’s budget.

Mr. McGovern. Mr. Chairman, I rise in opposition to the budget resolution put forward by the Republican leadership and in support of the Democrat Substitute introduced by the Ranking Member of the Committee, Mr. SPRATT. Within the framework of a balanced budget, the Democrat budget provides for a better future for all Americans.

The Republican-supported budget resolution fails our seniors, fails our children, fails our veterans, fails our cities and communities, fails our farmers and fails our small businesses. In good conscience, I cannot support it.

I cannot support a budget that shortens the solvency of Medicare by at least five years and the solvency of Social Security by nine years; that bankrupts these programs by 2024 and 2029 respectively. We should be working to extend the solvency of these programs. The Democrat budget puts $910 billion over ten years into the Medicare and Social Security Trust Funds with resources coming from outside these two programs. This extends solvency to at least 2040 for Medicare and at least 2050 for Social Security.

I will not support any budget that gambles with the lives and well-being of our seniors. And I certainly will not support any budget that underfunds the Homeland Security programs, which have kept millions of elderly Americans out of poverty and provided for the majority of their health care needs.

The Democrat budget provides $1.7 billion for LIHEAP, the Low-Income Home Energy Program, which so many Massachusetts and New England families and seniors depend when faced with skyrocketing energy costs and energy emergencies. The Republican budget freezes LIHEAP and eliminates the emergency funds, in effect cutting LIHEAP funding by $300 million in FY 2001 levels.

The Republican budget breaks faith with our police and firefighters, men and women who put their lives on the line every day for our safety. The enormous cuts to overall funding
helped reduce violent crime since 1994, and
The COPS program has been the cornerstone
funds for grants that help develop and provide new
served our local communities and I will not sup-
turn my back on the men and women who
tragic fire in Worcester that took the lives of
hundreds of firefighters from across the nation
Our country is facing a nationwide crisis in
school construction. And interest-free bonds from
provide tax relief that will go directly to fami-
provide tax relief. Each alternative plan allows for an 
necessary cuts important government pro-
provide $129 billion more than the Repub-
to set aside dedicated funding for
carry out clean-up programs for brownfields. This 
problem will spur economic development in urban 
and remove one of the great causes of urban
the Republican budget backtracks on last year
In an area where President Bush and the Republican majority increase funding, such
as education, they fail our families, students
The Republican education budget also fails 
President Bush and Congress debated and voted on the Presi-
that may fail to mate-
ax relief. The Democratic budget provides for 
itself dedicated funding for
land conservation, preservation and recreation programs. In context, the Democratic budget keeps the promise to preserve and protect our environment and helps our communities clean up contaminated sites and ensure that all families have clean water to drink and clean air to breathe. The Democratic budget provides
resources to tackle the nation’s water infrastructure needs, an issue of great concern to many communities in the 3rd Congressional District of Massachusetts. It funds new grants for states to help them set up and carry out clean-up programs for brownfields. Helping Massachusetts with this problem will spur economic development in urban areas and remove one of the great causes of urban sprawl.
Even in an area where President Bush and the Republican majority increase funding, such as education, they fail our families, students and communities. The Republican education budget increases funds by 5.9 percent over last year’s level. However, this represents less than half of the average yearly increase that Congress has agreed to support over ten years in funding for education and related services. Democrats boost funding for critical priorities, including: class size reduction, school renovation, teacher recruitment, training, and development, Title I aid to the disadvantaged, Pell Grants and other higher education programs, special education (IDEA), after-school programs, school counselors, instructional technology and Head Start.

the Democratic budget provides for
and communities.

The Republican education budget increases

The Republican budget diverts desperately needed Title I education program monies for low-income and poor children to private and religious programs.

The Republican education budget also fails to invest additional resources in critical education programs like the TRIO program, which
funds successful programs in Worcester and Bristol Counties, and GEAR-UP. It freezes funding for Head Start, eliminates the new Early Learning Opportunities Fund, and appears to freeze funding for safe schools, after-school programs and education technology initiatives. Furthermore, the Republican budget fails to provide sufficient, let alone full, funding for Pell Grants and for the federal share of special education (IDEA) programs.

The Democratic budget, in contrast, provides for $129 billion more than the Republican budget over ten years in funding for education and related services. Democrats boost funding for critical priorities, including class size reduction, school renovation, teacher recruitment, training, and development, Title I aid to the disadvantaged, Pell Grants and other higher education programs, special education (IDEA), after-school programs, school counselors, instructional technology and Head Start.

Finally, the Democratic budget provides for all Americans, within the framework of a balanced budget, and still provides $910 billion in tax relief to America’s hard-working families.

The Democratic budget cuts taxes and
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up contaminated sites and ensure that all families have clean water to drink and clean air to breathe. The Democratic budget provides
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Today, in response, I supported three alternative budgets that better address our future needs while providing working Americans with tax relief. Each alternative plan allows for an honest estimate of future spending needs and provides tax relief that will go directly to families who most need assistance.

The Republican plan triple counts Social Security and Medicare savings, spends on community infrastructure and public services, the environment, and still has room to provide a Medicare prescription drug benefit and continues to pay down the debt. This is not a budget built on smoke and mirrors. The numbers add up, and the proposals are based on real monies and not projected funds that might fail to materialize.

The Democratic budget will better the lives of all of Massachusetts’ communities and resi-
dents. The Republican budget will not.

Mr. BLUENEAU, Mr. Chairman, today, Congress debated and voted on the Presi-
ent’s FY 2002 Budget plan. The President’s plan is both harmful to our economy and un-
necessarily cuts important government pro-
grams, and I voted against it.

Today, in response, I supported three alternative budgets that better address our future needs while providing working Americans with tax relief. Each alternative plan allows for an honest estimate of future spending needs and provides tax relief that will go directly to families who most need assistance.

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Mr. CHAIRMAN. It is now in order for a period of open debate on the current resolution. The gentleman from Iowa (Mr. NUSSELE) and the gentleman from South Carolina (Mr. SPRATT) each will control 5 minutes. The Chair recognizes the gentleman from Iowa (Mr. NUSSELE).

Mr. NUSSELE. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, today we present a budget that has been working on for more than just a few days. We have been working on this budget for almost 20 years, a 20-year attempt to slow the rate of growth of government, provide tax relief for Americans, pay off the debt held by the public, and recognize once and for all that the important decisions happen around kitchen tables, not around committee tables.

Mr. Chairman, the most important debate today will not occur on this floor. The most important debate of today is going to happen tonight sometime after the kids are tucked into bed and mom and dad are sitting around the kitchen table, and they are trying to figure out how to pay for college, and they are trying to decide whether to buy Nike shoes or Keds, or they are trying to decide how to pay that Visa bill that just went over their limit one more time, or they are trying to figure out how to pay the mortgage, how to pay the heating bill, how to pay for the extra energy costs.

Mr. Chairman, we sometimes think that the trillion dollars and trillion dollars of debate that we have here is the most important. But sometimes it is the $10, the $20, the $100 that is debated around our kitchen tables that is the most important. That is why we have presented the budget that meets the goals that we have worked so long to achieve.

We had a priority of paying down the maximum amount of publicly held debt. We accomplish that, and there is still money left over.

We set aside all of the Social Security trust fund, a big victory for the American people and for seniors today and seniors tomorrow; and there is still money left over.

We set aside all of the trust fund for Medicare. We provide for a prescription-drug benefit. We want to modernize Medicare in this budget, and there is still money left over.

We provide for the important priorities of defense, agriculture, education, environment, so many issues that we have come here to debate in the halls of Congress; and there is still money left over.

The question is, Who does that money go to? Who belongs to the people who debate around their kitchen table tonight. Let us give them that refund that the President asked. Let us provide for them in this budget. Let us pass the budget.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have stated the reasons that I oppose this resolution before, but I will state them in a nutshell again.

First of all, in its single-minded zeal for tax reduction, this resolution cuts so close to the bone that it leaves no margin of error. If these projections do not pan out, we are in deficit again.

Secondly, it makes so much room for tax cuts that it leaves little room for other priorities. If my colleagues want to see those other priorities, look at them, tick them off: Medicare, prescription drugs, education, conservation, down the list. It does an insufficient amount.

Finally, it does nothing at all for Social Security and Medicare, nothing at all. In fact, it actually deducts funds from the Medicare program by siphoning off money from the Medicare Hospital Insurance trust fund to pay for a meager and inadequate prescription-drug insurance.

For all of that, if the bottom line is debt reduction, it achieves less debt reduction to the tune of $95 billion than the Reagan tax cut. That resolution that was presented which covers priorities across the board.

We can do better.

Mr. Chairman, I yield the balance of my time to the gentleman from Missouri (Mr. GEPHARDT), the minority leader.

Mr. GEPHARDT. Mr. Chairman, I ask Members to consider voting against this budget resolution and to support the Democratic budget because I think it is a better budget.

When one does a budget, one makes choices. One makes choices between size of tax cuts, how much is going to go to pay down the debt, how much goes to Medicare, prescription medicine, how much goes for education, how much goes to support the environment.

I suggest to Members that we are making a mistake with this budget. Let us think of it as two products. First, we have the Republican budget product, it is a $2 trillion-plus tax cut, most of which goes to the wealthiest Americans. If we buy this budget, this is what is contained in this plan, this program.

On the other hand, if my colleagues vote for a Democratic budget, they get much more. It is a better product. We get lower interest rates. Yes, we get a tax cut focused on middle-income Americans, but we also get debt-free by the year 2008.

We get a prescription-drug benefit for all senior citizens. It extends Social Security to 2050. Medicare to 2040. It extends both about 12 years. More quality teachers and more cops on the beat.

So the question is which box do we want for the American people. I suggest that this is a decision that will be with us for a long time.

I was here in 1981. We had a new President who came saying that he wanted a budget that included a large tax cut. We came to this floor in 1981 and debated that budget. The President said that it would not cause large deficits, that it would create jobs, that it would bring down interest rates and inflation.

After we lost our alternative to that tax bill, many of us sat on the floor and wondered what we would do, how we would vote.

I was getting calls from home, people saying give the new President a chance; and I did. I voted for the Reagan tax cut. Then the deficits began, as we worried they would. First it was $100 billion a year, then $200 billion, then $300 billion, then almost $400 billion. We went from $1 trillion in back debt to this country to almost $6 trillion in debt.

It took the budget summit of 1990 and the Budget Act of 1993 and 1997 to begin to get that deficit under control.
Now, instead of having deficits as far as the eye can see, we have surpluses for the first time in 20 years. Why? I ask my friends in this Congress, why would we want to go back and repeat that mistake again?

When I went home these last weeks, constituents came up and said where is the Medicare prescription drug program that I thought was going to be coming after the election? Where is the furthering of the solvency of Medicare and Social Security? Where are the smaller classrooms with better teachers and more classroom sizes? These are the issues that people are deciding in this budget debate.

I plead with Members, turn down this budget and let us do a budget that does not send this country back into bankruptcy, back into high deficits, back into high interest rates, back into high inflation. We still have time to avoid it.

I urge Members to vote against this misguided wrong-headed budget.

Mr. NUSSELE. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. ARMEY), the very distinguished minority leader, and, Mr. Chairman, his argument just does not wash. In fact, it promises a "Tide" of new spending for America.

Mr. ARMEY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I listened very intently to the gentleman from Missouri (Mr. GEPHARDT), the distinguished minority leader; and, Mr. Chairman, his argument just does not wash. In fact, it promises a "Tide" of new spending for America.

Mr. Chairman, this budget is right for America. It establishes a new direction. For too many years, we have seen liberals raise our taxes and send spending into orbit.

But now we have a new President and one who wants to tell us all to come back to Earth. Our new President wants to send us in a new direction; and we should say, We are with you, Mr. President.

Mr. Chairman, I am amazed by the complaints I have heard about this budget. I hear your spending plan does not go far enough. Mr. Chairman, this budget spends an additional trillion dollars over the next 10 years. If you put a trillion dollars together end to end, it would reach to the planet Mars; and that is not enough? And this budget spends $23 trillion over the next 10 years. If you put $23 trillion together end to end, it would take you to Jupiter and back; and that takes far enough? I think my colleagues who are saying that are still out there someplace.

Mr. Chairman, I was in Congress when we passed the first $1 trillion Federal budget. It took two centuries for government to get to a trillion dollars in a single year, and here we are 14 years later, we are near the $2 trillion mark; and that is not far enough? And now we will add an extra trillion dollars over the next 10 years; and that is still not enough?

So the choice is very clear. The choice is between two visions: a vision of bigger and bigger government spending, a choice between larger and larger taxes, or a choice of smaller government spending, a choice between two visions: a vision for the Nation is. Those are the causes that we will have to make, and the vote in a few minutes will give us the chance to make those choices.

Mr. Chairman, the choice here is a choice between government that grows too big, too much, too fast, too big a government and too big a tax bill on the American people, or a budget that holds the growth of government down to slow growth of government and takes a little bit of that extra money, not all of it, not half of it, but just a part of it, and says, we need to take some of that money, and we need to pay it back, we need to give it back to the people that made it in the first place.

Mr. Chairman, that is what this choice is all about. We are not only about tax relief for the American people. So people who get married are not paying an extra $1,400 because they are married rather than being single. Or if you have a small farm or family business and you get government subsidies, you can do that without the Federal Government coming in and confiscating 55 or 60 percent of it.

Probably everybody who pays taxes deserves a little tax relief. When we cut across the board the marginal tax rates, that means thousands and thousands of Americans in this country who pay taxes now will not even have to pay taxes. But it also means the man and wife that go to work to support their children that $20,000 or $70,000 a year, or $40,000 or $50,000, are going to have more money in their own pocket so they can make decisions about their kids and families and what kind of education they are going to have; or maybe just pay the bills or the tuition to a sports camp, something special for their family. Those are the choices that we are trying to take away from government bureaucrats with too much spending and give it to the American people. We know what their priorities are, that have the right and deserve to spend more of their money the way that they see fit.
Mr. Chairman, this budget is also about children and about children in a very special way. It is about education. When you talk about education, sometimes it just kind of goes over some people’s heads. But where real education takes place, and I spent 18 years in a classroom, education takes place in a classroom with good teachers and parents who care. We put more dollars not into some bureaucracy, not for too much paper and more busywork, but we put dollars in the classroom so teachers can do a better job and parents can get more satisfaction sending their children to school and knowing something good is going to happen.

Mr. Chairman, we have talked about this budget a great deal. There has been a lot of debate on this floor today, but this budget, crafted by the President, focused on by the gentleman from Iowa (Mr. Nussle), and I thank him for his great work, really goes to the heart of what we want to do for the future of this country and for the moms and dads and children and our grand-children.

We can make this a better place to live, we can make, through this budget, better choices for people because they can make their own choices and have better education for their kids.

Mr. Chairman, I would ask my colleagues on the other side of the aisle to support us today and pass this budget resolution because it is time we do it. Let us go to it.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. SHIMKUS) having assumed the chair, Mr. LATOURETTE, Chairman of the Committee on the Whole House on the State of the Union, reported that the Committee, having had under consideration the concurrent resolution (H. Con. Res. 83) establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and, setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011 and, pursuant to House Resolution 100, he reported the concurrent resolution, as amended by the adoption of that resolution and by the previous order of the House, back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on agreeing to the concurrent resolution, as amended.

Under clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 222, nays 205, not voting 6, as follows:

(About 600 names of Representatives are listed.)

The vote was taken by electronic device, and there were—yeas 222, nays 205, not voting 6, as follows:

(About 600 names of Representatives are listed.)
ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 1-minute requests.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. BILIRAKIS) is recognized for 5 minutes.

Mr. BILIRAKIS of Florida. My distinguished colleague, the gentleman from Florida (Mr. BILIRAKIS), addressed the House. His remarks will appear hereafter in the Extensions of Remarks.

THE NET CORPS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HORN) is recognized for 5 minutes.

Mr. HORN of California. Mr. Speaker, I take this opportunity to come to the House floor to speak about legislation I introduced last week, the National Education Technology Corps Act of 2001, or better known as NET Corps.

As a former science teacher, principal and school board member, I am extraordinarily pleased that Congress is becoming more engaged in the plight of our schools. Much of the discussion centers on how the Federal Government can be more creative and how we can make schools more accountable for inadequately serving our schools. I am encouraged by the inclusion of the comments and recommendations of teachers and parents who support this legislation. They are part of what I call the NET Corps movement.

Mr. Speaker, I urge my colleagues to join in this movement. Our children's futures depend upon it.

BLACK BERETS FOR U.S. ARMY SHOULD BE MADE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES of North Carolina. Mr. Speaker, I rise this afternoon to once again bring attention to the issue of the decision by the Army Chief of Staff to issue black berets as standard issue head gear to all Army personnel. Until this decision was made, the black beret had been the outward symbol of the Army's Ranger, 75th Ranger, the most elite fighting force, within the United States armed services. While much has been said regarding the decision, I believe that even more needs to be said, particularly regarding the decision to bypass the Barry amendment pur- chase of the bulk of the berets totaling nearly $35 million from Communist China.

Mr. Speaker, at a time when the small businesses of our Nation are struggling for new business, it is a travesty that our own government has chosen to bypass the Buy American Rule in order to meet an arbitrary deadline. While the 225th birthday of the United States Army should be marked with great celebration, I do not believe that the men and women who so faithfully serve in the Army would want the day marked by having to wear a beret that says “Made in China.”

I recently received a letter written by a small businessman from Sanford, North Carolina, and I will submit this letter for inclusion in the RECORD.

Mr. Brooks Pomeranz is president of Cascade Fibers Company, a small mill that in a matter of a few short months could convert its cutting and sewing operation into a mill that could have produced at least a part of the beret order for the United States Army. He writes, and I quote him: “With the decline of U.S. textiles and U.S. textile mills closing every month, it is uncon- scionable that our government is con- tracting foreign companies to manufac- ture these berets. With just a por- tion of this business being contracted to my company would enable us to keep families self-sufficient and to help the local textile mills close to their peak quality. Our quality is outstanding and our service is superior. Eighty families, 80 moms, 80 dads and countless children whose livelihood would continue if this bill were given even a portion of the order for new be- rets. Instead, those berets will be made by men and women in China who work under the worst possible working conditions for merely pennies per day. The same men and women who are told that they are not allowed to vote as they please and who are told that they cannot have more than one child. And, at the center of all of this is the unde- niable fact that United States tax dol- lars would go to a communist govern- ment to be used for the purpose of weapons that our enemies threaten and intimidate not only the people of the United States, but also our allies. This should concern all Americans.”

Mr. Speaker, I want to thank the gentleman from Illinois (Mr. MAX-

Representatives from each of these sectors recently attended a press con- ference in San Jose where they voiced their support for this bill and efforts to improve our education system. I craft- ed this bill in the spirit of the Peace Corps and Americorps, programs that are based on the premise that Amer- ican citizens of all backgrounds have something constructive to offer under- funded and underserved communities.

It is a shame that in America we must classify our schools as under- funded. As a member of the Committee on the Budget, I argue that it is a sad statement about our national values when our schools cannot offer our children the tools that will prepare them for the future.

I often talk about accountability. No, not just teacher accountability, but also about holding our political institu- tions accountable for inadequately serving our schools. I am encouraged by the inclusion of the comments and recommendations of teachers and parents who support this legislation. They are part of what I call the NET Corps movement.

Finally, let me say that since intro- ducing this legislation, I have been contacted by countless high-tech em- ployees, teachers, and parents who sup- port this legislation. They are part of what I call the NET Corps movement.

Mr. Speaker, I urge my colleagues to join in this movement. Our children's futures depend upon it.
on Armed Services on which I serve to seek possible remedies to this problem before it is too late. The men and women of the United States Army and small business owners around the country deserve at least that much.

Mr. Speaker, the letter I referred to earlier follows.

CASCADE FIBERS COMPANY,
Hon. WALTER B. JONES,
House of Representatives, Cannon Building,
Washington, DC.

DEAR CONGRESSIONAL JONES: I am the president of Cascade Fibers, a small textile company in Sanford NC employing 80 associates. Cascade, and many other small to medium size companies, makes table linens, table skirting, placemats, napkins, and aprons for the hospitality, rental laundry, and retail markets. Our quality is outstanding, and our service is superior. But with large corporations buying out smaller companies, and with the growth of overseas napery being sold at a much cheaper price, Cascade Fibers is experiencing a very difficult time competing in this market, and our time may soon be running out.

I am including articles that I have recently read regarding berets that our military will be wearing that are to be manufactured overseas so that our soldiers will have them for the US Army's 226th birthday on June 14th. With the decline of US textiles and US textile mills closing every month, it unconscionable that our government is contracting foreign companies to manufacture these berets. With a portion of this business being contracted to Cascade Fibers, would enable us to keep 80 families from losing a vital income for their children. Our quality is outstanding and our service is superior.

I am asking for your help ASAP to help me promote my company to the right contacts to be able to receive a portion of this business. Anything that you can do will be greatly appreciated by these American families so they can continue to provide for their children.

Sincerely,

BROOKS POMERANZ,
President.
But the Marriage Penalty and Family Tax Relief Act does more than just allow American families to keep a larger percentage of their earned money. It would also help keep families together. With nearly 50 percent of marriages ending in divorce today, we certainly should not penalize couples who choose to stay together. Rather, we should do everything we can to alleviate the economic constraints which hinder their ability to build a family and a lasting relationship.

Mr. Speaker, let us give American families a fighting chance. I urge my colleagues to support the Marriage Penalty and Family Tax Relief Act when it comes to the floor tomorrow. I thank again the leadership for bringing this issue before us and making sure we have the full support of the leadership ranks and Members from both sides of the aisle who want to do right for the working families of our Nation.

CALLING FOR CONGRESSIONAL ACTION ON HUMAN RIGHTS VIOLATIONS IN SUDAN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

Ms. NORTON. Mr. Speaker, I have just come from a subcommittee hearing of a subcommittee of the Committee on International Relations, on which I do not serve, but the Chair and the ranking member were kind enough to afford me the courtesy of sitting at a hearing today on Sudan.

I come to the floor today as part of the effort of an increasing number of Members to draw to the attention not only of the House, but of the country the need to step forward on slavery, genocidal war, bombing of humanitarian workers, and forced conversions of Christians and animists to Islam, the worst litany of human rights violations in the world today.

The issue is that of human rights violations. We have spoken up on many of these violations, and done much on many of them. We have not been able to get hold of this atrocious situation, although this House and the Senate have almost unanimously condemned these violations in Sudan.

The gentleman from New Jersey (Mr. PAYNE), the ranking member of the subcommittee, and I had a 1-hour special order last week. No Members joined us then, but just this week the multilateral, the gentleman from Texas (Mr. ARMY), and a bipartisan group of Members held a press conference on Sudan indicating that this House, Members on both sides, indeed, are not going to sit still for the outrage in Sudan without moving forward.

We have a new Caucus on Sudan chaired by the gentleman from New Jersey (Mr. PAYNE) and the gentleman from Virginia (Mr. WOLF), perfectly bipartisan in nature. Soon another resolution from the House condemning the violations in Sudan will come forward.

Thus far the most dramatic response has been that schoolchildren have bought other children and women out of slavery in Sudan. As important as that is for drawing attention to the atrocities in Sudan, it is hardly a grown-up response to what is happening in Sudan today.

At the hearing today and among all of those concerned, we hear a plethora of responses. It is important to settle in on some immediate as well as long-term responses.

Everyone knows that related to the long-term responses to stop the war in Sudan, what leads to the slavery, what leads to the genocidal bombings, is the search for oil by Khartoum, bombing its own people in the south to depopulate it so it could get to that oil without sharing it with the entire country.

But in the meantime, there are a number of things we can do. Surely we need to bypass the Khartoum Government and use religious organizations and nongovernmental organizations in order to get food aid and medical and other assistance to the people of southern Sudan.

Surely we now in this country ought to be leading the United Nations toward a condonation of the war of the north against the south. There are some who want a no-fly zone, although I do understand that the problem there is that it could engage us in hostilities with Khartoum.

We may not have the technology yet, and perhaps we should not get there, but we cannot sit still for what is going on in Sudan.

Recently I signed on to a letter circulated by the gentleman from Virginia (Mr. WOLF) for a special envoy so we could begin to restart diplomatic relations. President Clinton had a high-level special envoy. President Bush says he is not partial to special envos. Yet if this is a way to try to break into this outrageous situation, then so be it.

What we must do this session is move beyond what we did last session: a special order by the gentleman from New Jersey (Mr. PAYNE) and I on the floor, a resolution by the House and Senate condemning the bombings. This is a very complicated situation, and we cannot stop the war of the north against the south in Sudan. We cannot eliminate slavery through some emancipation proclamation from the United States. We cannot go and buy children and women out of slavery. We cannot stop the worst conversions.

But we are the strongest power in the world. We have got to find a way to use that power to stop the war in Sudan, or at least to get a cease-fire so we can begin to pull the sides apart and help restart that country toward a democracy.

COMMUNITY HEALTH CENTERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I rise today to discuss an important component of our health care delivery system. Community health centers for 35 years have undergirded the primary health care movement in this country. They have provided access to quality, cost-effective primary and preventive health care, regardless of a patient's ability to pay. They have been a safety net for millions who otherwise would not have been able to afford health insurance.

Community health centers are the family doctor, the health care home for over 11 million low-income patients nationwide, including over 7 million minorities.

We talk about health care in macro terms, but when we really think about it in micro terms, day to day, it really is the vast network of more than 3,000 community-based health care center sites operating in urban and rural communities that make sure our citizens are healthy. They deliver top-rate health care with culturally competent health professionals.

Across the Nation, health centers are staffed by more than 6,000 physicians, thousands of nurses, dentists, and other health professionals and volunteers. Health centers provide health education, community outreach, transportation, and other support programs in schools, public housing, and homeless shelters.

Community health centers have done an outstanding job of controlling costs. For the past 35 years, they have provided quality, cost-effective primary and preventive care to the hardest-to-reach populations, where they are most needed, for less than 76 cents per day for each person health centers serve. That is how they have controlled costs.

In my congressional district, there are 24 health center delivery sites. Each of them are jewels. They are cost-effective, responsive to community needs, and the patients just love them.

Unfortunately, they, along with health centers throughout the country, are facing severe challenges which jeopardize their ability to continue providing services for those most in need. For example, approximately 46 percent of Illinois health center patients are uninsured. That number is rising, while the Federal grants to address the health needs of this population remain stagnant.

The bulk of health center patients' uninsured populations are working families who, for a variety of reasons, cannot afford health care for their families. The cost to health centers of providing this care cannot be recouped by them and falls into the category of uncompensated or free care, which is quickly becoming the number one factor jeopardizing Illinois health centers.

Nationally there are more than 43 million who are without health insurance. That number is projected to increase to more than 50 million by 2007.
The rising number of uninsured with problems associated with welfare reform and the cutbacks in charity care means that health center budgets will be challenged to meet increased demands. Currently health centers are serving 4.4 million uninsured Americans.

Recent data suggest that President Bush recognizes the importance of community health centers and has set a priority of increasing the number of health center delivery sites by 1,200 in his budget, the President’s budget also provides an additional $124 million for the health centers, and that is a good start.

Mr. Speaker, it falls short of providing the resources to match demand. I, along with members of the Congressional Black and Hispanic Caucus, are urging a $250 million increase for the health center program. With an additional $250 million, health centers will be able to expand facilities in rural and urban communities.

Additionally, they will have the needed resources to hire staff and see an additional 700,000 uninsured patients.

Mr. Speaker, our Nation is divided when it comes to health. Divided along the lines of those with and those without access to health care. We obviously suffer from this great disparity. I believe that if we are to become and to be the great Nation that we have the potential of being, then each and every one of our citizens must have access to health care, and that is a good start.

Since we do not have universal health insurance or universal coverage, the next best thing would be to have a community health center in every medically underserved community in this Nation.

Mr. Duncan. Mr. Speaker, a couple of years ago, personal bankruptcies reached an all-time record of 1.4 million. Surprisingly, one of my own State of Tennessee (Mr. Duncan) is recognized for 5 minutes.

Mr. Duncan. Mr. Speaker, a couple of years ago, personal bankruptcies reached an all-time record of 1.4 million. Surprisingly, one of my own State of Tennessee led the way.

Today personal bankruptcies are still running at a rate of over 1 million a year, and all of this has been occurring at a time when the economy has been very strong, at least until the last few months.

People are drowning in a sea of debt, a sea of red ink, and most of this has come from credit card debt, people being seduced by the lure of easy credit. Easy credit and large debts have runied millions of lives. Just think how many families are touched when you have 1.4 million personal bankruptcies. Most of these have been mature adults.

What many of us are most concerned about, though, is what is happening to young people, that is why the gentlewoman from New York (Ms. Slaughter) and I have introduced H.R. 184, the College Student Credit Card Protection Act, along with approximately 40 cosponsors.

The “USA Today” on February 13th, last month, had an article that said, the headline is “Debt smotherers young Americans.”

Arianna Huffington, the columnist, wrote a column in “The Washington Times” recently, and she wrote this, how far credit card companies have gone was illustrated recently when a mother in Rochester, New York filled out an unsolicited application her 3-year-old daughter had received. She listed the child’s occupation as preschooler. Under income, she wrote nothing.

The toddler was promptly sent a Platinum Visa card with a $5,000 limit, which Arianna Huffington said, she, no doubt, quickly maxed out on Barbies and Pokemon toys.

In the same column, Arianna Huffington said this, one study found that one in four college students carries credit card debt in excess of $3,000, and this debt is a gift that keeps on giving long after graduation. Sixty-two percent of Americans aged 22 to 33, the most of any age group, are saddled with credit-card debt, more than $2,000 worth in most cases.

They also suffer the greatest anxiety over such debt, with nearly half saying it concerns them a lot.

In a “USA Today” article, it said this, as a freshman at the University of Houston in 1995, Jennifer Massey signed up for a credit card and got a free T-shirt. A year later, she had piled up about $20,000 in debt on 14 credit cards.

Paige Hall, 34, returned from her honeymoon in 1997 to find herself laid off from her job at a mortgage company in Atlanta. She was out of work for 4 months. She and her husband, Kevin, soon were trying to figure out how to pay $18,200 in bills from their wedding, honeymoon and furnishings for their new home.

By the time Mistie Medendorp was 29, she had $10,000 in credit card debt and $12,000 in student loans.

Robert Samuelson, the economic columnist for “The Washington Post” and “Newsweek” wrote a column a couple years ago talking about how many colleges lured students in very excessive student loan debts, telling them not to worry about the big increase in fees that these colleges had imposed many times increasing their fees at many times the rate of inflation, just saying do not worry, we will give you a student loan. So many students have been getting out of college with $25,000 and $50,000, and $75,000 worth of student loan debts and massive credit card debts in addition.

It is just not right to start young people out or encourage young people to go so far into debt just as they are starting out.

The “USA Today” story said this, it said young people are taking advantage of all of these credit card offers they are getting. A study from Nellie Mae shows that the average credit card debt among undergraduate students increased by nearly $1,000 in just the past 2 years.

The percentage of undergraduate college students with credit cards jumped from 67 percent in 1998 to 78 percent last year, according to this, to the Nellie Mae study, and many of them are filling their wallets with credit cards.

Last year, 32 percent said they had four or more cards.

There was one cartoon I saw in the paper and it showed a young college student, a female college student in one panel showing a list of 18 credit card hours she was taking, and the next best thing would be to have a credit card at a character that says, and she has 18 credit cards to go with it.

“[The Washington Post] ran a story and said W. Dyer Vest, a senior at Virginia Tech, owns two T-shirts that he said cost him $2500. The shirts were “free,” actually as long as Vest signed up for two Visa cards at the table displaying in the campus center.

Credit card in hand, he proceeded to update his wardrobe outfitting his girlfriend, eat well at restaurants and give generously well at Christmas. A year later, he owed $2500 to credit card companies and could not afford the minimum payments. He later dropped out of school for the semester.

John Simpson, an administrator at the University of Indiana said this, he said “credit cards are a terrible thing. We lose more students to credit card debt than to academic failure.” Can you imagine it? An administrator at the University of Indiana saying that we lose more students to credit card debt than to academic failure?

Robert Manning, a professor of economics at Georgetown University and the author of the soon-to-be-published book Credit Card Nation argues that giving children credit cards without limits is like handing them the keys to the family car with no restrictions.

The SPEAKER pro tempore (Mr. Crenshaw). Under a previous order of the House, the gentleman from Tennessee (Mr. Duncan) is recognized for 5 minutes.

The SPEAKER pro tempore. The SPEAKER pro tempore (Mr. Crenshaw). Under a previous order of the House, the gentleman from Tennessee (Mr. Duncan) is recognized for 5 minutes.

Ms. Woolsey. Ms. Speaker, when I look at the Republican budget that was passed today, it is clear to me who is taking care of the billionaires in this Nation. But I want to know who is taking care of our children.

The Republican budget resolution passed today puts children and their needs behind a $2 trillion tax cut that gives 41 percent of the benefits to the wealthiest 1 percent of Americans. In fact, a third of our children are part of families that would receive zero benefit from the proposed tax cut.
Let me say that again, one-third of all American children live in families that would receive nothing from the Republican tax cut. Nothing.

In my State of California alone, 1.7 million middle- and low-income families with children are being singled out—besides the expensive Republican tax plan—that is more than a third of the families in our State.

In recent months, we have heard the Republicans talk about helping children. I think it is time the Republicans put their promises to children in their budget.

The Republican budget does not fulfill their promise to leave no child behind, instead it leaves millions of children behind, behind in terms of reduced funding for childcare, reduced in terms of cuts to juvenile justice programs and behind in terms of educational dollars.

Mr. Speaker, last week the Democratic Caucus Task Force on Children, which I chair, released a report on how the President’s budget blueprint shortchanges our children. The Republican budget mirrors the President’s budget and is equally negative for our kids.

In fact, the Children’s Task Force found that the Republican budget proposal spends so much of their tax cut that to make ends meet, the class size reduction initiative would have to be eliminated, funding for after-school programs would have to be frozen, child care for 50,000 low-income children would be cut, and $145 million could be cut from Head Start resulting in 25,000 fewer children and their families receiving Head Start services in the year 2002. This is not acceptable.

The Republican budget could reduce funds for maternal and child health programs, as well as those that I listed before, making it harder for low-income children to have a healthy start and a healthy future.

Mr. Speaker, where is the compassion in taking money away from children and putting it into the pockets of the wealthy? Our children deserve better, Mr. Speaker.

Let us face it, in today’s world, kids are lucky if they have two parents living at home with them, and if they do, chances are that both parents work outside the home. They work hard. They commute long hours, and it is our children who are being left behind. Now is the time to expand programs for children, not cutting them.

This Congress should be considering paid leave for new parents, not tax breaks for billionaires. It is time we got our priorities straight and show our children that we care about them, that we care about their future.

Our children may not vote, they may not make contributions to political campaigns, but they must be part of every single decision we make here on this Hill. The Democratic Alternative that I voted for would have made a smart investment in our children’s future by providing reasonable tax cuts so that they are aimed at the families who need it the most. It would have protected Social Security and Medicare, improved school and, most importantly, paid down the national debt for the future of our children.

Mr. Speaker, the Democratic Alternative would have made good on promises to leave no child behind. And our plan would also have moved all children forward, forward toward a bright future. The bottom line is that the Republican budget’s math does not add up.

Once they have subtracted $2 trillion in tax cuts for the wealthy, the remainder is much too small to divide sufficiently among programs that matter to our children.

Children may only be 25 percent of our population. Mr. Speaker, but they are 100 percent of our future.

The fact is, America’s children are America’s future. This Republican budget places both at risk.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. EHRlich) is recognized for 5 minutes.

(Mr. EHRlich addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine (Mr. BALDACCI) is recognized for 5 minutes.

(Mr. BALDACCI addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. KANJORSKI) is recognized for 5 minutes.

(Mr. KANJORSKI addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

COMMUNITY HEALTH CENTERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. RODRIGUEZ) is recognized for 5 minutes.

Mr. RODRIGUEZ. Mr. Speaker, I stand here today to show my support for the community health centers and the vital services provided to the medically underserved, rural areas and the minority communities throughout this country.

Mr. Speaker, I strongly support the $250 million budget increase for the year 2002 for the community health centers. The funding level will allow centers to expand and deliver health care services to those in need who need it most.

I would like to acknowledge the fact that President Bush pledged to provide $2.6 billion over 10 years to build an additional 1200 community health centers. The request of a $250 million increase will put us on the right track to meet the President’s funding goals.

Mr. Speaker, I think that is something that is viable and something that we can continue to work on.

In 1999, these centers performed primary and preventive health care and dental services for more than 11 million children and adults and saved a total of 44 million uninsured Americans that lack access to health care services.

I want to talk to my colleagues briefly about that, because one of the fact that these are working Americans. These are individuals that are up there, and families that are working hard in small businesses. I would attest to my colleagues if my colleagues have someone out there that is working with a major corporation, that is not working for Federal Government or State or local government, most of those individuals do not have access to health care. They are in dread need.

They do not have enough resources to be able to purchase it. They are not poor enough to qualify for Medicaid, not old enough to qualify for Medicare. Yet they find themselves uninsured, yet working and trying to make things come together. The community service centers provide that access to them. In six or 4.6 million low-income children are served by the health centers. There are over 400,000 births that are delivered. Imagine how many kids we could reach out to by increasing the budget by $250 million. This is a small price to pay for our children to have healthy bodies and strong and clean teeth.

Community health centers are critical because they provide treatment, they provide preventive care, and they provide access.

In my district back in Texas, we have five health centers with 23 sites. Yesterday I had the opportunity to meet with some of them from the Atascosa Health Center in Texas, and Centro del Barrio in the south side and east side of San Antonio, and the Barrio Clinic at the Ali Austin Center. These services are continued to be provided by these centers. I want to thank them for their services.

Nearly 70 percent of those served in community health centers are minorities. One out of every 10 rural Americans is served by these centers. I represent 13 other counties, a lot of rural area; and these centers play a very vital role in that area. Hispanics make up also close to 68 percent of my district, and many of the benefits of these centers go to that population.

As many of my colleagues know, and children and adults. We have a real problem in the area of tuberculosis. My district goes all the way to the Mexican border. Almost one-third of the cases in this country are along the border, from Texas to California, in the area of tuberculosis. We know that that is a determinant that we have real serious problems with. These centers play a very significant role in providing that treatment in that area.
Not to mention the fact that when we look at the problems that we are encountering with other infectious diseases such as HIV, AIDS, and others, at a time when we feel we are making the gains, we still have 20 percent of the cases among Hispanics when we only represent 12.5 percent of the population. So there are still strides that need to be done.

Let me just say why we should support and reauthorize this $250 million. First of all, millions of Americans are uninsured or under-insured that access to care. Secondly, health centers are an inexpensive way of providing access to quality affordable care to these communities. Thirdly, health centers help make the benefit of public insurance programs available to more eligible children and adults. Not to mention that the expansion will provide primary care infrastructure in this country that is needed and drastically needed for us to continue to move forward.

I want to thank the chairman and ask my colleagues to support this effort in assuring that the community health centers get an additional $250 million as we move forward and meet the President's goal.

COLLEGE STUDENT CREDIT CARD PROTECTION ACT

The SPEAKER pro tempore (Mr. CRENSHAW). Under a previous order of the House, the gentleman from New York (Ms. SLAUGHTER) is recognized for 5 minutes.

Ms. SLAUGHTER. Mr. Speaker, I appreciate this opportunity to speak on a growing problem, the credit card debt among our college students.

Along with the gentleman from Tennessee (Mr. DUNCAN), I have introduced a bipartisan College Student Credit Card Protection Act. This legislation requires credit card companies to determine whether a student applicant and parent can afford to pay off a credit card balance before approving the application. It looks into the amount of money the student will be making and limits the credit to a percentage of that amount.

In the event that parents are obliged to pay off the credit card debt, no increase on the amount of credit card debt can be approved without the parents' consent.

Now, what does it take for a college student to get a credit card? Well, it turns out the credit card companies are just itching to give them away by the lure of free T-shirts and mugs with little scrutiny of the student's ability to pay their debts. As a result, a lot of college students end up taking a crash course in debt management.

Credit card issuers are raining down solicitations on college students and households. Mr. Speaker, in just 1 month, just 1 month, the six members of my staff were sent this many credit card solicitations that will fill this laundry basket. Let me repeat, this is just 1 month for six staff members of the House of Representatives.

Now, sadly, one of my constituents wrote to me that her stepson had to file for bankruptcy at the age of 21 because he was $30,000 in debt; and she spoke to the bank officer, and the bank officer told my constituent that her own college-age daughter was in the same situation and the bank was only trying to help her out of the mess to avoid hurting her credit rating and thus her future financial opportunities.

The gentleman from Tennessee (Mr. DUNCAN) told us about the 5-year-old in the northeast who got a credit card for $5,000. We also even had a cat named Bud who also lives in Rochester where they really seem to be easy to get, and that cat got a preapproved card.

Now, what about the students whose parents cannot bail them out? Unfortunately, that is not uncommon. The number of bankruptcies among individuals under the age of 25 has nearly quadrupled in the past 5 years.

John Simpson, an Indiana University administrator, said, "Credit cards are a terrible thing. We lose more students to credit card debt than to academic failure."

"60 Minutes," too, recently reported that, in 1999, a record 100,000 persons under the age of 25 filed for bankruptcy. Nellie Mae, the nation's largest student loan agency recently found that student credit card debt rose to a national average of more than $2,700, compared to $1,500 in 1998, a nearly $1,000 increase.

In addition, nearly one in every 10 undergraduates has credit card debt greater than $7,000. This is an even bigger problem if one calculates the amount of time it will take the young borrower to pay off this debt.

A student using a card with an 18 percent annual percentage rate who makes a minimum monthly payment of $75 will be paying off that credit card balance of $2,700 over 15 years, paying as much interest on the balance as he or she originally borrowed.

The Daily Texan, a newspaper of the University of Texas, recently reported that the university's legal services office sees students who are struggling with debt at the rate of one every 2 weeks.

The university counselor said "the highest voluntary credit debt I have seen was $45,000. Most students who come to me are those whose debts range from $8,000 to $15,000." That is the common range of debt for a college student in Texas.

In addition, the nonprofit Consumer Education Center in Austin, Texas, helps about a half dozen students every week to try to deal with credit problems. But let me be clear, the problem is certainly not specific to Texas. As I pointed out, in Indiana, more students leave college because of debt than because of academics. This is the story on every college campus. This is the story that our military services rely on supplemental funding when making their budgets. They are allowed to budget for procurement, research, pay and training. All of these costs are largely predictable. But they are not allowed to budget in advance for most operations because the nature and tempo of the operations can never be foreseen.

In a way, the Navy includes some operations funding in its peacetime budget. Overseas rotations is part of its normal operating procedure, so deployments require little additional funding when they go into action. The Air Force is getting toward that concept as well, but even they need supplemental help to cover the cost of operations. Even if a supplemental is not proposed later in the year, it is sort of like the fire department showing up after one's house has burned down.

One reason I enjoy serving on the Committee on Armed Services, Mr. Speaker, is that I get to speak regularly with our troops and their commanders. One message that has been coming through with exact clarity,
from field commanders and service chiefs alike, is the need for an immediate supplemental. They have been forced to borrow against training money to keep operations going, and that bill has come due. As a result, training is slowed to a crawl or stopping. Materiel and ammunition supplies are exhausted. Our military is not being kept up to standard.

That is what I hear. It is not just one service; it is all of them. That, Mr. Speaker, is why we need an immediate supplemental.

By immediate supplemental, I do not mean the check in the hand by the close of business Friday, although that would not hurt. But I do mean an immediate and public commitment that there will be a supplemental, a commitment that help is on the way. If the chiefs know a supplemental is coming, even one late in the fiscal year, they can resume full activity confident that their coffers will be replenished. Ab- sent that assurance, though, the only prudent and, in many cases, the only legal thing for them to do is to stop training.

This is a test of the new administration, Mr. Speaker, a test of their word and of their world view. If the military is to be sacrificed on the alter of a tax cut, if help is not truly on the way, the money we invest in our military training is slowing to a crawl or stopping. As a result, our military is not being kept up to standard.

There are over 45 million people in our country without access to affordable health care insurance; and, sadly, that number continues to rise.

Nowhere is the problem of access to quality health care more critical than within the African American community, where economic factors and limited health care options exacerbate an already disproportionate health care crisis.

Community health care centers are a vital component in addressing the health care gap that exists in minority communities across this country. But if they are to continue to meet the growing health care needs of those communities, we must ensure that we increase the consolidated health centers program funding by $250 million in fiscal year 2002.

Mr. Speaker, with an additional $250 million, we can expand community health care facilities in rural and urban communities and provide quality health care to an additional 70,000 uninsured individuals. I urge the Appropriations Committee on Appropriations and all of my House colleagues to support a $250 million increase in funding for the consolidated health care program.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. LEE) is recognized for 5 minutes.

Ms. LEE addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.

H.R. 1249, PROVIDING ASSISTANCE TO FARMERS COPING WITH CROP DISEASES AND VIRUSES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Michigan (Ms. KILPATRICK) is recognized for 5 minutes.

Ms. KILPATRICK addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.

H.R. 1249, PROVIDING ASSISTANCE TO FARMERS COPING WITH CROP DISEASES AND VIRUSES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Hawaii (Mrs. MINK) is recognized for 5 minutes.

Mrs. MINK of Hawaii. Mr. Speaker, I recently introduced H.R. 1249, to ensure that farmers who suffer crop losses due to plant viruses and diseases are eligible for crop insurance and noninsured crop assistance programs and that agricultural producers who suffer such losses are eligible for emergency loans.

Pandemics of plant viruses and diseases regularly destroy the crops of entire farms and often the crops of entire geographic areas. A single plant virus or disease outbreak can send farms into bankruptcy; often, farmers are left without any means of recovering. Agriculture producers can qualify for emergency loans when adverse weather conditions and other natural phenomena damage cause farm property damage or production losses, but, under current law, crop viruses and diseases are not considered "disasters" and thus are not eligible for these types of loans.

For example, in Hawaii in 1999, the State ordered the eradication of all banana plants on the entire island of Kauai and in a 10 square-mile area of the island of Hawaii in an effort to eradicate the banana "bunchy top" virus. A court order required compliance, and farmers were ordered to destroy their entire farms and livelihood without any compensation. These farmers did not qualify for emergency loans or disaster assistance and were left with no other option but to sell their farms. Today, Hawaii’s papaya industry is faced with another outbreak of the ringspot virus. The only way to get rid of this virus is to destroy diseased plants, but farmers are reluctant to do so because of the financial loss involved. As a result, the disease spreads, with disastrous consequences to neighboring farmers and the rural economy.

The survival of our nation’s farmers is largely dependent upon the unpredictable whims of mother nature. We provide our farmers with assistance when adversely affected by severe weather, but that is not enough. Emergency loans and disaster assistance must be made available to farmers for crops suffering from calamitous plant viruses and diseases. H.R. 1249 would enable farmers to qualify for crop insurance programs, noninsured assistance programs, and low-interest emergency loans when devastated by crop losses due to plant viruses and diseases.

I invite my colleagues to cosponsor this worthy legislation, and urge immediate consideration of H.R. 1249 in the House.

BUDGET PASSED TODAY SUPPORTS OUR SOLDIERS AROUND THE WORLD

The SPEAKER pro tempore. Under the Speaker’s announced policy of January 3, 2001, the gentleman from Iowa (Mr. GANSKE) is recognized for 60 minutes as the designee of the majority leader.

Mr. GANSKE. Mr. Speaker, unfortunately it sometimes takes a tragedy such as the loss of our pilots in Europe this week, or the recent deaths of the National Guard members killed in Georgia to remind us of the sacrifices associated with military service in our country. In time of war, we realize the individual sacrifices made for the common good. But we should also recognize the efforts made every day by our soldiers around the world.

I believe the budget for our military forces which was passed by the House today is focused on our soldiers. The legislation would increase military pay by 4.6 percent and increases pay and other compensation by $1.4 billion in fiscal year 2002.

It provides $3.9 billion for the first year of an expanded health care package for over-65 military retirees. It also allows for an additional $400 million to improve the quality of housing for military personnel and their families by providing new construction, renovation of existing housing, and measures to reduce out-of-pocket housing expenses.

The budget also provides funds for research and development to help guarantee that U.S. forces will go into the field with the tools they need to ensure victory and minimize casualties. At
the completion of the current review, which is occurring on the scope and role of the U.S. Armed Forces, we will have a better idea what our needs are for the next decade, and I look forward to the results of that review.

Mr. Speaker, I am from Iowa, and Iowans have a proud tradition of service in the Armed Forces. Back in the Civil War, Iowa had a population of 670,000, but we sent 78,000 soldiers to fight. Nearly 13,000 never returned home.

Mr. Speaker, the Iowa Air National Guard has been involved in deployments as well. The 132nd Fighter Wing was deployed to Incirlik Air Base in Turkey to support Operation Northern Watch. We are going to have to train units in northern Iraq during fiscal year 1999 and fiscal year 2000. They are scheduled to return to the Persian Gulf region this summer to support Operation Southern Watch.

Each of these deployments involves approximately 200 pilots and crew members and 6 Iowa-based F-16C “Fighting Falcon” fighter aircraft. The deployments are approximately 6 weeks in duration. There is also a detachment of National Guard based in Greece.

Mr. Speaker, our military is currently stretched pretty thin. This causes problems with the quality and supply of our equipment and with our personnel retention. Today our military is deployed in 136 countries around the world. Since 1990, we have dramatically reduced our military spending while we have asked our forces to do much more. This leads to an underequipped, undersupplied, and undertrained military. This means a lot of pressure is placed on the Reserves and the Guard. Overall, they have been reduced by 35 percent since 1990, but overseas deployments have increased by 300 percent.

Mr. Speaker, the mission of the Reserve and the Guard is significant. They all died together in the Battle of Waterloo, Charles City, Dubuque, and other parts of Iowa. Exemplary of Iowa sacrifice in the armed forces were the five Sullivan brothers from Waterloo, Iowa, who served on the USS Juneau. George, Francis, Joseph, Madison and Albert Sullivan had a motto. They said, “We stick together.” And they all died together in the Battle of Waterloo.

Mr. Speaker, the Iowa Air National Guard is deployed in 100 members from Denison and western Iowa, is deployed to Saudi Arabia, 100 members from Des Moines to assist with security duties at Patriot air bases in Saudi Arabia and Kuwait, and 9,000 were called to Haiti.

Mr. Speaker, often such deployments involve 9-month rotations for the troops. Nine months is a long time to be away from your families. If any of my colleagues have children, you know that nine months makes a huge difference in a person’s life. It is a long time to be away from your regular job.

Mr. Speaker, the Reserve and the Guard are accounting for more of our national defense needs than ever before. This comes with some positive and some negative consequences. On the positive side, it is a testament to their abilities. It means that the Reserve and the Guard are more respected and appreciated than ever before. An increased dependence also results in some increased funding within the defense appropriations, and it forces the Reserves to improve their abilities to respond to crises quickly and efficiently; and those are all good effects.

However, increased reliance also means a lot of pressure is placed on Guard and Reserve personnel. An Air Force Reserve air crew member who works at his regular job 221 days a year and serves 110 days of active duty has only 34 days off to spend with his family, and that leads to many individuals leaving the Reserves. It also places a lot of pressure on employers who are a key element of Guard and Reserve service. Most employers patriotically accept an employee who serves 1 weekend a month and 2 weeks in the summer. Inadequate training and material plus increased deployments equals problems with morale, equipment readiness, retention and recruitment.

Mr. Speaker, the mission of the Reserves has changed over the years. During the Cold War, reservists and guardsmen were considered on call to respond to World War III or some catastrophic event. During the 1980s, reservists were deployed to perform day-to-day operations and to support various ongoing missions. For example, the Air National Guard and the Air Force Reserve combine to provide the U.S. Transportation Command with 52 percent of its total available aircraft, including 55 percent of the tankers and 64 percent of the tactical airlift. Air Force Reserve flight crews average 110 days of active duty a year.

Mr. Speaker, the Iowa Air National Guard will be sent to Bosnia to provide combat troops and support division headquarters operations. They are called upon to perform day-to-day operations over northern Iraq during fiscal year 1999 and fiscal year 2000. They are scheduled to return to the Persian Gulf region this summer to support Operation Southern Watch.

Mr. Speaker, these concerns bring to mind a larger issue. If the Nation continues to accumulate missions around the world as it has over the last 10 years, we are going to have to reevaluate the size of our Active-Duty Force. The last administration’s strategy of making the U.S. the guarantor of democracy around the world has involved the U.S. in a wide variety of peacekeeping missions that are of at least questionable national security, and that has had an adverse effect of our ability to fight two major theater wars simultaneously or to respond to a real national security threat. A Congressional Budget Office report in December found that millions could be taking a toll on the military’s ability to pay for routine operations, maintain the combat skills for conventional wars and keep its equipment and personnel ready and available for such wars.

In May 1999, the GAO, which is the investigative arm of Congress, found that nonwar operations have adversely affected the military capability of units deployed in Bosnia and Southwest Asia.

In addition, those units that stay in the U.S. have to pick up the work of the deployed units. These deployments...
are having a serious impact on our Na-
tion’s ability to defend itself. During
Operation Allied Force in Kosovo, we
came dangerously close to running out
of certain types of cruise missiles. If
North Korea had decided to attack
South Korea during that period, we
might not have been able to respond as
effectively.

And these overseas deployments are
not cakewalks. Armed conflicts con-
tinue to erupt in the world. Just this
week there was open warfare in Mac-
edonia: Ethnic tensions remain high in
the region, and American soldiers are
stuck in the middle.

In Iraq, the situation for our Air Re-
serve and Air Guardsmen are equally
dangerous.

The American public is not always
aware of how often our pilots, active,
Reserve, or Guard, are targeted by
Iraqi air defense systems and forced to
take evasive actions.

Iraq is not a secure environment. The
Balkans are not a secure environment.
The longer we have soldiers deployed
to these theaters, the greater the risk.

Second, our allies should bear more
of the responsibility. Last April, I
voted for an amendment that would
withhold 50 percent of the funding for
Kosovo operations until the President
certified that our allies were com-
plying with at least 75 percent of their
commitment to the operation. Unfortu-
nately, the amendment was defeated,
but we must do things like this to make
sure that our allies are picking up
their share of the burden.

Third, we have to realistically under-
stand that we cannot be everywhere at
the same time. We have to regain con-
trol over the deployment of our mili-
tary personnel.

Fourth, we must ensure that our
spending bills provide for our main pri-
orities. We must ask ourselves, does
funding provide for our military per-
sonnel? Are they adequately paid? Do
they receive medical care? Are they
providing appropriate living accom-
modations? Does funding provide for
our current equipment and weapons
needs?

We just had a talk on that from the
gentleman from Missouri (Mr. SKEL-
TON).

Does funding provide for needed new
weapons? The Quadrennial Defense Re-
view is currently underway and the
President has also ordered a top-to-bot-
dom department review directed by
A. S. Marshall, head of the Pentagon’s
Office of Net Assessment. The review
of our military must also focus on how
America views its role in the world. We
must make sure that we build an
armed force that fits with the role our
Nation chooses to play in the world
arena.

We must be prepared to fight the
next war. Our forces have to be mobile.

They have to be flexible, and they have
to be well trained. They have to be able
to respond to a world where the most
serious threats may not always be ar-
mored divisions or fighter wings, which
brings us to one threat that we must be
willing and able to address.

Terrorism is a horrible fact of life
today. We need to be prepared to strike
swiftly and strongly in response to acts
of terror. We also need to take actions
to prevent terrorist attacks that view
innocent civilians as acceptable tar-
gets.

Since the demise of the Soviet Union
and the Warsaw Pact, the United
States has been dealing in unfamiliar
territory. With the fall of communism
and the victory of democracy, America
stands alone as the sole superpower of
the world and that makes us a tempt-
ing target for terrorists and also causes
the world to look to us to take a lead
in the global war on terrorism.

Our military and indeed our society
must be willing to make tough choices
when we face threats from state-spon-
sored terrorism and also from groups
not associated with individual coun-
tries but with broader causes or ideolo-
gies such as radical fundamental-
ism.

We need a clear, consistent policy,
one that backs up diplomacy, inter-
national intelligence, international co-
operation and clearly stated policies on
reprisals, with the military readiness
and forces to make them a sure and
deadly deterrent.

One thing should be absolutely clear.
If we make the decision to commit our
troops overseas to an armed conflict,
we must give them the means and sup-
port to win.

Flying over our soldiers is the Amer-
ican flag. Hundreds of thousands of
American men and women have died in
battle under the Stars and Stripes. The
flag is a symbol of freedom and democracy. It
should be protected from desecration. I
favor a constitutional amendment that
would protect it from being defiled and
degraded. Surely, we are too much to
ask that the symbol under which so
many men and women have proudly
given their lives be afforded basic re-
spect.

I was never in combat. I am a retired
lieutenant colonel in the United States
Army Reserve Medical Corps, but I was
proud to wear the uniform and the flag
is something special to me. That is
why I think we should pass an amend-
ment to protect it.

Let me close by saying something
about our veterans. Congress today
recognized their sacrifices. Today the
House passed a budget which includes
a 12 percent increase for the Department
of Veterans Affairs. This budget calls
for a $5.6 billion increase over last
year’s budget for the VA, including an
additional $1 billion above that which
was proposed by the administration.

The funding increase is needed due to
underfunding by the past administra-
tion.

I believe the increase will allow the
Veterans Administration to begin to
address a backlog in cases and to pro-
fide funding to cover unmet services
for our Nation’s veterans.

I also recently cosponsored legisla-
tion to improve outreach programs car-
rried out by the Department of Veteran
Affairs by providing veterans with
more of the benefits available to them.
The legislation would direct the Sec-
tary of Veterans Affairs to prepare
an annual plan for the conduct of out-
reach activities to provide veterans
and dependents information concerning
eligibility for Department benefits, health
care services, and application require-
ments when they first apply for any
such benefit.

It is very important that we make
our veterans aware of the assistance
that is available to them.

The bill is appropriately called the
Veterans Right To Know Act, and I call
upon my colleagues to support it.

Just this week the House passed the
Veterans Opportunities Act of 2001. The
legislation also seeks to inform service
members of the benefits that are avail-
able. The bill requires that before an
individual leaves the service, they are
counseled and educated regarding the
programs available to assist veterans.

This program will help make service-
men and women more aware of the op-
portunities which are available to
them in civilian life.

The legislation also expands the Vet-
ers Administration Work-study program and increases the max-
imum allowable annual ROTC award
for benefits under the Montgomery GI
bill. For the first time, veterans will be
given financial support in pursuing
education in the private sector. In to-
day’s world, the best technological
training is not always in the tradi-
tional college setting.

I have also joined more than 70 of my
colleagues in cosponsoring the Retired
Pay Restoration Act of 2001. This is
legislation that would allow retired in-
dividuals who suffer from a service-
connected disability to receive their
disability compensation without hav-
ing it deducted from their military re-
tirement pay. The legislation is sup-
ported by the American Legion, the
Disabled American Veterans, the Vet-
 erans of Foreign Wars, the Retired Offi-
cers Association, the Uniformed Se-
dice Disabled Retirees and the Military
Veterans Opportunities Act of 2001. The
program also expands the Vet-
ers Administration Work-study pro-
gram and increases the max-
imum allowable annual ROTC award
for benefits under the Montgomery GI
bill. For the first time, veterans will be
given financial support in pursuing
education in the private sector. In to-
day’s world, the best technological
training is not always in the tradi-
tional college setting.

For heaven’s sakes, let us pass this,
too. It is essential to the vitality of
American democracy, the most suc-
cessful experiment in self-government
in the world’s history, that we remain
vigilant of our freedoms and that we
have the proper respect for our fellow
citizens. I urge my colleagues in the serv-
tice arena to join with me in cosponsoring
this legislation. So I take this opportu-
nity to offer my thanks to the men and women in uni-
form.
ARTWORK COMMEMORATING WOMEN IN THE CAPITOL COMPLEX

The SPEAKER pro tempore (Mr. CRENSHAW). Under a previous order of the House, the gentlewoman from Ohio (Ms. KAP'TUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, during this women’s history month, it is with great pleasure that I rise to announce that I have today introduced a resolution expressing the sense of this House of Representatives that artwork displayed in the United States Capitol Visitors’ Center and the office buildings of the House of Representatives should better represent the contributions of women to American society. I am pleased to be joined by 16 of our colleagues as original cosponsors and encourage all of our colleagues to join in this effort.

Mr. Speaker, the majority of our Nation’s residents are female. The mothers and grandmothers of America have carried the burden of raising our children and have now for over 2 centuries, in fact, outnumber males, according to the 2000 census estimates, by 6 million: 149 million women, 134 million men.

The statue of a woman called Freedom domes of our Capitol building. Sixty-six Members of the House and 13 Members of the Senate are now women. We pledge allegiance to a flag that was designed by a woman. Sojourner Truth was committed to the abolition of slavery in the mid-1800s. Rosie the Riveter symbolized the contributions of women to victory and the victory of freedom in World War II. Rosa Parks has been a major inspiration of every American concerned about civil rights.

Our own colleague, now retired Geraldine Ferraro, became the first woman to be the candidate of a major political party for the office of vice president.

One would think that given the contributions that women have made to the world and to our Nation, as mothers, scientists, educators, astronomers, political leaders, mentors of our youth, having artwork in our Capitol that commemorates their contributions would be automatic. But sadly, in this year of 2001, this simply is not the case. In fact, less than 5 percent of the artwork displayed in all of these buildings displays or honors the contributions that women have made to America. It really is a travesty.

In 1995, I sponsored a resolution to establish a Commission on Women’s Art in the Capitol. Then in 1997, I sought to include a directive in the report on the fiscal 1998 legislative branch appropriation bill to direct the Architect of the Capitol to prepare a plan for the procurement and display of art that is more fully representative of the contributions of American women to our society. I was told by then chairman of the Committee on House Appropriations, the gentleman from California (Mr. MILLER), that he believed this language was not necessary and would usurp the authority of the Joint Committee on the Library and the Fine Arts Board, and nothing happened.

In 1998, I was successful in getting a similar statement of support included in the fiscal 1999 legislative branch appropriations bill; and then in 1999, I similarly introduced House Resolution 202, a resolution virtually identical to the one that I am now introducing in this new 107th Congress.

Mr. Speaker, our parents have taught us that those things worth having are worth fighting for. Today we renew that fight. We renew that fight with the recognition that we are planning on constructing a new Capitol Visitors’ Center that has the opportunity to appropriately represent the contributions of women, as well as men, from the very beginning of that annex’s construction.

So often in the past we have been told that it is difficult to find space in the Capitol or in the House buildings for additional artwork commemorating women. As my colleagues can probably point out, the artwork to commemorate the contributions of women has been limited. That argument will not be valid with respect to the new Capitol Visitors’ Center, where we will have an opportunity to get it right from the beginning.

As our constituents, especially our young constituents, come into this Capitol they should be impressed with a sense of inclusion. America is made up of both men and women, mighty in strength and mighty in spirit. Of Native Americans, of pilgrim Americans, of immigrant Americans and of recent Americans. Each and every one of these groups deserves to be recognized and celebrated for the contributions they have made to building this magnificent Republic.

Mr. Speaker, it is my sincere hope that at long last we can consider this resolution this year so we can begin to provide the level of recognition that the contributions of women to American society deserve, and I would argue pay much more than this is not a heavy lift. This is actually a fairly straightforward initiative that can be accomplished in regular order. Please give the women of America the recognition that they rightly deserve in these important buildings.

COMPARISON OF THE REPUBLICAN AND DEMOCRATIC BUDGETS

The SPEAKER pro tempore. Under the Speaker’s announced policy of January 3, 2001, the gentleman from Texas (Mr. BENTSEN) is recognized for 60 minutes as the designee of the minority leader.

Mr. BENTSEN. Mr. Speaker, the House today adopted a budget which is pretty much in line with the budget that President Bush sent up to Congress just a few short weeks ago.

This budget, while it is a budget for one year, it would set America on a fiscal policy course impacting us for 10 years and really, quite frankly, impacting us for many years beyond that as it relates to very important and successful Federal programs, the Medicare program and the Social Security program.

Now, there is a clear divergence on which path to take between the Democrats and the Republicans. While there is commonality between the two parties in terms of many of the spending priorities on the discretionary side and, I would argue, commonality between the two parties in saying that there should be a tax cut, the divergence occurs really in two areas. It occurs as it relates to how much or what we will do with respect to Medicare and Social Security; and it occurs in what we will do with respect to paying down our obligations, that is, the publicly held debt.

The Republican-passed budget is predicated in large part, if not in total, on enacting a very large tax cut on the basis of 10-year economic assumptions, which I will talk about shortly. But the tax cut that the Republican budget assumes starts out at about $1.6 trillion, the figure that the President used during the 2000 Presidential campaign.

It is now estimated that more around $2 trillion to $2.5 trillion before we include the additional interest on the debt associated with it. Because we know the income rate tax portion which the House has already adopted is that reduced by about $150 billion over 10 years, and we also know that the estate tax provision, the estate tax phaseout that the President proposed, is now estimated by the Joint Committee on Taxation, the nonpartisan arbiter and scorer of tax bills for the Congress, that bill is now estimated to cost about $660 billion over 10 years as opposed to the $250 billion that the President proposed. So already, we are seeing that the upper limit of the tax cut is increasing.

But what is important between the two parties is that the Republican budget not only does nothing to extend the solvency of Social Security and Medicare; in fact, we would argue that the budget proposal will hasten the insolvency of Social Security and Medicare. Let me start first with the President’s and the Republicans’ plan for Social Security.

The projected surplus for Social Security is about $2.5 trillion over the next 10 years. Now, the Republicans and the Democrats agree that we ought to dedicate that to pay down the national debt, but the difference occurs in that the Republicans do not believe that we can pay down as much debt as the Democrats do. In fact, nobody really knows how much debt is payable. We would argue we ought to keep paying it down until we cannot buy any more bonds in the open market at a fair price. But nonetheless, the President’s and the Republican plan assumes this would take about $600 billion of the projected Social Security surplus and would use that for some
The problem is that any scheme which we have to privatize or reform Social Security is going to cost money on top of what is already projected to be spent in the program, because we have to make up for any changes that might affect current and what are called “near future” retirees, or near future beneficiaries. Those would be people who are about 50 to 55 years old who are paid for by the privatization plan. All of the proponents of privatization, as well as the opponents, have come to the conclusion that the cost of a privatization plan much like what the President proposed during the campaign of diverting 2 percent of the FICA payroll tax to private accounts would cost about $1 trillion on top of what is already obligated to the system.

Now, the President proposes in his budget that he is going to take $600 billion of those proceeds and spend it on the program. We are not spending it on that, we are not spending it on the benefits for which it is already obligated. As a result, we have to make up that $150 billion; and we have again hastened the insolvent of the Medicare trust fund, and we have a chart to show that.

Again, like the Social Security, where just last week the actuaries for the Medicare trust fund said that Medicare hospital insurance, part A of Medicare, would be insolvent until about 2011. That proposal of cutting 2 percent of the projected proceeds under the President’s own budget resolution.

Now, on top of that, we believe that the Republican plan would cost about $1 trillion on top of that that is already there, not including other programs that he says will come back into deficits, and most certainly we are $645 billion short. But if we read it, he says, I am asleep, but if we read it, he says, I am not, and earlier today we have talked about the margin of error on the 10-year period. In fact, we could increase the projected 10-year surplus is to be about $5.6 trillion over 10 years, with two-thirds of it occurring in the latter 5 years. That is what the President wants. So the President’s own budget increases Federal spending and, at the same time, puts at risk the trust funds.

If we look at what CBO tells us about the surplus, we know right now the projected 10-year surplus is to be about $5.6 trillion over 10 years, with two-thirds of it occurring in the latter 5 years. That is what the President wants. The nonpartisan Budget Office, the nonpartisan budget arbiter of the Congress, tells us that the margin of error increases dramatically the further out we go in that 10-year period. In fact, we could increase it to the good, but it could also increase very much to the bad. They tell us that the margin of error on the first year is about 1 percent of GDP. The margin of error over 5 years is about 2 percent of GDP; and with respect to the margin of error over 10 years, the CBO tells us quite frankly, they do not have any confidence in giving us an estimate of what the margin of error would be.

What that means is that we have a budget which may not pay down very much debt and may, in fact, drive us back into deficits, and most certainly could end up and would end up spending Social Security and Medicare trust fund dollars today that are obligated for tomorrow.

Again, there are really only a few ways to make it up: cut benefits, raise payroll taxes, or incur more debt. What is the problem with incurring more debt? Because we know in the out-years, long beyond this 10-year window that we are looking at, when the baby boomers retire in earnest, and keep in mind that the baby boomers start retiring just 8 years after that in about 20 years when they are retiring in earnest, we know that the debt-to-GDP ratio will go much higher than we have seen since the Second World War. So if we do not prepare ourselves for that, we will find ourselves in a much more difficult situation.

The Democrats believe that we can do better. We believe that we ought to dedicate more to debt reduction; and at the same time, we also believe, rather than cutting the solvency of Medicare and Social Security, we believe we ought to extend the solvency of Social Security and Medicare. That is what we propose in our budget resolution. On top of that, Democrats believe that the elderly, who want to participate in it, but also those who might be affected by the privatization plan. All of the proponents of privatization, as well as the opponents, have come to the conclusion that the cost of a privatization plan much like what the President proposed during the campaign of diverting 2 percent of the FICA payroll tax to private accounts would cost about $1 trillion on top of what is already obligated to the system.

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Mr. Speaker, we do not have to be a rocket scientist or a CPA or a great investment banker or anything to see that that is not enough money to fill that hole. I do not know how they could put something together like this and believe it not be ridiculous.

Now, that is for the program of Medicare that already exists. Now, they play another game here which is a sort of interesting one. They talk about the fact that they are going to have this surplus in the Medicare plan of $526 million for doing this. I do not think the House says they have, but the President says they only have $392 million. So we have CBO and OMB giving different figures about all this business.

But the President says, we have this $526 billion. He is going to put it in a contingency fund. He is going to save it, use it in the future only for Medicare. Then he comes out here and proposes a $153 billion Medicare prescription drug benefit out of that $500 million. Now, we saw that we have a $600 billion problem, which the $500 million would seem to fill, almost. But no, no, they are going to use some of that money for a prescription benefit.

Last year the gentleman and I sat through on the Committee on Ways and Means when we passed a bill, or I am on the Committee on Ways and Means, and the gentleman is on the Committee on the Budget with me, but we sat in our committees and watched them propose out here a prescription drug benefit for $153 billion, for $153 billion. He says he is going to put it in a $156 billion into it now, but the CBO has already said that that is really $200 billion, that it would take to do that. They restated the figures. So what they are promising people is not even going to be there.

It is the most complicated shell game. I got going today in thinking about how this works. When I was a kid, we went down to central Illinois or southern Illinois, and there was a county fair. There was a guy there who had this game. We had to guess where the pea was, a little tiny pea.

He had these four walnut shells. He put the pea down, put a walnut shell over it, he had these three there, and he started moving the shells around. Our job, we would bet $1, was that we would be able to figure out where it is. Members would all come and put it here, so they know where it is. They have not forgotten. If I move it around over here, bring this around over here. Members would still be able to find it, right? That is what this game is. They are doing exactly that. They are moving the money around between a contingency fund and fixing Medicare and buying a prescription drug benefit. They are going to use the same money for three different things.

If we are sitting at home, and my mother watches this stuff, she is 91, she is sitting there wondering if she is going to get a prescription benefit or not. The answer I would have to give her is, I do not know which pea it is going to be under, which shell it is going to be under, because they are using it to buy benefits, they are using it for shoring up the whole issue, and they are still saying, we are going to give a wonderful program.

The Democrats in our budget today offered $330 billion in drug benefits, twice as much as the Republicans. It is what CBO says we would have to put into the program to actually make it work.

What the President is proposing with that $153 billion is to give little bits of money to every State; he calls it Helping Hands. What that means is he gives the Governor of Texas or the Governor of Oregon, as my colleagues are here, or the Governor of the State of Washington, gives them some money and says, "Put together a program to help the poor old people in your State." So if one’s mother is poor and has drug needs, she has to go down to the State and say, "I am poor, and I need some money to help me pay for my prescriptions." What kind of dignity is there in that?

The Democrats are spending $330 billion. It does not have to be for all seniors. We do not want to make old people say, "I am poor, and I need help." Most of these people, they have raised us, they have put us through college, they have taken care of us, and now they are gone, and we will not help you if you are poor enough. That is what the Helping Hands program of President Bush is. It is not a program that goes for everybody in Medicare.

The gentleman’s point made earlier was absolutely correct. If we do not keep this half a trillion dollars for use between now and 2011, we are going to have a bigger hole.

It is easy to explain why that is true. If there is a diet, let us say I am going to lose 1 pound between now and the first of the year. I am going to lose 1 pound between now and the first of September, and then by the first of November I am going to lose a second pound, and then I am going to lose 8 pounds in the last 2 months of the year, through the Christmas and Thank-giving season. If I said that, everybody would laugh. They would say, "That is a stupid diet. You have to lose I pound a month and get into a rhythm of doing it.

If we do not start saving money now, when those baby boomers, those people who are right now about 55 years old, when they come to 2010 and they get on the Medicare program, the numbers in Medicare are going to go from 30 million to 40 million. That is what is happening to us. We know it. They are all out there living, paying taxes and so forth. They all believe that Medicare is going to be there for them. If we do not save this money now, we are not going to have it when they get there and come to need their hospital benefits. I think that the hardest thing for those of us who are in the Congress, and the gentleman has been here almost as long as I have, people do not want to think about something 10 years out. It is kind of too far out beyond. I am only elected for 2 years. I could be gone in a year. My term ends next year. I have to get elected four more times to get down to 2010.

People tend to think, let us give them a big tax break. That is why the President has given $1.6 trillion. He is looking at the 2004 election. That is the only thing on his mind, is how do I give a tax break back to the people, and they will think I am a wonderful guy, and they will reelect me in 4 years. That is what it is all about.

As an additional benefit, though, for the Republicans who do not want to do social services, there will not be any money left. This particular thing, which says that we start with a $5.6 trillion excess and take out the $2.5 trillion for Social Security, the gentleman was talking about earlier, and on top of that, he needs for Social Security, then we only have $2.5 trillion left. Then we take the $1.6 trillion that the President is promoting as a tax break for everybody, take it and run, have a good time.

So if we do not tell us is that if we do not use that money to pay off debt, we wind up paying another $400 million in interest, because the government has to borrow that money. So if we do not take the $1.6 and pay down the debt, we wound up having to borrow more money.

The second thing that happens with this new proposal of the President that he never tells anybody about is that because of the tax law, there are going to be about 28 million people who start to have to figure their income tax twice.

We have something called the AMT. That is the adjusted minimum tax. That is put into the law because we do not want rich people to figure out how to not pay anything, so we have said that everybody ought to pay at least a minimum tax.

All this machination is going to wind up with 25 million people, instead of 2 million today, 2 million have to figure it twice. Suddenly it is going to 25 million. If we fix that in the Congress, which I think we will, it is going to be $300 billion.

Now, that leaves us $200 billion for everything else that could happen to the country in 2010. If we believe this estimate, as the gentleman showed in this chart. Who knows what is going to be in 10 years? But if we believe that there is going to be $5.6 trillion, we have $200 billion to deal with all the problems.

The President has promised this prescription drug benefit. He has promised defense. There is not anybody in this building who believes that defense is not going to get a boost at the end. How about if we are going to do something about education? Everybody says we cannot leave any child behind, and we have to do educational things,
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Mr. Speaker. Mr. Speaker, with that $5,500, they would have to go out and buy their own plan.

My mother is 91. I do not know how old other people’s mothers are, but there are many insurance companies who want to insure somebody who is 91. Here, instead of guaranteeing my mother gets these benefits, they say to her, here, Mrs. McDermott, here is your $5,500, you can go out and shop and find the deal you can. That is what is in their proposal. We are not scaring anybody. That is what they said in the Medicare commission.

Mr. BENTSEN. Mr. Speaker, reclaiming my time, I might also say that one of the sponsors of that in the other body, the senior senator from Louisiana, has even said that that program alone will not achieve the savings that are proposed to modernize or privatize, but certainly to extend the solvency of Medicare, that there must be other things that have to be done.

Mr. McDermott. We will have another night to talk about this issue.

Mr. BENTSEN. Mr. Speaker, I thank the gentleman for his remarks.

Mr. Speaker, I yield to the gentlewoman from Oregon (Ms. Hooton), my colleague who is also a member of the Committee on the Budget.

Ms. HOOTON of Oregon, Mr. Speaker, I thank the gentleman from Texas (Mr. Bentsen), my colleague, and I think we are going to talk about something very specific tonight. When you do a budget, whether you do it at home or you do it for any agency, one of the things you do is you have priorities, you put money into those priorities.

For example, you just watched the gentleman from Washington (Mr. McDermott), my colleague, talking about that money that is left over, which is $200 billion over the next 10 years.

If you funded the disability excess work for people with disabilities, that is another $40 billion. And then we have the faith-based initiatives. We are going to give money to churches to do various things. That all comes out of this $200 billion.

That does not talk about crop failures. My good friend, the gentlewoman from North Carolina (Mrs. Clay), is going to be here to talk about agriculture. It does not say anything about crop failures or earthquakes, like we just went through in Seattle. It does not say anything about any natural disasters or wars, or any kind of military action we get into, like Bosnia or anything. There is a very bit of that has to come out of this $207 billion.

That is just reckless. This is a reckless plan because of that $1.6 trillion. It is particularly a reckless plan for a program like Medicare.

I imagine that the gentleman would take the time to come out here and run this special order here tonight, because I think people need to sit and think about the three shells: How much can they move this money around? Can they confuse the people? It really is based on making the people believe something is over here when, in fact, we are using it in two other places.

People get confused. Even listening to me, I am sure people do not really understand all the technicalities. I am telling the Members that I have been doing this for 30 years. This is the biggest shell game I have ever witnessed. The people are the ones who are going to suffer.

Mr. BENTSEN. I appreciate the gentleman taking the time. I might quickly ask a question. I think there are a couple of points here.

One is, I think, as the gentlemen points out, in the Democratic prescription drug plan not only do we fund a universal prescription drug plan for every senior who wants to participate in it, but in addition to that, we do not fund it out of the Medicare Trust Fund. The fact that I think is important is we heard a lot during the debate on the budget last night and today that Democrats were just trying to scare senior citizens about this. I think I would ask the gentleman, before I yield to any other gentlewoman, the gentlewoman from Oregon, are we not trying to explain what our proposal is versus the consequences of their proposal?

Sometimes people do not like to hear consequences, but, in fact, again, the truth is the truth. If we take money out of the Medicare Trust Fund and spend it somewhere else, we are going to have to make it up. That may seem scary to some, but is that not the truth?
program alone is $3 billion a year each year for the next 5 years. If you divide that 10 years into the $200 billion, $20 billion a year, and you are trying to in one little program take $3 billion out of it, you can see that money goes very, very far.

Again, if you believe that education is a priority, then you show that it is a priority, not by just talking about it, but by putting your money there. I know that is what the Democrats have done, but that amount of money is not enough. We have set it as a priority. We need to have the best education system in the world.

We are the richest Nation. We are the most powerful Nation, and that is one thing that we should do for all of our students is to give them opportunities by funding education. I would like to see us increase that education budget.

I would like to see us keep our commitment to individuals with disabilities. And, again, I think if you make it a priority, you have to put your money there.

Mr. BENTSEN. Mr. Speaker, I thank the gentlewoman from Oregon (Ms. HOoley) for her remarks. I think the gentlewoman made an interesting point. I think the Democrats are saying is that we are trying to keep the promises that we made. The promises we made on special education, but also the promises we made on Social Security and Medicare.

Really, the difference we have with our Republican colleagues is we believe that they are overcommitting. They are overcommitting on the basis of overly optimistic projections. They are overcommitting on the basis of using the Medicare and Social Security trust funds while not extending the solvency of those programs.

We laid out in our budget alternative our idea for extending solvency of Social Security and Medicare and meeting that public desire for prescription drug coverage.

We do not believe that the Republic
cans or the President have adequately laid that out. In fact, while they have problems mathematically, we also have concerns because they give us a lot of adjectives as to modernization and privatization, but they do not fill in the details and tell us what it is. All we are saying is mathematically, you have a problem.

If you reduce the solvency of Social Security or Medicare, the solvency period, you have to make it up, and there are only three ways to make it up; more debt, higher payroll taxes, or reduced benefits.

All we are saying is, if that is the proposal, they play that proposal on the table, but do not overcommit us to the point where we either drive the country back into more debt or that we have to make those choices as a last resort, without having to debate those with the people.

We do not favor those choices. We favor paying down more debt. We favor extending the solvency of Social Security and Medicare. And we think we can do that and have a tax cut, but we do not believe you can overcommit and achieve those goals.

Mr. Speaker, I yield to the gentle
woman from North Carolina (Mrs. CLAYTON) for yielding to me.

I also thank the gentleman from Texas (Mr. BENTSEN) for yielding to me.

Let me say I think that the Democratic budget approach was a very simple approach; that we were at a unique opportunity where we could indeed give a tax cut. We could indeed be fiscally responsible, and apply one-third of those funds for writing down the debt, and one-third of those would be for priorities like securing Medicare and Social Security trust funds.

That is the principle, not that we should not give a tax cut, but it should be a reasonable tax cut that all working Americans benefit from, not just the rich. When you start from the premise that only the rich get it, you, indeed, have difficulties.

We surely have to do everything to ensure the integrity of the Medicare trust fund, because this is a major health issue. There are thousands and thousands of senior citizens in my district who get no health care whatsoever, unless they are dependent on Medicare. It is not sufficient, but indeed it is the only thing they have.

As I said, the President's proposed $1.6 trillion tax cut over the next 10 years has now been passed, and if that is the case, it is going to cost approximately $2 trillion, not $1.6 trillion when you account for the debt that is involved.

The Congressional Budget Office has reminded us that the Medicare beneficiaries are expected to pay $1.5 trillion for prescription drugs during the next 10 years. So we do not cover that. That is the costs that are coming out of senior citizens' pockets or their children's pockets or they are doing without that care.

The Medicare trust fund indeed will be further hampered by the fact, the gentleman from Texas (Mr. BENTSEN) is right, that the $153 billion they proposed, that amount comes out of the Medicare trust fund. So the trust fund which, indeed, must be there for the 77 billion new baby boomers that we know will actually will be reducing that. They will have to know that now that there will be less to draw on, because we need to deal with the prescription drug.

I agree with the majority that we need to work on prescription drug. I just think we need to fund it in a separate way rather than taking from already committed funds for another cause to do that. We agree on the need to have a prescription drug, because in my district, I can tell you the population is getting older. Because of the climate and the weather we have in our areas, a number of retirees are coming to the community, and we are going to become a community where there are less working people and mostly senior citizens and yet they will be drawing on the resources of local government. And it would be unfortunate if they would not be able to do that.

If we do not do that, by the year 2029, when they say that we have moved the insolvency, we are going to find it not to be solvent because we, indeed, draw those extra dollars out of Medicare.

If President Bush's plan, as it has now been passed, which is unfortunate, if we act under the assumption, and this is what he says, he says that he makes the assertion that Medicare is not running a surplus. That is in his blueprint. It is not running a surplus. He is not taking the surplus from Medicare.

If President Bush is making that assertion then, would you not think if indeed he is adding a new program of $153 billion, would he not be adding that to it, or if not that amount, be adding as much of a surplus from other resources to the Medicare surplus if his assumption is true that we do not have a surplus?

I think we do have a surplus in Medicare, because the Medicare surplus is based on Social Security and those who are paying for Social Security are paying for their Medicare. It is just a matter of how they want to describe that. I predict in 10 years, indeed, we do not have to predict, we know that the 77 million baby boomers will become and will retire by year 2010.

Let me just say a word about this ever-dependent contingency fund. We have more claims on this contingency fund than there really are dollars. Anything you asked on the Budget, we have this reserve fund. We have this contingency fund. They say the contingency fund is larger than that, the truth of the matter is the contingency fund really has fuzzy numbers. At best, given. To be true, we need to not only secure a Medicare trust fund, but we also need to keep the commitment that we say we are going to do about defense. We do not know what that will cost. We also are talking about agriculture policy. We are writing a farm bill this year which means that we should anticipate putting new initiatives and new opportunities to make our farmers more competitive internationally. Yet, at the baseline, we are not even considering our last 3-year experience.

Let us not say what we will do for the next 5 years, we do not even consider the experience that has been documented, $9 billion consecutively for 3 years.

We simply ask them just put it in at what our experience has been, $9 billion. Now, most of the agriculture sector that is coming to the Committee on
Agriculture said that we need more than the $9 billion, we need $12 billion. The Blue Dogs put that in their budget. So, indeed, if we find that this ever-shrinking contingency fund is going to meet all this need, this is really going to be a false promise. There is no way that the budget that we have passed can be the budget that will indeed secure the opportunity for having the priorities and the opportunities as we go forward.

We can give a tax cut, and we should give a tax cut, but we also ought to pay down the debt. We ought to be meeting the ever-evolving priorities and those emergencies as we know it. Education, prescription drugs, our defense, our environment, and our agriculture, those are issues we know that are evolving. The energy issues, those are evolving. They will be greater issues, not less of an issue. We see them. We do not have to wait for them.

I come from an area that was flooded 2 years ago. I can tell my colleagues I hope that does not happen to anyone else. But it is going to happen somewhere, maybe even my State. We have not paid the contingency bills. Not only Medicare and agriculture, but all of the priorities and the contingencies that are so necessary to respond to the needs of the American people.

I will say all the money belongs to the American people, not just to a select people. All of the tax revenues belong to all of the American people, not a select people. All working people pay taxes, and they pay their fair share of income, but they pay Federal taxes in proportion to their income. Many of them pay higher proportion for payroll than some people pay for their income.

So I think it is disingenuous to suggest we segregate and to make one taxpayer seem less honorable than another taxpayer. If we are going to have a tax break and give a tax incentive, and the President is now saying the tax incentive is to respond to the recession, there is no other way of saying that tax break more affordable and accessible to those who would use the dollars and be consumers than to put it back in the economy.

By the way, most of the taxes that we just passed on the tax bill will not be retroactive, not like we passed it. So they would have to do something else to that bill in order to make it effective to stimulate the economy.

So falling to stimulate the economy, not only are we not being fiscally responsible, not paying down our debt, but, also, we are not having the opportunity to meet our priorities, and we are not making that tax cut as equitable for the people as we have. So it is a misopportunity.

I hope, indeed, that the Senate will improve upon the product that we are sending them. I thank the gentleman from Texas (Mr. BENTSEN) for giving me this opportunity.

Mr. BENTSEN. Mr. Speaker, I thank the gentlewoman from North Carolina (Mrs. CLAYTON) for giving us her views.

Let me just close, if I might, Mr. Speaker, in making a couple of brief comments. Our Republican friends like to say, “We want a tax cut. We think it is your money, not the government’s money. And the Democrats really do not want a tax cut.” I think that is wrong.

The Democrats have put forth a tax cut time and again. But we also say, in addition to wanting a tax cut for the American people, we also want to meet the obligations that we have made. We want to be able to meet those obligations, be it Social Security, be it Medicare, be it paying down the national debt.

We have had this argument of how much debt we can pay down. The President in his budget said there is $1.1 trillion, $1.2 trillion that we absolutely cannot pay down. The Congressional Budget Office said there is about $3890 billion that we think we might not be able to pay down without paying a premium. The medium that ended up being closer to the CBO number than the President’s number. But, in fact, nobody really knows.

There has been an argument that we would not want to pay any premium whatsoever down the debt. When, in fact, that has been our debt management policy for the last several years when we have been buying back debt and paying down debt. Just like every American who refinances their mortgage when rates come down, sometimes it is economically efficient to pay a slight premium. We should try and pay down every dollar of debt we can as quickly as we can.

But on top of that, we are concerned that the Republicans are overcommitting on the tax side. The $1.6 trillion tax cut grows dramatically every day, not including interest on the debt. Already, as I mentioned, the income tax rate cut that the House passed a couple of weeks ago is about $150 billion greater than what the President proposed in his budget. The estate and gift tax bill that the President proposed has now been scored by the Joint Committee on Taxation as $400 billion greater than what the President proposed.

So, quickly, we are pushing harder and harder against that contingency fund. What concerns us as Democrats is, not only that we will not meet our obligations, but that because of the hard work done by the American taxpayers and the American economy over the last 18 years to dig us out of the hole of debt that quadrupled our national debt when we had deficits as high as $300 billion a year to now where we are finally seeing blue skies with surpluses and not deficits, that we might miss this window of opportunity so soon before the baby boomers retire and push us back into a much more difficult economic situation in the future.

We have our differences with the Republicans and with the President on this. We believe there can be a tax cut, but we believe we must meet our obligations equally with that tax cut. That is a very distinct difference that we have with the Republicans.

We will continue to work as we spend the rest of this year putting through this budget and trying to put through a budget that, not only gives tax relief to American families, but also ensures that American families will not be saddled with more debt today and in the future.

ANGEL OF REBUTTAL

The SPEAKER pro tempore (Mr. Crenshaw). Under the Speaker’s announced policy of January 3, 2001, the gentleman from Colorado (Mr. McNINNIS) is recognized for 60 minutes.

Mr. McINNIS. Mr. Speaker, as becoming customary around these facilities, I find myself being the angel of rebuttal. I saw here in the last 30 or 40 minutes and heard my colleague from the Democratic side of the aisle, the gentleman from Colorado (Mr. Crenshaw), who I recognize as an

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Many of my colleagues on the liberal side of the Democratic Party have been down to the White House to have discussions with President Bush. President Bush in a very professional, non-partisan, bipartisan manner has extended his hand. He is attempting to work with us.

But night after night, they are down here at this microphone bashing President Bush. Night after night, they are down here at this microphone talking about how this will not work and that will not work. This is not going to go, and it is Mr. No on that side of the aisle, from the liberal side of the aisle.

I am telling my colleagues, this economy is in trouble. My colleagues can say what they want, they can say all the feel-good things out there, but take a look at the layoffs that have occurred just in the last 6 weeks. This is not the time to bash President Bush. This is not the time to bash his economic plan simply for the reason of being the opposite of anything, of expressing or being in political opposition to it.

I understand that there is a difference between the Democratic and Republican Party. I understand we have to take political positions. But, look, there is a ship that could sink, and I am not saying it is sinking, but it has a hole in the side, and when there is a hole in the side, maybe my colleagues should do something other than for the sake of opposition and for the sake of standing at this microphone and bashing this stuff. Why do they not step forward and work in a positive fashion. I think that the President has done that with them. I think the Republican side has done that with them.

Frankly, there are many Democrats, fortunately of conservative leaning, who have accepted that kind of thing, who are working as a team.

Let me talk about a few of the comments. The gentleman from Washington says it is the biggest shell game he has ever seen. That is a quote. It is the biggest shell game he has ever seen.

The very next comment coming from the gentleman from Texas says, now, folks, we are not trying to use fear tactics. We are not trying to scare the senior citizens. We are not trying to use fear in our way to get our point across, but it is the biggest shell game we have ever seen.

Correct. Those kinds of tactics are long since past, in my opinion. Again, I am not taking away from the right or the liberal to go ahead and espouse their views. That is what this floor is for. That is what this microphone is for.

But I am saying to them that it is not a big shell game. It is a very serious game out there. It is a game that a lot of people stand to lose by if we do not pretty soon sit down and in a fundamental fashion figure out what we are going to do with this economy, figure out how we are going to get this slowdown in the economy to at least slow down.

I mean, the rate of those layoffs, we have got to curb it. Go and talk to some of those people. Just today look up the business news in the newspaper. Just today, Mr. Speaker, take a look at the layoffs that were announced. Go to some of those people that have got the outright job layoff, see, hey, what does a tax cut mean to you?

How much bickering should we have on the House floor? Should we try to go together under our leader and try an economic plan? President Bush is a very professional, non-partisan President. He serves, at least for a while, for my colleagues to extend their cooperativeness to move toward some kind of resolution to deal with this economy.

Now, I know that some of my colleagues will never step forward and cross this aisle from the Democrat to the Republican side. I will tell my colleagues that, unfortunately, there are some Republicans who may never cross the aisle to work with Democrats. But now, all of my colleagues on the Democratic side, combined with enough of us on the Republican side, to come together as a team and work with this President.

Let us resolve the issues of the economy, and then go ahead and go on your partisan snipe and your trip that you wanted to take towards that path of partisanship.

But in the meantime, let us get together with this new President. Let us form some kind of coalition to help our country. This economy is threatened. That is no fear tactic. Take a look at it. Unlike the statement from the gentleman from Texas who talks about the biggest shell game he has ever seen, the fact that our economy is having some difficulties is not a shell game.

It is not a fear tactic. All you have to do is open your daily newspaper and see what happened today. Take a look at what happened today. Take a look at what happened to the Dow Jones and Nasdaq and what happened to the S&P, and how about job layoffs that were announced today and the corporate losses today, and you will get some kind of an idea that we ought not to be bickering. And those of my colleagues who have important things to say, and many of those pressing me at the microphone, they carry some weight in these Chambers, in my opinion, they ought to push or pull or throw their weight towards assisting this President to come up with some kind of successful method to rescue our economy.

I heard the comment, it is very interesting, this came from the gentleman from Oregon, a priority is education, and what is the first thing that the gentlewoman from Oregon says about education? ‘The Republicans are not putting money into that program.’ That is a quote.

The gentlewoman from Oregon says the Republicans are putting no money into that program. Give me a break.

Come on. Those kind of tactics are not pretty soon sit down and in a fundamental fashion figure out what we are going to do with this economy, figure out how we are going to get this slowdown in the economy to at least slow down.

Mr. Speaker, this President had the guts to step forward and say, you know what, I want to measure results. What are the results? The same kind of thing every one of my colleagues who has spoken critically of the President, every one of you, when you go to buy a car, when you take your kids over to the dealer, I want to know about the results. By the way, what does Consumer Guide say about the results of...
this? What do my neighbors who own this car say about this type of car? What kind of warrant work do you do, and what kind of guarantee do you have that this car is going to produce like you promise it is going to produce? In other words, if you go to the car dealership, you ask for accountability from the dealership. When you go to the grocery store, opera or to the art museum, you expect to have something in return, and you measure it. You see, if you did not have a good time. Did you feel that there was something that you got out of going to the art museum, or did the product taste good that you got at the grocery store. You ask for accountability.

But when a Republican President takes the White House and asks for accountability, we have some of my colleagues stand up here and say, my gosh, no money for education. No money for the farmers. No money for Medicare. He is taking from Medicare. Come on about this. Mr. Speaker, my bet is that most of the people that I could talk to in my district and across this country would say to you, do not give a blank check to any governmental agency. Every governmental agency is education where we are surrounded by children and our future, whether it is military where you are surrounded by weapons and the future protection of this country, whether it is agriculture where you are surrounded by farmers and our food and feed and the need to sustain this country for the future, no matter who it is, every one of my constituents that I know of would say, do not write a blank check to any Federal agency. Ask for accountability.

Mr. Speaker, you know what happens with bureaucracy and the lobbyists and the special interests, the minute you ask for accountability, the minute you want to know about results, the minute you want to see if the people of our country are benefiting from the dollars that these Federal agencies are spending, woe, woe be you, because you are antifarming, or you are antimilitary, or you are antipeople. That is exactly the game that goes on there.

To the gentleman from Washington State, if he wants to talk about a shell game, that is the shell game. The minute you ask for accountability, the minute you want to know about results, the minute you want to see if the people of our country are benefiting from the dollars that these Federal agencies are spending, woe, woe be you, because you are antifarming, or you are antimilitary, or you are antipeople. Here comes the paid lobbyists to trash you in any way they can.

Why? Because they do not want those results out; because in many cases, the results do not match, match meaning in proportion to what we expect for results, they do not match. The dollars going out do not match the results coming in. They do not want to be held accountable, because you know what happens if you are held accountable? You bust the bank. You bust your ways.

And there are a lot of people paid a lot of money in Washington, D.C., to make sure the government does not change its ways.

Well, we now have a President who has had enough guts to step up, for example, to the American Bar Association. For 26 years nobody has had enough guts to question their ratings on judges. How dare this President question the American Bar Association? This President has enough guts to do it, and he has done it.

How dare a President come into the White House and say to the military generals, hey, I am very promilitary, I want a strong military. I want the best. I want the best military in the world, but I am not going to sign a blank check for every military program out there. You better justify. You better give me accountability on these weapon systems that you are asking for in the military. You better have some answers for some pretty tough questions. Oh, my gosh, a President has enough guts to do that? Take a look at our foreign affairs. President Bush, he stands up. He says to Russia, do not spy, or we expel your people. He says to China, you have to worry about human rights. He says to North Korea, it is not going to be a question of your nuclear power negotiations.

This President deserves some support. I am not saying he deserves my colleagues' rallying for him. I am not saying the Democrats have to be a cheerleader for President Bush, but I am saying that he deserves some time to try and put this economy back on its rail, because it was derailed when he got to it, and he deserves, instead of my colleagues standing up here in front of this microphone and doing everything they can to object for the sake of objecting, not for the sake of improvement, but for the sake of objecting this President. And what is more important than this President deserving it, the American people deserve more, and we ought to deliver it for him.

Let me add another couple of other things. First of all, the tax cut. I like the Johnny-Come-Latties. Some of the people talking today, well, we are for a tax cut. Well, take a look at the history of those individuals. They did not support tax cuts in the past. All of a sudden the reason they are on is that it seems to be on the bandwagon in town, and whatever you say, do not say you are opposed to a tax cut, at least say you are for some kind of tax cut. But always say, well, a tax cut that protects all the people, et cetera, et cetera.

Then I heard someone up there saying, well, buying down the debt. By the way, for the gentleman from Texas, you talk a lot about big debt, just for a little accounting information here, when debt is issued, there are different levels of debt that can be issued. If there is no prepayment penalty, which means you can pay off that debt at any time you wish, all you have to do is call up the owner of the debt and say, I am going to pay you tomorrow. You put in what is known as a call provision. I am calling what I owe; I am going to pay it off. That carries less of a return than if you do not have that right.

So what happened with the government, it wanted to maximize its return in many cases, and so it forfeited the right to make that kind of call. So that means they have paid down that debt. That is basic economics 101. Do not pretend that it is not out there. Do not pooh-pooh the President because the President says, hey, we need to do this in such a fiscal manner that it makes economic sense. Why pay a penalty for debt that is outstanding when we do not have to? It is something we ought to consider.
Let me go on to another point. Let me talk for a couple of moments about the oldest scheme in town, and that is the scheme to come up here to this microphone, and we see it at every level of government, by the way, and talk about their budgets being cut. Let me talk about how that contrasts to the American families out there; how it differs.

Let me, first of all, talk about an American family who, let us say, makes $15,000. They forget the percentages here and make it simplified. If an American family has in their family budget $10 for the year, and the next year the American family, and let us call them Joe and Jane Smith, our American family, and they spent $10. That is their budget. And the next year that Smith family sits down and they have $15 in their budget. What would the average American say happened to the budget? It was $10 last year; it is $15 this year. Everyone I know, with the exception of government officials and government agencies and lobbyists and special interests, everyone I know would say, hey, if you got $15 this year, and you had $10 last year, it is a $5 increase.

Your budget actually went up $5, and if you took the $10 and the $15, you could say that the budget went up 50 percent; our budget in our family this year increased 50 percent over what it was last year.

We have the old scheme, the old tactic they use in government agencies and government programs. They put in a budget. The budget, again, same thing, $10 last year. This year that agency says we would like to have $20. So we meet here in these chambers and we decide, look, we are not going to give the agency $20. We are going to give them $15.

Do you know what happens? The agency goes out there and starts to tell its own constituency that generally that constituency are people who benefit from the Federal program, so, for example, if it is agriculture they go out to the farmers, if it is education they go out to the teachers, if it is military they go out to the military people and they say, look, we asked for $20 and that Republican Congress only gave us $15. We got cut $5. We got cut, our budget got cut.

Their budget did not get cut. The budget was increased. It went from $10 to $15. We did not give them what they asked. We gave them an increase. Last year it was $10. This year it is $15. They get a $5 increase.

They go out to their constituency, and we heard this evening from the preceding speakers, and they say it is a $5 cut.

My colleague, the gentlewoman from Oregon, says there is no money in education, President Bush put no money in the program, and a minute later or even two sentences later she said it was only a 5.7 percent increase.

Now there it is even more extreme; no money in education because we only have a 5.7 percent increase. How many American workers out there can expect a 5.7 percent increase in their budget this year?

I will say something. There are a lot of American workers who are going to feel very lucky to have their job next year. Take a look at the layoffs. So for us up here as elected officials to stand here and say there is no money for education because it only got a 5.7 percent increase over what it is already is deep distrust for government, especially when it comes to handling taxpayer dollars.

Now let us speak for a moment about the surplus. I know people keep banting around the surplus. What they are trying to do, do not kid yourself, do not kid yourself, there are some of you on this floor who want the surplus kept in Washington, D.C., not to reduce the debt. Now, that is the front you put on it. That is the picture that you paint, look, well, there is a surplus in the Washington, American people. Trust us. We want to reduce the Federal debt. Trust us. That is why we want it in Washington.

You know, as well as I know, that a lot of you have the true intent that that money should be used for new programs.

Let us talk about some of the new programs that come before Congress. We very rarely, and I say this after years of service in elected office, I very rarely, in fact I cannot recall one time when somebody came into my office asking for a new program that was a bad program. In my case, every program that has been proposed to me has merits to it. Our decisions up here are never between good and bad programs.

That is an easy choice. Our decisions are always between good and good programs.

Just the other day, in one day, I had requests for about $1 billion. They wanted a couple hundred million more for this increased spending. They wanted four or five hundred million here for the new space program; increased spending. They wanted another couple million here for flood control; increased spending. They wanted another couple hundred million here for a new program for children.

These demands for those dollars will continue to come in as long as there are elected officials and as long as we have constituencies.

So to come up here and say that you think you have the ability, with those kind of demands from our constituents, to hold a big pot of money in surplus is wrong.

We have a program in Colorado for the uranium miners. These people were poisoned producing uranium for this Nation to fight its wars and to have the kind of weapons that we needed. The United States conceded the claims to those people, conceded the claims to those people. That money is due and owed to those people. The United States Government has agreed, they have acknowledged that, they have admitted to the claim. They have yet to pay the claim, and the first thing that comes up is, gosh, there is a surplus. So why are these claims not being paid? Whether there is a surplus or not, those claims ought to be paid.

The fact is: President Bush in his education budget decided that a 5.7 percent increase in a massive education budget was necessary, and we needed to expand the program. I am not standing here this evening saying that we should deny any expansion of Federal programs, but I am saying that if the American people by saying that if we keep a surplus in Washington it will not be spent; it will be used to reduce the debt.

The fact is, Mr. Speaker, and I think you have an obligation to tell your constituents, that any dollars left in Washington, D.C. is like putting a cookie jar in a kitchen in front of a bunch of kindergarteners who have not had lunch. What are you going to expect? Of course you are going to expect those kids to go to the cookie jar. I would lead the pack.

Back here in Washington, D.C., if you leave a pile of money called a surplus, what do you think is going to happen? Every special interest group back here, a lot of lobbyists will be paid big, big dollars and a lot of agencies will go out there and gather the softest, most emotional aspect of their constituency, like children for education, or farmers in farming, or military, etcetera, and they will go after that cookie jar. That is why when you have a surplus the size of the surplus that now exists, we must make a decision, especially in light of the fact that we have very difficult economic times ahead if we do not get ahead of this train. That is why when we have that here, that is why we must decide do we leave this money here and create new programs or make additional commitments for more Federal spending that we have very difficult economic times ahead if we do not get ahead of this train.

We tried this many years ago in the State of Colorado in the 1970s. By the way, Mr. Speaker, as a reminder, my district is Colorado. I represent the mountains of the State of Colorado, almost all the mountains, the Third Congressional District. In Colorado, in the 1970s, we had a big surplus. In 1982, they called it Black Sunday; Exxon announced, that with the economic bad times come and our surplus evaporates we will not have the money to continue them.

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I was in the legislature at the time. We even figured out what the cost of opening a door with an electric switch was. That is what dire straits we were in economically, because in Colorado, thank goodness, somebody had the foresight to require a balanced budget years before. So in Colorado we had to have a balanced budget. We had to cut some things.

People began to say, wait a minute. In the early days of the 1970s when there was a big surplus in Colorado, the Colorado legislators returned that money to the taxpayers. Had they not returned that money to the taxpayers in the State of Colorado in the 1970s that money would have been committed for an expansion of government programs in the State of Colorado. When the recession came in the early 1980s, we would have been in more dramatic trouble because we could not meet larger commitments made because the surplus was not returned to the taxpayers.

Now all of us agree that some of the surplus here will be consumed by programs that are considered by this collective body as a necessary expansion of a Federal program. For example, we know we have a lot of baby-boomers. We know that every day more people turn 62 or 65. So we know that whether you want to expand a program or not, the fact is Social Security is going to have to expand every year because we have more people turning 62 or 65. Those programs we have to take the surplus, parts of the surplus, and fund those programs. But if we have programs that are not essentially necessary, not what people want because every constituent out there wants something out of a Federal surplus, there are a lot of good programs that people want, the fact is that we cannot fund them all. Even if we could fund them all today, we may not be able to fund them in the future when this economic downturn takes hold.

This surplus is coming in for a little while so we may create and spend that money at the government level today, but we may not, tomorrow have the money to pay for it. Then people will really suffer when the government does not have the money to follow through on its commitments.

I think the gentlewoman from Oregon may have made a promise like this, you have to keep that promise. Let me say, when you obligate those surplus dollars for expansion of federal programs, the beneficiaries of those Federal programs considered that a promise. When you cannot fund it because your surplus is evaporating, when you cannot fund it because you do not have the dollars, the people who are the beneficiaries of those programs consider it a broken promise, and you are about to set yourself up for this. If you do not fund the taxpayers a substantial amount of those dollars that are not needed for the necessary programs, you are setting yourself up for a broken promise because this government, in my opinion, this economy, in my opinion, cannot sustain the kind of growth rate that we have experienced over the last several years, at least for a short period of time, maybe a longer period of time. So do not set yourself up for this. If you do not return to the taxpayer a dollar that a promise. When you cannot fund it because your surplus is evaporating, consider it a broken promise, and you may not, again to repeat we may not create and spend that money in the State of Colorado in the 1970s returned that money to the taxpayers. Had they not there was a big surplus in Colorado, the State that I represent is especially unique. My district is the third congressional district of Colorado. That district is the highest district in elevation in the Nation. We live at the highest elevation of any of the population of any of the districts in this country. Our water all runs downhill. As you can imagine, when you are at the high point, your water runs downhill. In my particular district in my particular State, that district gets about 80 percent and 80 percent of the population residing outside of it. Water storage, water for power generation, water for protection of our environment, water for human consumption, water for agriculture. It takes on different roles in the west and the east. But this evening, I felt it necessary to rebut some of the remarks and some of the attacks that were directed towards the President’s program on economic recovery, some of the remarks that were being made about the surplus, some of the false pretenses, in my opinion, that may have been created as a result of an impression that allowing surplus money from a surplus in Colorado to the east, this surplus will automatically reduce the debt. I felt we had to address that.

However, there is another issue I think we need to address tonight called the death tax. I have been talking about this a number of times. Some of my colleagues say, oh, boy, here it goes again. The death tax. Well, do my colleagues know why I keep coming up here about the death tax? Because I have a lot of families, and these are not the Gates, these are not the wealthiest families of America that I am speaking of. I have a lot of families in my district that are suffering because the government has taken it upon itself to go in upon the death of a family member and consider that taxable event and take money from that family, money in the form of property from that family, despite the fact that all of the taxes have been paid on that property. It is called the death tax, and it is fundamentally unfair. I have heard repeatedly from this floor, well, it is just the rich people, and they ought to have to give back to the community. By the way, the death tax is not giving back to the community, the death tax is a taking. It is taking money from you to give to some.

By the way, my second point, when the government comes in and imposes a death tax upon the estate of a member of one’s family, we should not kid ourselves that for one minute that money goes back to the community. Do my colleagues know where that money goes? It comes to Washington, D.C. for this collective body to redistribute throughout this fine country. And how many of those dollars do we think go back to the little community where that person was a citizen or where that person resided prior to their death. Do not let people tell us that by
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going and attacking a person’s estate, that those dollars are given back to the community. It does not go back to the local community.

I think the best way to express it, and, by the way, Bill Gates I think has taken opportunities of the death tax, but his father who spoke from a foundation in his headquarters, his foundation was created to get around death taxes. It was some of the wealthier families. Some of the wealthier families may not have, but some wealthier families in this country who said that the death tax is a good tax, keep it in place, those families have already created their foundations, they have already hired their attorneys, they have already secured their life insurance, so that they have minimal impact when they pass on. We can bet our bottom dollar that every one of those wealthy families who recently signed an ad saying keep the death tax in place, we can bet every dollar we have that they have already changed to make sure that the next generation of their family will have a very comfortable living.

What about those people like a lot of people in my district who cannot afford the team of attorneys, who have no idea of how to create a foundation, who do not have the money to do the kind of estate planning that allows one to hire and pay huge premiums for life insurance. What about those families? By the way, those families could be a family of one person, a person deceased who had a dump truck, a bulldozer and a backhoe free and clear and a garage. In my district, that puts one in estate tax territory, in death tax territory.

Well, I think the best way to pass this on to my colleagues is to read it to them. This is a ranch, by the way, where the purchase price of the ranch in 1946, and we call that equity, we call that fairness. This is a ranch, by the way, where all of the taxes have been paid.

Let me continue. “Eliminating the death tax and marriage penalty and reducing the death tax will go a long way toward providing jobs and dollars towards providing jobs and dollars to the national economy. This, in turn, will enable hard-working families in the Colorado cattle industry to pass their heritage on to the next generation.”

Let me stop here for a moment. A lot of this is not about passing money to the next generation; a lot of this is about passing a way of life to the next generation. In this letter Mr. Frazier says, to pass our heritage. My in-laws happen to be ranchers. They love the land. They do not make any money on the ranching operation, but they love the land. They have been on that land since the 1880s, since the 1880s. What is their goal in life? One, they are proud of the heritage they are proud of what they do, and they want to have the opportunity to pass it on for 100 generations to come. Why should not a family be able to pass on the family farm for 100 generations to come. Why should they have a right to come in to somebody like Mr. Frazier and his parents and say to his father who has a one-fifth interest in the ranch, the tax on your one-fifth interest in the ranch is going to be more than the total purchase price of the ranch.

Mr. Speaker, this should be a country that encourages heritage and family operations to go from one generation to the next. This should not be a country that discourages family business or farms or ranches from going from one generation to the next.

Let me continue. “I have 3 sons involved in our operation and a grandson starting college next fall and it is important that they have the financial resources available, to keep our beef industry from becoming integrated as pork and poultry have become. We need to make it possible for our youth to be able to stay on our ranches and farms.”

Mr. Frazier, you are right.

Nathan Steelman, another constituent of mine. Now, this is interesting. This is not an old-time rancher writing to me, this is not a well-polished politician writing me, this is not a politician writing me, after they have had an opportunity for a career; this is a college student, this is a letter from a college student, Nathan Steelman.

“Dear Congressman, I am a college student at the University of Southern Colorado in Pueblo which is in your district. I grew up in a family which has lived and thrived in agriculture for many years. My parents and grandparents are involved in a typical family farm, a farm that has been in the family for more than 120 years. My grandparents are involved in a typical family farm running the way it is. Statistics show that 70 percent of all family businesses do not survive a second generation, and 87 percent do not survive a third generation. My family has worked very hard to keep the family farm running this long. We feel as if we are being penalized for the death of a family member. From what I understand, the opposition is concerned about are many individuals who are being affected by the death tax are those that are not in a position to provide for the next generation; a lot of this is not about passing money to your children. It is about the future of the family business. This letter is from Chris Anderson.

Dear sir, my name is Chris Anderson. I am 24 years old and I currently run a small business. It is a mail order business. I am not a constituent. I currently reside in New Jersey. However, I listened with great interest as you went through the problems that you have outlined, at least not in the near future. I am not in line to inherit a business. However, I am soon to be married and starting forward my young family and perhaps one day my children will want to follow in my footsteps. I hope and pray they will not be faced with the additional grief caused by a death tax. A 55 percent tax is, at best, a huge burden on a family business and the interest in the additional grief it can be a death blow that ruins what could otherwise have been the future of another generation.”
Let me repeat that. At worst, it can be a death blow that ruins what could otherwise have been the future of yet another generation. This is a 24-year-old young man talking about trying to preserve the future of another generation and talking about what the death tax does to threaten that next generation.

He is 24 years old and he is already thinking about the next generation. This letter is not a plea for help.

"I just want you to know that although I am not a victim of this tax, I appreciate the fight against it. I firmly believe that Congress and the government at large need to recognize that America’s future is and will always be firmly rooted in the success of small business. Many of these businesses are family-owned and need the next generation to be able to continue them into the future.

I spent a few years working for a small family-owned business. Not just myself but several workers depended on the income they derived from working for this small family business operation. That is why those workers when the tax man comes knocking. This tax has claws that rip at many people, and many more people than the immediate family of the deceased. It also has a huge impact on the employees of the family business.

I hope your constituents recognize this and they will continue to work to get rid of this tax."

Now, remember, what this letter focuses on is not his particular situation, but what it does to the employees of a small business who may not themselves inherit the business but who depend on that farm of another family or depend on that business of another family for their living.

Recently, we had a death in my district in a small community, and this individual was hit with the death tax, the estate was. Do Members know what it did to that community? That individual was the largest employer in the community, the largest contributor to his local church, the largest owner of real estate in that community.

Do Members know what happened to that community? All of those assets and those jobs, that money that supported the farms that had to be accumulated in a pot. The majority of that money, the majority, this is not an exaggeration or an embellishment, the majority of that money had to be wired to Washington, D.C., for redistribution throughout this country.

Do Members think any of those dollars went back to that little community in the State of Colorado, or it could have been in the community of Missouri, or out in Michigan, or in California, New York, or Virginia? This hurts those communities. It does not just devastate families, it hurts people that are related to that small business, that work for that small business.

Again, a lot of the big businesses and wealthy people have planned around this. They have purchased premiums for life insurance.

Fundamentally, this death tax is not only unfair, it has consequences that were not foreseen by the drafters of our Constitution. If the people that dreamed of America, if the frontierspeople of our country, if the Founders of our country, if those people who fought in the Revolutionary War ever imagined that at some point this government, if they would hear that the government itself would tax death as an event, and that the government would take that money from a community and transfer it to the Nation’s capital, to a central authority for redistribution, they would turn in their grave. They would not believe it. It defies the dream of being a success in America. It defies the American dream.

That is not to say somebody should not pay taxes. I need to remind the Members that these death taxes are on property that has already had its taxes paid. It is simply a way to generate money.

When the government and the bureaucracy needs to figure out how to generate money, they have to figure out an event. If we buy a car, there is a reason to generate revenue, sales tax. If we make money, there is income tax. If we buy gasoline, there is fuel tax. So they figure, “What are we going to do? There is a pot of money out there that maybe we ought to have. Let us get our hands on it.”

If we take a look at the origins of the death tax, we will see that it was a theory of people that redistribution in this country was what we should do. We should move from a capitalistic society to a socialist one. The central authority redistributes the dollars. As a vendetta against the Fords, the Carnegies, and Rockefeller, they imposed this tax way back then.

Look, that theory failed. This country does not believe in redistribution of wealth, it believes in the capitalistic type of system. It should get rid of this tax. This tax only punishes these young people, this 24-year-old and this young man and his wife who have a mail order business. Why punish them? Let us encourage the next generation.

Let me conclude by saying we have covered two subjects this evening.

One, I spent the first part of my remarks rebutting what was being said about the surplus in the budget and so on. Mr. Speaker, I want to say to the Members, they need to say to their constituents, if we leave dollars laying around in Washington, D.C., the special interest groups and some of the highest paid professionals in this country, the lobbyists and those dollars to be sitting here so they can put them into new programs. It is not going to go back to the taxpayers, it is going to create a larger and bigger government. Some day we will pay the price for letting the government grow too big.

So I talked about that, and rebutted some of the comments made earlier by some of my colleagues.

The second part was this death tax. We have an opportunity to reduce or eliminate or significantly alter this punishment tax. That is exactly what it is.

Do not listen to some of these wealthy families who have signed an ad, like Ted Turner and some of those people, and in my opinion he is one of the most pompous people I ever met, who said, “Let us keep this in place,” et cetera, et cetera. Listen to that 24-year-old who has a small operation. Listen to the young man who has no business, and he is not going to inherit anything. Listen to what he says about the next generation.

I ask Members to take their time this weekend when they go back to their districts to talk to those people that are not the billionaires, those people who just barely are getting by, but they want to pass heritage from one generation to the next generation.

I think Members have an obligation to do that. If they really do it, I think they will come back here next week ready to vote with us to eliminate or reduce the death tax and the burden it puts on the American people.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders herefore entered, is extended to the following Members (at the request of Mr. McNulty) to revise and extend their remarks and include extraneous material:

Mr. HONDA, for 5 minutes, today.
Mr. PALLONE, for 5 minutes, today.
Mr. NORTON, for 5 minutes, today.
Mr. DAVIS of Illinois, for 5 minutes, today.
Mr. WOOLSEY, for 5 minutes, today.
Ms. SLAUGHTER, for 5 minutes, today.
Mr. BALDACCI, for 5 minutes, today.
Mr. KANJORSKI, for 5 minutes, today.
Mr. KILPATRICK, for 5 minutes, today.
Mr. LEE, for 5 minutes, today.
Mr. CLAY, for 5 minutes, today.
Ms. KAPTUR, for 5 minutes, today.
Mrs. MINK of Hawaii, for 5 minutes, today.
EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker’s table and referred as follows:

1374. A letter from the Chairman and Chief Executive Officer, Farm Credit Administration, transmitting the Administration’s final rule—Organization; Funding and Fiscal Affairs, Loan Policies and Operations, and Funding Operations; Stock Issuances (RIN: 3062–AB51) received March 23, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

1375. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Fishing Off West Coast States and in the Western Pacific Pelagic Fisheries; Hawaii-based Pelagic Longline Area Closure (Docket No. 00082224–1606–03; I.D. 0302013) received March 23, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1376. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Pacific Halibut Fisheries; Catch Sharing Plans (Docket No. 01109253–1962–02; I.D. 121900A) (RIN: 0648–AO80) received March 23, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1377. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Pacific Salmon Fisheries; Harbors of the United States; Summer Flounder Fishery; 2001 Specifications (Docket No. 00121323–1066–03; I.D. 111500CB) (RIN: 0648–ANT1) received March 21, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.


1379. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Fishing Off West Coast States and in the Western Pacific Pelagic Fisheries; Hawaii-based Pelagic Longline Area Closure (Docket No. 00082224–1606–03; I.D. 0302013) received March 23, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1380. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Pacific Halibut Fisheries; Catch Sharing Plans (Docket No. 01109253–1962–02; I.D. 121900A) (RIN: 0648–AO80) received March 23, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1381. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Pacific Salmon Fisheries; Harbors of the United States; Summer Flounder Fishery; 2001 Specifications (Docket No. 00121323–1066–03; I.D. 111500CB) (RIN: 0648–ANT1) received March 21, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1382. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration’s final rule—Pacific Salmon Fisheries; Harbors of the United States; Summer Flounder Fishery; 2001 Specifications (Docket No. 00121323–1066–03; I.D. 111500CB) (RIN: 0648–ANT1) received March 21, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.
Mr. ELEERS, Mr. ETHERIDGE, and Mr. KUCHNICKI: H.R. 1259. A bill to amend the National Institute of Standards and Technology Act to enhance the ability of the National Institute of Standards and Technology to improve computer security, and for other purposes; to the Committee on Science.

H.R. 1260. A bill to prohibit the cloning of humans, and for other purposes; to the Committee on the Judiciary.

Mr. McLAUGHLIN: H.R. 1261. A bill to amend the Reclamation Projects Authorization and Adjustment Act of 1992 to impose a limit on the Federal share of the costs of the Long Beach Desalination Research and Development Project in Los Angeles County, California; to the Committee on Resources.

By Mr. RODRIGUEZ: H.R. 1262. A bill to amend chapter IV of section 35 of title 5, United States Code, relating to prevailing rate systems for Federal employees; to the Committee on Government Reform.

By Mr. MCMINNIS (for himself, Mr. FELIX, Mr. TANCREDO, Mr. SCHAFER, Mr. UDALL of Colorado, and Ms. DEGETTE): H.R. 1263. A bill to amend the Internal Revenue Code of 1986 to expand S corporation eligibility for banks, and for other purposes; to the Committee on Ways and Means.

By Mr. RANGEL (for himself and Mr. GUTIERREZ): H.R. 1264. A bill to amend the Internal Revenue Code of 1986 to provide individual income tax rate reductions, tax relief to families with children, marriage penalty relief, and for other purposes; to the Committee on Ways and Means.

By Mr. BLUMENAUER (for himself and Mr. FOLEY): H.R. 1265. A bill to amend the Internal Revenue Code of 1986 to extend the transportation fringe benefit for bicycle commuters; to the Committee on Ways and Means.

By Mr. BONIOR (for himself, Mr. BARK of Georgia, Mr. CONYES, Mr. DAVIS of Virginia, Ms. JACKSON-LEE of Texas, Mr. DINGELL, Mr. TOOMY, Mr. McKINNEY, Mr. HINCHEN, and Mr. TOWNS): H.R. 1266. A bill to ensure that no alien is removed, denied a benefit under the Immigration and Nationality Act, or otherwise deprived of liberty, based on evidence that is kept secret from the alien; to the Committee on the Judiciary.

By Mr. CRANE (for himself, Ms. DUNN, Mr. SMITH of Washington, and Mr. HASTINGS of Washington): H.R. 1267. A bill to amend the Internal Revenue Code of 1986 to provide tax treatment for foreign investment through a United States regulated investment company comparable to the tax treatment for direct foreign investment and investment through a foreign mutual fund; to the Committee on Ways and Means.

By Mr. CRANE (for himself, Mr. NEAL of Massachusetts, Mr. SAM JOHNSON of Texas, Ms. DUNN, and Mrs. JOHNSON of Connecticut): H.R. 1268. A bill to amend the Internal Revenue Code of 1986 to include wireless telecommunications equipment in the definition of qualified technological equipment for purposes of determining the depreciation treatment of such equipment; to the Committee on Ways and Means.

By Mr. CROWLEY (for himself, Mrs. LOWEY, Mr. MCMILLAN, Mr. KIDWELL, Mr. PATRICK, Mr. HINCHEN, Mr. SERRANO, Mr. RANGEI, Ms. SLAUGHTER, Mrs. MECK of Florida, Mr. FROST, Mr. PASTOR, Mrs. DELAURO, Ms. MCKINNEY, Mr. HILLIARD, Mr. WEXLER, Mrs. MALONEY of New York, Mr. SANDERS, Mr. MARKEY of Alabama, Mr. MURPHY of Florida, Mr. HALL of Ohio, Mr. DELAHUNT, Mr. FRANK, Mr. ABERCROMBIE, Ms. JACKSON-LEE of Texas, Mr. MCCARTHY of New York, Ms. GRALISH-KENIA, Mr. WAXMAN, Mr. WOOLSEY, Mr. FINKER, Mr. ROGERS, Mr. OWENS, Mr. BROWN of Ohio, Mr. MCNULTY, Mr. ENGEL, Mr. RUSH, Mrs. BRYANT, Mr. BUTTS of Georgia, Mr. LAMPSON, Mr. BRADY of Pennsylvania, Ms. BALDWIN, Mr. CARSON of Indiana, Mr. NADLER, Mr. ALLEN, Mr. BERLET of Idaho, and Mr. FOLEY): H.R. 1269. A bill to improve global health by increasing assistance to developing nations with high levels of infectious disease and premature death, by improving children’s and women’s health and nutrition, by reducing unintended pregnancies, and by combating infectious diseases, particularly HIV/AIDS, and for other purposes; to the Committee on International Relations.

By Mr. DEFAZIO: H.R. 1270. A bill to increase accountability for Government spending and to reduce wasteful Government spending; to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, Armed Services, Science, Resources, Government Reform, and in addition to the Committee on the Judiciary.

By Mr. DÍAZ-BALART (for himself, Mr. McMEEKIN, Mr. ROS-LeHTINEN, Mr. ANDREWS, Mr. BACHUS, Mr. BARTLETT of Maryland, Mr. BILIRAKIS, Mr. BLUMENTHAL, Mr. BOEHNER, Mr. BONILLA, Mr. BRYANT, Mr. BURTON of Indiana, Mr. CANNON, Mr. CHABOT, Mr. COOKSEY, Mr. COX, Mr. CRENSHAW, Mr. CROWLEY, Mr. CUNNINGHAM, Mr. DAVIS of Florida, Mr. DELAY, Mr. DEDTSCH, Mr. DOLITTLE, Mr. DEERE, Mr. DUNCAN, Mr. ENGLE, Mr. FOLEY, Mr. FOSSILIA, Mr. FREELINGHUYSEN, Mr. HOFFMAN, Mr. HONIGMAN, Mr. GOSS, Mr. GRAHAM, Mr. GUTIERREZ, Mr. GUTKNECHT, Mr. HANSEN, Mr. HASTINGS of Washington, Mr. HAYES, Mr. HORN, Mr. HUNTER, Mr. HUTCHINSON, Mr. JENKINS, Mr. JONES of North Carolina, Mr. KELLER, Mr. KENNEDY of California, Mr. KEEN, Mr. KING, Mr. KINGSTON, Mr. KINK, Mr. LANTOS, Mr. LINDER, Mr. LUCAS of Oklahoma, Mr. MANZURO, Mr. MCMINNIS, Mr. MCKINLEY, Mr. MERRILL of Florida, Mr. MILLER of Florida, Mr. MYRICK, Mr. NEY, Mr. PALLONE, Mr. PARCELL, Mr. PENCE, Mr. PETRASSA of Minnesota, Mr. POMBO, Mr. PRICE of Ohio, Mr. PUTNAM, Mr. REYNOLDS, Mr. ROHRABACHER, Mr. SCARBOROUGH, Mr. SCHROCK, Mr. SESSIONS, Mr. SHADegg, Mr. SHAW, Mr. SHEEHAN, Mr. SMITH of New Jersey, Mr. SOUDER, Mr. STEARNS, Mr. SWERNY, Mr. TANCREDO, Mr. TRAFFICANT, Mr. WATERMAN of Louisiana, Mr. WELDON of Florida, Mr. WEXLER, Mr. WHITFIELD, Mr. WICKER, and Mr. WOLF): H.R. 1271. A bill to assist the internal opposition in Cuba in helping the Cuban people to regain their freedom; to the Committee on International Relations.

By Mr. FOLEY (for himself and Mr. BECKER): H.R. 1272. A bill to amend the Internal Revenue Code of 1986 to allow taxpayers using the income forecast method of determination to treat costs contingent on income in the same manner as fixed costs to the extent determined by reference to the estimated income under such method, and for other purposes; to the Committee on Ways and Means.

By Mr. HOSTETTLE: (for himself, Mr. WICKER, Mr. BARTLETT of Maryland, Mr. BIANCO, Mr. BILARDO, Mr. BONATTI, Mr. BURKHARDT, Mr. BURTON of Ohio, Mr. CAXTON, Mr. DEMINT, Mr. RILEY, Mr. ISSA, Mr. PITTS, Mr. SCHAEFFER, Mr. HAYWOOD, Mr. JONES of North Carolina, Mr. TERRY, Mr. AKIN, Mr. BORENSTEIN, Mr. SHOWS, Mr. BAKER, Mr. LEWIS of Kentucky, and Mr. SMITH of Texas): H.R. 1273. A bill to amend the Revised Statutes of the United States to eliminate the chilling effect on the constitutionally protected expression of religion by State and local officials that results from the threat that potential litigants may seek damages and attorney’s fees; to the Committee on the Judiciary.

By Mr. HUNTER (for himself, Mr. Goss, Mr. GILCHREST, Ms. ROS-LeHTINEN, Mr. RAMSTAD, Mrs. BONO, Mr. CHANE, and Ms. BERKLEY): H.R. 1274. A bill to amend the Internal Revenue Code of 1986 to provide that tips received for certain services shall not be subject to income or employment taxes; to the Committee on Ways and Means.

By Mrs. JOHNSON of Connecticut (for herself, Mr. MCNULTY, Mr. BOEHLER, Mr. LAHON of Connecticut, Ms. DUNN, Ms. NESSHEIM, Mr. FOLEY, Mr. ALLEN, Mr. HUNTER, Mr. WAXMAN, Mr. BALDWIN, Mr. WALDEN of Oregon, Mr. UDALL of Colorado, Mr. SHAWS, Mr. HINCHY, Mr. SIMMONS, Mr. Wynn, Mr. PETERSON of Minnesota, Ms. DELAURO, Mr. NETHERCUTT, Mr. RIVERS, Mr. HORN, Mr. MALONEY of Connecticut, Mr. GILCHREST, Mr. SANDERS, Mr. SWEENEY, and Ms. INSLEE): H.R. 1275. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for certain energy-efficient property; to the Committee on Ways and Means.

By Mrs. LOWEY (for herself and Mr. THOMPSON of Mississippi): H.R. 1276. A bill to expand the enforcement options under the Federal Meat Inspection Act and the Poultry Products Inspection Act to include the imposition of civil money penalties; to the Committee on Agriculture.

By Mrs. LOWEY: H.R. 1277. A bill to amend the Internal Revenue Code of 1986 to reduce estate tax rates by 20 percent, to increase the unified credit against estate and gift taxes to the equivalent of a $2,500,000 exclusion and to provide an inflation adjustment of such amount, and for other purposes; to the Committee on Ways and Means.

By Ms. MCKINNEY: H.R. 1278. A bill to redesignate the Federal building located at 935 Pennsylvania Avenue Northwest in the District of Columbia as the "Frank F. Church Federal Building"; to the Committee on Transportation and Infrastructure.

By Mr. ROTHMAN: H.R. 1279. A bill to reestablish the annual assay commission; to the Committee on Financial Services.

By Mr. SHOWS (for himself, Mr. BALDACCI, Mr. FINKER, and Mr. BISHOP):
H.R. 1280. A bill to amend title 38, United States Code, to provide for the annual determination of the rate of the basic benefit of active duty educational assistance under the Montgomery GI Bill and for other purposes; to the Committee on Veterans’ Affairs, and in addition to the Committee on Armed Services; for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. VITTER:

H.R. 1281. A bill to declare the policy of the United States with respect to deployment of a National Missile Defense System; to the Committee on Armed Services.

By Mr. VITTER:

H.R. 1282. A bill to provide for a testing program for the Theater-Wide Area and the Theater High-Altitude Area Defense system; to the Committee on Armed Services.

By Mr. VITTER:

H.R. 1283. A bill to establish the policy of the United States with respect to deployment of missile defense systems capable of defending the United States against ballistic missile attack; to the Committee on Armed Services, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WATTS of Oklahoma (for himself, Mr. HASTERT):

H.R. 1284. A bill to provide incentives for charitable contributions by individuals and businesses, to improve the effectiveness and efficiency of government program delivery to individuals and families in need, and to enhance the ability of low-income Americans to gain financial security by building assets; to individuals and families in need, and to businesses, to improve the effectiveness and efficiency of government program delivery to individuals and families in need, and in addition to the Committees on the Judiciary, Education and the Workforce, Financial Services, Agriculture, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MOORE (for himself and Mr. HOLDEN):

H.R. 1285. A bill to amend the Internal Revenue Code of 1986 to reduce and simplify the estate tax; to the Committee on Ways and Means.

By Mr. WALDEN of Oregon (for himself, Mr. SCHIFF, Mr. SOLIS, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. UNDERWOOD, Ms. VELAZQUEZ, Mr. WAXMAN, Mr. WEXLER, Mr. FRANK, Mr. WALDWIN, and Mr. WELFLEID), Mr. SCHIFF, Ms. SOLIS, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. UNDERWOOD, Ms. VELAZQUEZ, Mr. WAXMAN, Mr. WEXLER, Mr. FRANK,Mr. WALDWIN, and Mr. WELFLEID.

H. Res. 105. A resolution expressing the sense of the House of Representatives regarding Cesar E. Chavez; to the Committee on Government Reform.

By Ms. KAPITUR (for herself, Ms. CARSON of Indiana, Mr. COSTELLO, Mr. CUMMINGS, Ms. DELAURA, Ms. ESHOO, Mr. FINKEL, Ms. HOOLEY of Oregon, Ms. KILPATRICK, Mrs. MALONEY of New York, Mrs. MINK of Hawaii, Mrs. MORELLA, Mrs. NAPOLITANO, Ms. RIVERS, Mrs. SANCHEZ, Ms. SCHAKOWSKY, and Mrs. THURMAN):

H. Res. 106. A resolution expressing the sense of the House of Representatives that the Capitol Visitor Center, and the office buildings of the House of Representatives should represent the contributions of women to American society; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII, Mr. THOMPSON of California introduced a bill (H.R. 1286) for the relief of Kuan-Fan Hsieh; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 10: Mr. SCHIFF.
H.R. 13: Mr. CROWLEY and Mr. PETRI.
H.R. 28: Ms. BERKLEY, Mr. FALLONE, and Mr. PASCRELL.
H.R. 40: Ms. MCCARTHY of Missouri.
H.R. 41: Mr. LANTOS, Mr. WATKINS, Mr. KENNEDY of Rhode Island, Mr. ROTHMAN, Mr. UDALL of Colorado, and Mr. LA'TOURETTE.
H.R. 51: Mr. FOLEY.
H.R. 67: Mr. FOLEY.
H.R. 68: Mr. LANGEVIN, Ms. SLAUGHTER, Mr. TURNER, and Mr. WELFLEID of Florida.
H.R. 80: Mr. ISAKSON and Mr. GOSS.
H.R. 82: Mr. DAVIS of Illinois.
H.R. 144: Mr. MURTHA, Mr. BONIOR, and Mr. HOLDEN.
H.R. 147: Mr. BONIOR.
H.R. 162: Ms. VELAZQUEZ, Mr. JACKSON of Illinois, Mr. WEXLER, Mr. WALSH, Mr. FINKEL, Mr. ENGEL, Mrs. MALONEY of New York, and Mr. HOLDEN.
H.R. 179: Mr. REHBIRG and Mr. GUTIERREZ.
H.R. 184: Mr. DAVIS of Illinois, Mr. BLUMENTHAUER, and Mr. GEORGE MILLER of California.
H.R. 189: Mr. BACHUS, Mr. HEPLEY, and Mr. GOOLDBATTE.
H.R. 190: Mr. LINDNER.
H.R. 196: Mr. EHRICH, Mr. MART, Mr. BAKER, Mr. MCHugh, Mr. TANCREDO, and Mr. GREEN of Wisconsin.
H.R. 201: Mr. TANCREDO.
H.R. 229: Mr. SCHAPPEL, Mr. KENNEDY of Minnesota, Mr. PETSON of Minnesota, Mr. SCHAEFFER, Mr. KENNEDY of Mississippi, Mr. PAUL of Louisiana, Mr. BISHOP.
H.R. 231: Mr. BONIOR.
H.R. 236: Mr. DICKS.
H.R. 238: Mr. DICKS.
H.R. 247: Mrs. MANNING.
H.R. 248: Mrs. MALONEY of New York.
H.R. 249: Mr. NETHERCUTT.
H.R. 333: Mr. KENNEDY of Minnesota, Mr. PETSON of Pennsylvania, Mr. DEUTSCH, and Mr. KINGSTON.
H.R. 318: Mr. KUCINICH, Mr. KIRK, Mr. FALLONE, Mr. ENGEL, Ms. MILLER-McDONALD, Mr. BONIOR, Mr. FARR of California, Mr. PASCARELL, Mr. HOLDEN, Mr. ENGEL, Mr. SCHAEFFER, Mr. HONDA, Mr. ISRAEL, and Mr. SIMMONS.
H.R. 340: Mr. WU.
H.R. 380: Mr. COSTELLO.
H.R. 389: Mr. DRULENT.
H.R. 429: Mr. BARD.
H.R. 499: Mr. GEORGE MILLER of California and Mr. MCGOVERN.
H.R. 506: Mr. DAVIS of Illinois and Mr. SERRANO.
H.R. 507: Mr. WAMP.
H.R. 510: Mr. SCHAPPEL and Mr. FLETCHER.
H.R. 525: Mr. BLUMENAUER.
H.R. 526: Ms. BERKLEY, Mr. GONZALEZ, Ms. ROYBAL-ALLARD, Mr. UDALL of Colorado, and Mr. MCDOUGALL.
H.R. 534: Mr. BUYER, Mr. PUTNAM, Mr. HILLARY, Mr. ROYCE, Mr. GANSKE, Mr. WAMP, Mr. HEPLEY, Mr. DIAZ-BALART of Florida, Mr. OXLEY, and Mr. BACA.
H.R. 599: Ms. ESHOO, Mr. KENNEDY of Rhode Island, Mr. WEINER, Mr. WALSH, Mrs. MALONEY of New York, Mr. KLUCZKA, Mr. HASTERT, Mr. HOLDEN, and Mr. GEORGE MILLER of California.
H.R. 602: Ms. MURPHY, Mrs. CLAYTON, Mr. CLMENT, Mr. CLYBURN, Mr. CONDIT, Mr. CUMMINGS, Mr. DENDLE, Mr. FOLEY, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. NEAL of Massachusetts, Ms. VELAZQUEZ, Mr. BARCIA, Mr. HYDR, and Mr. HASTINGS of Florida.
H.R. 611: Mr. BARCIA, Mr. BRADY, Mrs. NAPOLITANO, Mr. MARKY, Mr. LUCAS of Kentucky, Mr. HORN, Ms. DUNN, Mr. BAIER, Mr. BREDANNA of Indiana, Mr. BRADY, Mr. BURGESS, Mrs. NAPOLITANO, Mr. MARKY, Mr. LUCAS of Kentucky, Mr. HORN, Ms. DUNN, Mr. BAIER, Mr. BREDANNA of Indiana, Ms. PELCNI, Mr. HONDA, Mr. DICK, Mr. ERH, Mr. BURGESS, Mrs. NAPOLITANO, Mr. MARKY, Mr. LUCAS of Kentucky, Mr. HORN, Ms. DUNN, Mr. BAIER, Mr. BREDANNA of Indiana, Ms. PELCNI, Mr. HONDA, Mr. DICK, Mr. ERH, Mr. BURGESS, Mrs. NAPOLITANO, Mr. MARKY, Mr. LUCAS of Kentucky, Mr. HORN, Ms. DUNN, Mr. BAIER, Mr. BREDANNA of Indiana, Ms. PELCNI, Mr. HONDA, Mr. DICK, Mr. ERH, Mr. BURGESS, Mrs. NAPOLITANO, Mr. MARKY, Mr. LUCAS of Kentucky, Mr. HORN, Ms. DUNN, Mr. BAIER, Mr. BREDANNA of Indiana, Ms. PELCNI, Mr. HONDA, Mr. DICK, Mr. ERH, Mr. BURGESS, Mrs. NAPOLITANO, Mr. MARKY, Mr. LUCAS of Kentucky, Mr. HORN, Ms. DUNN, Mr. BAIER, Mr. BREDANNA of Indiana, Ms. PELCNI, Mr. HONDA, Mr. DICK, Mr. ERH, Mr. BURGESS, Mrs. NAPOLITANO, Mr. MARKY, Mr. LUCAS of Kentucky, Mr. HORN, Ms. DUNN, Mr. BAIER, Mr. BREDANNA of Indiana, Ms. PELCNI, Mr. HONDA, Mr. DICK, Mr. ERH, Mr. BURGESS, Mrs. NAPOLITANO, Mr. MARKY, Mr. LUCAS of Kentucky, Mr. HORN, Ms. DUNN, Mr. BAIER, Mr. BREDANNA of Indiana, Ms. PELCNI, Mr. HONDA, Mr. DICK, Mr. ERH, Mr. BURGESS, Mrs. NAPOLITANO, Mr. MARKY, Mr. LUCAS of Kentucky, Mr. HORN, Ms. DUNN, Mr. BAIER, Mr. BREDANNA of Indiana, Ms. PELCNI, Mr. HONDA, Mr. DICK, Mr. ERH, Mr. BURGESS.
H.R. 911: Mr. Walsh and Mr. Kolbe.
H.R. 917: Mr. Langevin.
H.R. 933: Mrs. Maloney of New York, Mr. Hinchey, and Mr. Hastings of Florida.
H.R. 936: Mrs. members of the House.
H.R. 938: Mr. Langevin.
H.R. 942: Mr. Portman.
H.R. 944: Mr. de Gette, Mr. Roybal-Allard, and Mr. Ryun of Kansas.
H.R. 946: Mr. DeGette, Mr. Roybal-Allard, and Mr. Ryun of Kansas.
H.R. 947: Mr. Blunt.
H.R. 949: Mr. Gekas.
H.R. 993: Mr. Sessions.
H.R. 1016: Mr. Judd.
H.R. 1030: Mrs. members of the House.
H.R. 1076: Mr. Stark, Ms. Eshoo, Mr. Lamborn, Mr. Farr of California, Mr. Paul, Mr. Udall of New Mexico, Mr. McGovern, Mr. Show, Mr. Blagojevich, Mr. Kennedy of Rhode Island, Ms. Roybal-Allard, Mr. Deutch, Mr. Issler, Mr. Hastings of Florida, Mr. Boucher, Mr. LoBiondo, Ms. Velazquez, Mr. Nadler, Mr. Owens, and Mr. Crowley.
H.R. 1078: Mr. Evans.
H.R. 1110: Mr. Boucher.
H.R. 1111: Mr. Eshoo, Mr. Meehan, Mr. Kind, Mr. Simmons, Ms. DeGette, and Ms. Roybal-Allard.
H.R. 1117: Mr. Wexler.
H.R. 1146: Mrs. Jo Ann Davis of Virginia, Mr. Gephardt, Mr. Otter, Ms. DeGette, Mr. Goodlatte, Mr. Boswell, Mr. Burr of North Carolina, Ms. Norton, Mrs. Myrick, Mr. Snyder, Mr. English, Mrs. Meek of Florida, Mr. Ganske, Mr. Dingell, Mr. Thune, Mrs. McCarthy of New York, Mr. Hastings of Washington, Mr. Traffant, Mr. Walsh, Mr. Mollohan, Mr. Nye, Mr. Reyes, Mr. Kildee, Mr. Weldon of Pennsylvania, Mr. McGovern, Mr. Bonilla, Mrs. Napolitano, Mr. McHugh, and Mrs. Thurman.
H.R. 1160: Mr. Farr of California, Mr. Kloczka, Mr. McDermott, and Mr. Markey.
H.R. 1170: Mr. Waxman.
H.R. 1172: Mr. Clyburn, Mr. Lucas of Kentucky, Mr. Pallone, Mr. Kanjorski, and Mr. Sherman.
H.R. 1179: Mr. Fletcher.
H.R. 1181: Mr. Upton, Mr. Simmons, Mr. Walsh, Mrs. Morella, Ms. Emerson, Ms. Hart, Mr. Gordon, Mr. Ose, and Mr. Kolbe.
H.R. 1187: Mr. Whitfield and Ms. Norton.
H.R. 1192: Mr. Capuano.
H.R. 1202: Mr. Foley, Mr. Saxton, and Mr. Hinchey.
H.R. 1257: Mr. Norwood.
H.J. Res. 36: Mr. Hayes and Mr. Terry.
H.J. Res. 49: Ms. Carson of Indiana and Mr. Dingell.
H. Con. Res. 4: Mr. Issa and Mr. Fielding-Huysen.
H. Con. Res. 26: Mr. Farr of California.
H. Con. Res. 51: Mr. Wamp, Mr. Allen, Mr. Crenshaw, Mr. McCrery, and Mr. Gohde.
H. Res. 72: Mr. LaFalce and Mr. Stearns.
The Senate met at 9:15 a.m. and was called to order by the Honorable GEORGE ALLEN, a Senator from the State of Virginia.

Pledge of Allegiance
The Honorable GEORGE ALLEN led the Pledge of Allegiance, as follows:
I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

Recognition of the Majority Leader
The ACTING PRESIDENT pro tempore. The majority leader is recognized.

Schedule
Mr. LOTT. Mr. President, today the Senate will immediately resume consideration of the Thompson amendment regarding the hard money limit, or individual and other contributions that are referred to as hard money. There will be up to 30 minutes of debate prior to the vote at 9:45 a.m. Following the vote, another amendment regarding hard money is expected to be offered by Senator FEINSTEIN. Senators should expect that there will be a vote, or votes, every 3 hours during the day and, hopefully, maybe some of that time will be yielded back and we won’t have to use the full 3 hours on each amendment.

Hopefully, we can make real progress today. Everybody will agree that we have had full, and some would even say good, debate on this subject. I think it has been handled in a fair way. I think we are going to be tested this morning in the next 3 hours to see if that will be the way it continues. I am concerned about things I have heard regarding how the Thompson amendment and others would be considered. I urge the Senate to continue in not only the words of the unanimous consent agreement but in the spirit and make sure each Senator has an opportunity to have his or her amendment fully considered and fairly voted upon.

If that doesn’t occur, then I think it could lead to other complications, and I will be prepared to become engaged in trying to make sure that this remains on an even keel.

Mr. President, I yield the floor.

Reservation of Leader Time
The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

Bipartisan Campaign Reform Act of 2001
The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 27, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 27) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

Pending:
Specter amendment No. 140, to provide findings regarding the current state of campaign finance laws and to clarify the definition of electioneering communication.

Thompson amendment No. 149, to modify and index contribution limits.

Amendment No. 149
The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the Thompson amendment No. 149 on which there shall be 30 minutes for closing remarks. Who yields time? The Senator from Tennessee, Mr. THOMPSON.

Mr. THOMPSON. Mr. President, as was stated, we are here to consider our amendment to modestly raise the hard money limits that can be contributed to candidates. We should keep our focus on what this whole reform debate is about; that is, the concern over large amounts of money going to one individual and the appearances that come about from that.
I bring it up only to underscore the point the Senator is making. To the extent you weaken the parties, these people are going to control the game. This particular individual put a half a million dollars in against Senator Jim Bunning in his re-election campaign in 1998.

The policy I gather is toward the Senator from Tennessee making, to the extent you totally weaken the parties—they already lost money. We know that 40 percent of the RNC and DNC budget is gone. What the Senator from Tennessee wants to know is, is it going to give the parties a chance to compete against the billionaires.

Mr. THOMPSON. Exactly. And the candidates a chance. Continue on with those full-page ads. Spend millions of dollars on those full-page ads slamming the candidate. That is free speech, that is America, but let the candidate have a fighting chance. Let him have some control over his own campaign.

I am most disturbed to read in the newspaper that the leadership on the other side, with whom I have worked on these reform measures, is saying now that we can increase it this much, but if you go one centimeter over that, then they are going to go against the whole McCain-Feingold bill.

I ask how that considers those of us who have stood with McCain-Feingold, against those who say it will hurt their own party, through thick and thin over the years, to hear the other side now saying that if you go one centimeter over this level, which is still substantially below inflation, we are going to blow up the whole bill because it disadvantages our party.

Are we back to trying to figure out which party is going to get a little advantage on the other party? Is that what this is all about? That is what we have been fighting against. That is not reform.

The fact of the matter is, in all of these areas, we are in as much equilibrium from a party’s standpoint as we are ever going to be. Raising these limits to a point that is far below what the writers in 1974 wanted certainly does not tinge on corruption. It does nothing to weaken McCain-Feingold. It strengthens McCain-Feingold.

If you want a bill the Senate will pass, if you want a bill the House will pass, if you want a bill the President will sign, then you will assist in raising these hard money limits up to a decent point.

We talk about a couple and treating a man and a wife as the same; the wife going to do exactly what the husband says, presumably. Raise those money limits. We are talking about $100,000. This is $100,000. Why not extend it over 4 years and say $200,000? You can get the theoretical limits up as high as you wish as long as no large amounts are going to individual candidates, as long as you understand that they are under the law and under all of the learned speculation about what the law will be in terms of these cases that are pending, you are still not going to be able to coordinate between the donor and the candidate. You give to the party and the party can give to the candidate, but you cannot have that kind of coordination that was suggested on the floor. That is just not the law.

Let us remember the purpose of this effort. This will strengthen this effort if we will raise these hard money limits. Give the candidates a fighting chance, give challengers a fighting chance, and not engender some class warfare: Because not everybody can contribute $2,500, then nobody ought to be allowed to contribute $2,500, even though it skews our system and it will ultimately result in these independent groups totally taking over.

We will be back in here with a strong effort to get rid of all limitations and total deregulation. That will be the result.

We often say do not let the perfect be the enemy of the good. If that phrase ever applied, it applies today.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut, Mr. Dodd.

Mr. DODD. Mr. President, I gather the opponents of this measure have 15 minutes; is that correct?

The ACTING PRESIDENT pro tempore. That is correct; the opponents have 15 minutes.

Mr. DODD. Will the Chair advise me when I have consumed 4 minutes?

The ACTING PRESIDENT pro tempore. The Chair will do so.

Mr. DODD. Mr. President, I say to my friend from Tennessee, as I said last evening, I have great respect and admiration for him as a colleague and as a Member of this body. I remind my good friend from Tennessee that the McCain-Feingold bill, of which my friend from Tennessee is a supporter and which I am and a majority of us are, has a $1,000 per capita limitation on hard money contributions.

That is what McCain-Feingold says. McCain-Feingold does not raise the hard dollar contributions at all. It limits PAC contributions to $5,000; contributions to parties to $10,000; $20,000 to national parties; and raises the aggregate limits from $25,000 to $30,000. There are increases in hard dollar contributions in McCain-Feingold. But our colleague from Tennessee is saying that we increase the hard dollar contribution by 150 percent, from $1,000 to $2,500. The practical realities are, it is $2,500 for the primary and $2,500 for the general, so we are talking a $5,000 base in total contribution; and if we solicit the contributions from families, a husband and wife, that is really $10,000. We are going from $4,000 to $10,000. That is a significant increase.

I realize costs have gone up in the last 24 years, but this jump from $1,000 to $2,500, the net effect in going from $1,000 to $10,000, is a rather large increase. When we take the aggregate limits from $25,000 to $50,000, that is a
Mr. THOMPSON. The Senator from Tennessee is offering an amendment that allows a $2,500 individual contribution per election. I believe it is the right level. Some of my colleagues have been apoplectic, that this is an extraordinary change in the system; it would destroy the campaign finance system. The only right and proper thing for the Republic is to have a $2,000 individual campaign limit.

Our Republic must be weak, indeed, if that $500 is the difference between re- form and destruction for the whole national campaign finance system. I believe Senator THOMPSON has struck an appropriate level. Indeed, the $2,500 level that he has established is less, accounting for inflation, than the reforms of 1974. Indeed, in adjusted dol- lars, the $1,000 limit of 1974 is now worth $300. That $1,000, if adjusted for inflation today, would be $3,400.

Let me explain to my colleagues why I feel so strongly about raising this limit. Yes, I hope likely that we could have reached a compromise on this level. Real campaign finance reform means creating a balanced system. We cannot reform just one part of the campaign finance system. Different aspects need to be adjusted for a balanced, workable system.

Can I have order, Mr. President?

The ACTING PRESIDENT pro tempore. The Senate from New Jersey is offering an amendment that allows a $2,500 individual contribution per election. I believe it is the right level. Some of my colleagues have been apoplectic, that this is an extraordinary change in the system; it would destroy the campaign finance system. The only right and proper thing for the Republic is to have a $2,000 individual campaign limit.

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Can I have order, Mr. President?
Mr. TORRICEILLI. Mr. President, a balanced system must include a reduction of costs to end this spiraling cost of campaigns that adds so much pressure on Senate and House candidates. We did that by reducing the cost of television time.

We must eliminate soft money to increase confidence on accountability of these funds, and limits so every American believes they have an appreciably equal influence on their government.

We must ensure that not only the wealthy can get access to fundraising and their own ability to dominate the system is limited.

But there is another component that perhaps only Members of Congress themselves understand, another element of reform. It is the question of time. How much time are Senators taking, raising funds rather than legislating? How much time with their constituents rather than at fundraisers? How many times do they meet ordinary people in their own districts rather than being with the wealthy and privileged few.

That last element is part of what Senator THOMPSON is trying to accomplish today. Because the $1,000 limit forces us to turn to hundreds of fundraisers, putting together these contributions to fund these massive campaigns is part of the problem. Indeed, demonstrated to the Senate a few days ago what it would take to run a $15 million campaign today at $1,000. You would raise $20,000 every day, 7 days a week for 2 years; 1,500 fundraising events at $10,000 per event. This is part of what we are addressing. If a person, indeed, contributes $2,500 per election, $5,000 a year, no one in this institution can possibly believe that either by perception or reality the integrity of a Senator is compromised.

Indeed, if our country has come to the point where the American people have their confidence in their government undermined because of a $2,500 contribution, there is no saving this Republic. Certainly, we have better people in the Senate.

Mr. THOMPSON. If the Senator will yield, I understand the Senator has about 30 seconds of that to me?

Mr. TORRICEILLI. I will yield 1 minute and I will conclude.

I believe the Thompson amendment will have this balanced system reducing the amount of time candidates must campaign, and sufficient hard money can be raised to be able to communicate a message. It is a workable and a balanced system. Mostly I regret we have to divide ourselves on this issue, a $500 difference between the Senator from California and the Senator from Tennessee. Even at this late moment, I wish we could bridge this gap. But I hope we can avoid coming to the conclusion that because this gap, somehow we will have the $2,500 difference between the Senator from California and the Senator from Tennessee. As we do that, we get further away from the average citizen of Virginia, Connecticut, Tennessee, and New Jersey. As we get further away from that individual who can write the $25, $50, $100 check because we are not interested in them any longer, it is no longer valuable for our time to seek that level of support. That is dangerous when we start excluding people from the process.

My concern about this amendment is not just that it puts us on a track that we are going after bigger contributors, giving more access, but it is also whom we exclude—de facto, whom we exclude, and that is people who cannot even begin to think about this kind of level of contribution.

That is dangerous for the body politic. It is dangerous for democracy, in my view, when we or those who challenge us will only be going after those who can write these huge checks. And those are huge. Only we could we be talking about $2,000 as a modest increase.

Who are we talking about? How many Americans could sit down and write a check for that amount—for anything, for that matter, let alone for a politician? I am supposed to somehow believe this is reasonable, when we ought to be doing everything we can to engage more people in the process.

I accept the reality there is going to be some increase. My plea would be to the author of this amendment and to those who also seek increases, to see if we cannot find some agreement that will be acceptable, but please don’t try to convince me there is just an inevitable some increase. My plea would be some increase. My plea would be some increase. My plea would be to close down that soft money door. And then we can truly say we have reformed this process after 25 years of bickering about it. And I believe the President would sign it.

With all due respect to my colleagues from Tennessee, I will oppose this amendment and urge my colleagues to do likewise.

Mr. President, how much time remains?

The ACTING PRESIDENT pro tempore. Five minutes for the opposition.

Mr. DODD. Mr. President, I don’t know if I have any other people who wish to be heard on this amendment, so I will take a couple of minutes and close.

As we do that, we get further away from the average citizen of America. If we end up saying $50,000 per individual per year—$2,500—Mr. President, there are only a handful of people in this country who there were 1,200 people out of 280 million who made contributions of $125,000 to politicians; 1,200. And we are saying it is not enough; we have to raise those amounts even further.

As we go and seek out these larger contributors, which is what we do every time we increase those amounts, we get further and further and further away from what most of the overwhelming majority of Americans, can participate in.

I think that is unhealthy in America. As we go and seek out these larger contributors, which is what we do every time we increase those amounts, we get further and further and further away from what most of the overwhelming majority of Americans, can participate in.

The ACTING PRESIDENT pro tempore. One minute on each side remains.

Mr. DODD. Mr. President, I think there is going to be a tabling motion. Maybe my colleague from Michigan would like to complete his argument and then have Senator FEINGOLD make his and move to table. Do you want to yield, Dick?

Mr. THOMPSON. I will yield back part of my time.
public confidence by raising the hard money limits from $25,000 per year to $50,000 per year for an individual. That is too much money. It is corruptive in its appearance, and it undermines public confidence.

Mr. DODD. I yield 1 minute to the Senator from Wisconsin.

The ACTING PRESIDENT pro tempore. The Senator is out of time.

Mr. DODD. I apologize to the Senator.

Mr. President, I ask unanimous consent for 30 seconds.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I should like to say the Acting President pro tempore. Is there a sufficient second?

Mr. President, Mr. President.

The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that Senator FEINSTEIN amendments.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I simply remind my colleagues that we are here about $100,000 contributions, $200,000, contributions, and $500,000 contributions. That is what this debate is all about. It is different from that and raising the hard money limit from $1,000 and $2,000 or $500—which every commentator says it—which is just and reasonable and substantially below inflation. This will help McCain-Feingold, not hurt it.

I yield the rest of my time. I ask for the yeas and nays on the amendment.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I move to table the Thompson amendment and ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The result was announced—yeas 46, nays 54, as follows:

Yeas—46

Rockefeller

Schumer

Welstone

Sarbanes

Stabenow

Wyden

NAYS—54

Al肇

Enzi

Markowitz

Alien

Fitzgerald

Nelson (NE)

Bennett

Ford

Nickles

Bond

Gramm

Roberts

Browneback

Grassley

Santorum

Burns

Hagedorn

Sessions

Burns

Hagel

Shelby

Campbell

Helms

Smith (NH)

Carper

Hutchinson

Smith (OK)

Chafee

Hutchinson

Snowe

Cochran

Inhofe

Specter

Collins

Kasich

Spencer

Crapo

Landrieu

Thomas

DeWine

Lott

Thurmond

Democrat

Lugar

Torricelli

Ensign

McConnell

Voinovich

Warner

Mr. FEINGOLD. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Mr. SMITH of New Hampshire. The majority leader is recognized.

Mr. LOTT. Mr. President, we are very close to a unanimous consent request that will allow us to proceed to a conclusion on this issue of the so-called hard money. I emphasize that I think what we should do at this point is go to a straight vote on the Thompson amendment. The motion to table was defeated by a considerable margin, and normally what we do, in an abundance of fairness, is go to a vote at that point on the amendment that was not tabled.

Of course, there is continuing interest in this area, and Senator FEINSTEIN has an amendment she wants to offer that will have a different level for hard money and will affect not only individual contributions but what individuals could give up and down the line, including to the parties.

The fair thing to do is have the two Senators have a chance to have a direct vote side by side and not go through procedural hoops of second degrees and motions to table. At some point, we should get to a vote, get a result, and move to either raise these limits or not.

I believe very strongly these limits need to be raised. They have not been modified over 25 years. A lot has happened in 25 years. It is part of the fundraising chase with which Senators and Congressmen have to wrestle.

I am concerned what this is trying to do is set up a marathon or negotiating process that would preclude the responsible Thompson amendment down further.

Mr. MCCONNELL. Will the leader yield?

Mr. LOTT. I will be glad to yield. Mr. MCCONNELL. Mr. President, this is the first time, as the leader pointed out, during the long 8 days of this debate that the will of the Senate has not prevailed on an amendment. What is happening, of course, is those who were not successful on the Thompson amendment do not want to allow the Senate to adopt the amendment.

The negotiation that the majority leader is discussing presumably will occur now over the next couple of hours, but it is important to note that 54 Members of the Senate were prepared to adopt the Thompson amendment and that apparently is going to be prevented for the first time during the course of this debate.

I think the leader is discussing presumably will be the determining individuals as to whether or not there would be a modification.

Mr. FEINGOLD. Mr. President, I simply note that a motion to table does not mean one is prepared to vote for the underlying amendment. It means one is not prepared to table the amendment. I know, in fact, there are some Members interested in the negotiating process and looking for alternatives.

Mr. LOTT. I understand that, but I hope we do not negotiate it into a meaningless number or right of people to participate further. Having said that, we have an agreement that I think we can accept at this point that will get us to some straight up-or-down votes and conclusion.

I ask unanimous consent that Senator FEINSTEIN now be recognized to offer a second-degree amendment; that there be 90 minutes equally divided in the usual form, to be followed by a vote in relation to the Feinstein amendment. If the amendment is tabled, a vote immediately occurs on the Thompson amendment without any intervening action or debate. If the amendment is not tabled, there will be up to 90 minutes for debate on both amendments running concurrently to be equally divided, and following that time, the Senate proceed to a vote on the Thompson amendment to be followed by a vote on the Feinstein amendment which will be modified to be a first-degree amendment. I further ask unanimous consent that Senator THOMPSON have the right to modify his amendment, with the concurrence of Senator FEINSTEIN and Senator MCCONNELL, if the motion to table the Feinstein amendment fails, and the modification must be offered prior to the vote on the Thompson and the Feinstein amendments.

The PRESIDING OFFICER. Is there objection?

Mr. REID. We would be happy to eliminate Senator DODD if Senator MCCONNELL were taken out as the two yeas, as the two yeas, as two opponents of the measure would be the determining individuals as to whether or not there would be a modification.
Mr. LOTT. I believe Senator Thompson has a further comment.

Mr. THOMPSON. I certainly want Senator McConnell and Senator Dodd to be a part of this process and a part of the discussions and negotiations, but I did not understand that we would necessarily have the presence in order for us to agree on a motion.

I don’t think it would be appropriate, frankly.

Mr. LOTT. Mr. President, this is a process that allows time to debate further the provisions of the Thompson proposal and to debate the Feinstein proposal and for those that are trying to find some third way to negotiate, too.

I think in order to keep everybody calm and everybody comfortable in going forward, everybody ought to have a part and be aware of what change might be entered into in terms of the modification. I think this is the way to do that.

Senator Dodd, Senator McConnell, Senator Feinstein, Senator Reid, everybody has been, so far, dealing with this in a fair way, protecting each other’s rights. We started off by a Senator not being allowed to modify his amendment. It caused a pretty good uproar but everybody has been, so far, dealing with this in a fair way, protecting each other, everybody needs to be involved more and more players involved. Obviously, everybody needs to be involved and would have to be in order for us to get a good resolution, but I don’t want to bog it down more than necessary.

Mr. LOTT. I urge we go ahead and get this consent, get started, and start talking and continue to try to find a way to move forward in good faith, as we have done so far.

The PRESIDING OFFICER. The amendment is as follows:

The Senator from California [Mrs. Feinstein], for herself, Mr. Cochran, and Mr. Schumer, proposes an amendment numbered 151 to amendment No. 149.

Mrs. FEINSTEIN. Mr. President, on behalf of the senior Mississippi Senator, Mr. Cochran, and the senior Senator from New York, and myself, I send a second-degree perfecting amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The term

Section 301

104. CLARITY IN CONTRIBUTION LIMITS.

(a) Contribution Limits Applied on Election Cycle Basis.—Section 315(a)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)(A)) is amended to read as follows:

(b) Individual Aggregate Contribution Limits Applied on Election Cycle Basis.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)), as amended by this Act, is amended to read as follows:

(c) Conforming Amendment.— Paragraph (6) of section 315(a)(8) of such Act (2 U.S.C. 441a(a)(8)) is amended to read as follows:

(d) Effective Date.—The amendments made by this section shall take effect on the date of enactment of this Act.
TELEVISION MEDIA RATES FOR NATIONAL PARTIES CONDITIONED ON ADHERENCE TO EXISTING COORDINATING LIMITS.

(a) AVAILABILITY OF TELEVISION MEDIA RATES.—Section 315(b)(2) of the Communications Act of 1934 (47 U.S.C. 315(b)(2)), as amended by this Act, is amended—

(1) by striking “Television.—The charges” and inserting “Television.—”

(ii) Rate conditioned on voluntary adherence to expenditure limits.—If the limits on expenditures under section 315(d)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) are met, the charges shall be those specified by the Federal Election Commission that the National Committee of a political party described in such section, adheres to the expenditure limits described in paragraph (1) after the date of the election to which the Federal Election Campaign Act of 1971 apply.

(b) FEDERAL ELECTION COMMISSION RULE-MAKING.—Section 315(d)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following:

(i) RATE NOT AVAILABLE FOR INDEPENDENT EXPENDITURES.—If the limits on expenditures under section 315(d)(3) of the Federal Election Campaign Act of 1971 are met, the charges shall be those specified by the Federal Election Commission that the National Committee of a political party described in such section, complies with such certification under section 315(d)(3) of the Federal Election Campaign Act of 1971.

(ii) RATE CONDITIONED ON VOLUNTARY ADHERENCE TO EXPENDITURE LIMITS.—If the limits on expenditures under section 315(d)(3) of the Federal Election Campaign Act of 1971 are met, the charges shall be those specified by the Federal Election Commission that the National Committee of a political party described in such section, adheres to the expenditure limits described in paragraph (1) after the date of the general election to which the Federal Election Campaign Act of 1971 apply.

SEC. 4. TELEVISION MEDIA RATES FOR NATIONAL PARTIES CONDITIONED ON ADHERENCE TO EXISTING COORDINATING LIMITS.

(a) AVAILABILITY OF TELEVISION MEDIA RATES.—Section 315(b)(2) of the Communications Act of 1934 (47 U.S.C. 315(b)(2)), as amended by this Act, is amended—

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SEC. 5. EXPENDITURE LIMITS.

SEC. 6. TELEVISION MEDIA RATES FOR NATIONAL PARTIES CONDITIONED ON ADHERENCE TO EXISTING COORDINATING LIMITS.

(a) AVAILABILITY OF TELEVISION MEDIA RATES.—Section 315(b)(2) of the Communications Act of 1934 (47 U.S.C. 315(b)(2)), as amended by this Act, is amended—

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SEC. 7. EXPENDITURE LIMITS.

SEC. 8. TELEVISION MEDIA RATES FOR NATIONAL PARTIES CONDITIONED ON ADHERENCE TO EXISTING COORDINATING LIMITS.

(a) AVAILABILITY OF TELEVISION MEDIA RATES.—Section 315(b)(2) of the Communications Act of 1934 (47 U.S.C. 315(b)(2)), as amended by this Act, is amended—

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SEC. 9. EXPENDITURE LIMITS.

SEC. 10. TELEVISION MEDIA RATES FOR NATIONAL PARTIES CONDITIONED ON ADHERENCE TO EXISTING COORDINATING LIMITS.

(a) AVAILABILITY OF TELEVISION MEDIA RATES.—Section 315(b)(2) of the Communications Act of 1934 (47 U.S.C. 315(b)(2)), as amended by this Act, is amended—

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SEC. 11. EXPENDITURE LIMITS.
disguised electioneering, probably is going to surpass all hard money spending, and very soon. It has already passed soft money spending. If we do not raise the limit on hard money contributions to individual campaigns, the pressure on the candidates and the party will inevitably increase.

Between 1992 and 2000, soft money jumped from $84 million to $497 million. In just 8 years, soft money increased sixfold. That limit has not. Clearly, that indicates the skewing of the playing field that I am trying to make the case against. Clearly, what that indicates is more and more people are turning to the undisclosed, unregulated, independent campaign, which, increasingly, has become attack oriented.

There are some who do not want to increase hard dollars at all. To them I say if you do not increase hard dollars, you are providing currency for the field. You put political parties in jeopardy.

What we have tried to do in this amendment is create an incentive for contributions to political parties for party building in the aggregate limit, for contributions to the individual within the aggregate limit, and also to give the candidates the opportunity to better use their time, to increase the hard cap, the contribution limit from $1,000 to $2,000.

Additionally, what the Feinstein-Cochran-Schumer amendment will do is move campaign contributions from under the table to over the table. Our amendment will make it easier to startup the millions of unregulated dollars that currently flow into the coffers of our national political committees and replace a modest portion of that money with contributions fully regulated, fully disclosed under the existing provisions of the Federal Election Campaign Act. That is the value of this split, the raising from $60,000 per cycle provided for in McCain-Feingold to $65,000, providing that $30,000 per election would go to candidates and $35,000 to the congressional campaign committee.

McCain-Feingold is meaningful reform. I have voted for versions of it at least five years ago, which is a mistake. That gives an opportunity for parties to raise disclosed regulated hard dollars.

Without this—again, as one who has done a lot of campaigns now—the playing field becomes so skewed that the independent campaign and the attack issue advocacy effort has an opportunity to dominate the political arena. Mr. President, I would like to yield the floor and hope that you will recognize my cosponsor, the distinguished senior Senator from the State of Mississippi, Mr. COCHRAN. Mr. President, I thank the distinguished Senator from California for yielding, and also for her leadership in helping to craft an amendment to seek to find a solution to the challenge of putting the so-called hard money or regulated contributions at an appropriate limit in this modification of the Federal Election Campaign Act.

My perspective comes from my first candidacy for Congress in 1972. It was the first year that candidates for House and Senate seats in Congress were required to operate and fund their campaigns under the Federal Election Campaign Act of 1971. It required record-keeping. It required disclosure of contributions that candidates were receiving. It limited those contributions. It required all expenditures to be reported on periodic reports to the Federal Election Commission. It required the keeping of records of all expenditures that were made and the keeping of receipts and invoices to back up the entire financial operation of a Federal election campaign.

That was the first election year in history that such extensive record-keeping and disclosures and limitations were required. Many Senators have been talking about the post-Watergate limits and reforms. Frankly, this preceded Water-gate. It was in that election campaign that the Watergate incident occurred in 1974. But the fact is, candidates were required to make full disclosure but not the organizations who were not covered by the Federal Election Campaign Act.

Now we have seen that the amounts being raised and spent by individual candidates have diminished considerably. The total amount of money being raised and spent to influence the outcome of Federal elections. Most of that money is
now not even recorded. The contributions are not limited. The expenditures are not limited. Hence, the phrase “soft money” has been used to describe those expenditures and those contributions. They are behind the scenes. They are secret. And I am not trying, by this McCane-Feingold bill, to put into account first that kind of spending that is secret, undisclosed, repetitious, and expenditures which are not disclosed either.

Advertising is bought by groups. You don’t know who is buying the ads. You just see the candidate attacking your candidate or a cause. The people are completely confused in many cases as to who is on which side and who is spending the money. We are trying now to help recreate a system where there is full disclosure.

In doing so, the McCane-Feingold original bill makes very few changes to the regulated, disclosed, and reportable political spending that goes on. Only in two instances—one involving contributions to local parties and the other involving contributions to the McCane-Feingold bill increase the amount that could be contributed, from $5,000 per calendar year to $10,000 per calendar year. Then, in the aggregate limit allowed by law for regulated political action committees, the limit was increased from $25,000 per calendar year to $30,000 per calendar year.

Most Senators believe those modest changes aren’t enough; that in order to make the campaign system fully operational so that candidates can, on their own initiative, raise and spend the money they need to offset opposition from organized groups, those limits must be increased. Most Senators agree with that proposition.

The issue now before the Senate is how much should the increases be. The Senator from Tennessee offered an amendment, and he discussed his views with the Senate that originally he wanted to triple the contributions in all of these categories. My personal preference was to double them. I made that comment to several Senators as we began to look closely at the provisions of McCane-Feingold.

Senator Feinsteins from California agreed that in most instances she thought so, too. We have been working now to craft the specifics of an amendment that would be more than McCane-Feingold provided for increases but a level that we think would pass and could be the Senate and become a part of the McCane-Feingold bill on final passage.

That is the effort that is reflected in this amendment. It does not increase some of the categories as much as I personally think they should be. I say, I think they should be doubled across the board.

It is easy to understand. It is substantially less than the index amounts would be if you took inflation into account from 1971 when the act was first created. Over $3,000 would be reflected if we had indexed those amounts in 1971; so that the amount of an individual contribution could be limited now, if it were indexed for inflation, at about $3,300-something instead of $1,000 as it is now.

So to strike a compromise, our suggested limit is $2,000. It is a modest increase when you think about it. The other amendment likewise increased, except for PACs, which some Members view with some skepticism. Frankly, all of the PAC contributions that are made under the law are fully disclosed; records have to be kept, just as in the case that many Senators on your side are concerned about what this proposal is going to do to the parties, regardless of how they may be voting—I was curious why the Senator made no change at all in the amount of money an individual could give to a political party in order to try to provide some opportunity to compensate, in hard dollars, for the dramatic loss of funds that this underlying bill will provide by the elimination of soft dollars?

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. How much time is remaining on my time?

The PRESIDING OFFICER. Sixteen and a half minutes.

Mrs. FEINSTEIN. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. If neither side yields time, it will be taken out of the time.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. If I could say to my friend from Kentucky, Senator SCHUMER wishes to speak for 15 minutes. He is indisposed at this time. He badly wants to speak. We only have 16 minutes left. Do you think we can work it out that he have 15 minutes?

Mr. MCCONNELL. Say to my friend from Kentucky, Senator SCHUMER, I say to my friend from Kentucky, if we can work it out, he will come back sometime before the vote is scheduled?

Mr. REID. He will be back sometime within the next 5 or 6 minutes.

Mr. MCCONNELL. It shouldn’t be a problem.

Mr. President, I yield the floor.

Mr. REID. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time be charged equally, and also keeping in mind the time that this Senator does not have a number of speakers here when Senator SCHUMER comes back, might give him the extra time.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MCCONNELL. 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. MCCONNELL. Mr. President, I congratulate the Senator from California for at least moving in the right direction, recognizing that the cost of campaigns has gone up dramatically. If the Senator from California is willing to respond to a couple questions, I do wonder, in the Senator’s proposal, since the underlying bill would take away 90 percent of the moneyprivate of the Republican National Committee and the Democratic National Committee, and 35 percent of the budgets of the Democratic Senatorial Committee and the Republican Senatorial Committee—and I know from reading the newspapers that many Senators on your side are concerned about what this proposal is going to do to the parties, regardless of how they may be voting—I was curious why the Senator made no change at all in the amount of money an individual could give to a political party in order to try to provide some opportunity to compensate, in hard dollars, for the dramatic loss of funds that this underlying bill will provide by the elimination of soft dollars?

Mrs. FEINSTEIN. You are correct. It does not. We simply believe the
amount in this for PACs and parties, which is the $35,000 out of the $70,000—
$35,000 a cycle out of the $70,000—can be
given to parties.

Now, of course, this is not $40,000 a calendar year, but, again, there is a limit on the individual in hard dollars.

I think most of the party building
today comes from soft dollars rather
than hard dollars, in any event.

Mr. McCONNELL. So the Senator
from California would agree with me, while there is some relief for us can-
didates, there basically is no change on the hard dollar donations—

Mrs. FEINSTEIN. Yes.

Mr. McCONNELL. To the parties.

Mrs. FEINSTEIN. I think the evi-
dence is that very few people essen-
tially max out to parties. So we make
it easier to contribute to parties by
creating a separate account. That is
my answer.

Mr. McCONNELL. I say to my friend
from California, that seems to me, are going to be anxious to try to
increase the number of people who are
interested in giving to parties because
they are both going to have a dramatic
shortage of funds should this—

Mrs. FEINSTEIN. That is healthy. It is
all hard dollars. It is regulated. It is
disclosed.

Mr. McCONNELL. Of course, as the
Senator knows, all party soft money
contributions are disclosed. That is
how everyone knows what the parties are
giving out in soft dollars. There is no
point in having that debate again. We
had it yesterday. Soft dollars are gone.
Now we are looking at a hard-dollar
world.

I am trying to figure out how in the
world the parties can compensate for
the loss of those soft dollars under the
proposal of the Senator from Cali-

ifornia. The annual aggregate under her
proposal actually decreases the amount
national parties can receive. Currently
an individual can give $50,000 to na-
tional parties in a cycle; that is, over 2
years. But under the Feinstein pro-
posal, I gather they can only receive
$35,000 over a cycle; is that correct?

Mrs. FEINSTEIN. That is correct. As
I said, this really affects very few peo-
ple. We believe it is a good, healthy re-
form.

Mr. McCONNELL. I thank the Sen-
antor from California. I did understand
her amendment correctly.

Again, we have a picture in the Wash-
ington Post yesterday of the world to
come. This is a full-page ad by a bil-
lionaire named Jerome Kohlberg which
appeared in the Post yesterday. He is
one of the principal funders of this re-
form industry, the employees of which are
huddled off the floor of the Senate
working on this bill. I bring up Mr.
Kohlberg only to illustrate what the
world is going to be increasingly like if
McCain-Feingold passes.

The distinguished Senator of the
Chairman, of the wrath of Mr. Kohlberg in 1998 as he spent half of $1
million trying to defeat the junior Sen-
ator from Kentucky. People such as

Mr. Kohlberg are going to be the wave
of the future. There is a common mis-
conception that people of great wealth
are Republicans. In fact, they are over-
whelmingly liberal Democrats, people
such as Mr. Kohlberg.

With the weakening of the parties not only through the loss of
soft money—that decision having been
made yesterday—but should the Fein-
stein amendment or anything close to
it be approved, none of that will be
compensated for in hard dollars be-
cause there is no way that indi-
viduals can give to parties. Get used to
it; this is the wave of the future. We
have a picture of it right here in the
Washington Post yesterday. People of
great wealth who have an interest in
politics and public policy are going to
increasingly control the national agen-
da, allied, of course, with the great cor-
porations that own the New York
Times and the Washington Post that
also have an unfettered right to speak.

I am not trying to say that. They
just have a bigger voice than all the
rest of us because they have big cor-
porations behind them.

I find this very distressing. I do think
it is important for everybody to under-
stand this, into which we are about to march.

Having said that, I commend the
Senator from California for at least
recognizing the need to increase the in-
dividual contribution limit set back in
1974, when a Mustang cost $2,700. She
represents a State which really illus-
trates the heart of the problem. Imag-
ine an unknown challenger in Cali-

iforniawho is not wealthy deciding to
take on the well-known and powerful
incumbent Senator from California.

Mrs. DIANNE FEINSTEIN. I expect Sen-
antor FEINSTEIN would agree with me,
with a $1,000 contribution limit, trying
to pool enough resources together to
reach 30 million people against a well-
known incumbent, that challenger
would probably have to spend the
whole 6 years trying to pool together
enough resources to be competitive. I
wonder if the Senator agrees with that
observation.

Mrs. FEINSTEIN. I actually agree
with it strongly. Most people in Cali-

iforniain find that they can’t win state-
wide the first time out. Money is one of
the issues here. The State is so big.

I harken back to a conversation I had
with Alan Simpson. He said he could go
home and have lunch at the grill in
Cody and he would see all 200 people in
Cody. He would campaign that way.

Mr. McCONNELL. Right.

Mrs. FEINSTEIN. In the big States,
that is impossible to do. Your cam-
paign, getting your message out, has to
depend to some extent on large-scale
communication, big speeches, large di-
rect mail, television, radio, those
things that reach large numbers of peo-
ple. It is a fact of life. As these prices
keep going up, the candidate can buy less and
less. This is what opens the field, then,
to the very wealthy candidate who can
come in and spend tens of millions of
his or her own money and preempt the
field just because of that.

Mr. McCONNELL. I think the Sen-
antor has it absolutely right. I am sure
she also shares my opinion that the
people who would benefit from a hard
dollar contribution limit, the most
would be challengers who typi-

cally have fewer friends and not nearly
the network that we incumbents have.

They have a smaller group of friends
and supporters to try to start with as a
way to pool enough resources to get in
the game. Does the Senator not think
that the principal beneficiaries of an
increase in the hard money contribu-
tion limits to candidates really will be
challengers?

Mrs. FEINSTEIN. If the Senator will
yield for a moment.

Mr. McCONNELL. I do.

Mrs. FEINSTEIN. I heard an inter-
esting comment by a Senator yester-

day. Mr. Wely at least believes only
have to do half the number of fund-
raisers to raise the amount of money
that is required. Now the question is, Is
that good or bad? I happen to think it is
great.

Mr. McCONNELL. I do, too.

Mrs. FEINSTEIN. The fewer fund-
raisers one has to do, the better, be-
cause you can spend more time doing
the things you are supposed to be
doing. I have seen on both sides of the
aisle the prodigious efforts dialing for
dollars. People leave; they have to take
time off. They go to party head-
quarters. They stand out on the street
corner with their cell phone, and they
call people and ask for contributions.

If inflation had not risen to the ex-
tent it has, that would be a different
story. I know there are people on my
side who believe that if you raise this
contribution limit, it disadvantages
Democrats. I truly do not believe that.

It goes across the field. It gives a non-
incumbent an advantage; it gives an in-

cumbent the ability to do their work
and concentrate less on fundraising. It
gives one at least double the oppor-
tunity to meet expenses which, since
this limit was put on, have actually
tripled.

May I ask a question?

Mr. McCONNELL. I yield for a ques-
tion.

Mrs. FEINSTEIN. Is the Senator’s
time running?

Mr. McCONNELL. I yield.

Mrs. FEINSTEIN. I just wanted to
know whose time was running.

Mr. McCONNELL. It is my time, the
Senator will be pleased to know.

Regretfully, the problem with the
Feinstein amendment is it just doesn’t
go very far. It is certainly headed in
the right direction. I don’t know
enough about the exact annual infla-
tion increase over the years to know
what going from $1,000 to $2,000 gets us
up to. My guess is it probably gets us
up only a couple of percent in terms of
purchasing power. I know that donors
from California may even be in the minority
on her side that want to raise the limit to
all.
I have heard it said by a number of our colleagues that not many people can contribute this amount of money. That is certainly true. The fact that not many people can contribute this amount of money does not mean that no one should be able to. The cold, hard reality is that most people are not terribly interested in politics and most people don’t contribute to it. The best example of that that we talked about yesterday is the Presidential checkoff on the tax return where a taxpayer gets to check off $3 they already owe— it doesn’t add to their tax bill, just $3 they already owe—into a Presidential campaign fund. Only 12 percent of Americans do that even when it doesn’t cost them anything.

The real message is, people are just not terribly interested in politics and not terribly interested in contributing. I wish they were. It would certainly be great if large numbers of Americans had an interest and were willing to contribute. I wish we could get back to the $100 tax deduction we had before 1986 that at least made some effort, through the Tax Code, to encourage people to contribute. But the cold, hard reality is, a rather small number of people are going to contribute to politics.

The question is, Are the parties going to still be viable? Regrettably, it seems to me, the amendment of the Senator from California creates an incentive for contributions to the party committees for party building, she said, but how can this happen if we reduce the amount national parties can receive? With the aggregate limit to parties, the $20,000 limit, under current law, it is actually reduced to $17,500 by the amendment. I think by, in effect, pushing the $20,000 limit backward because of the aggregate provision the Senator has, we really move the party contributions back to the 1960s, not even leaving them at 1974. I have sort of a mixed feeling about the Senator’s amendment. It is great that she is moving in the right direction as far as candidates are concerned, but she has not addressed the needs of political parties, which are getting whacked by the underlying bill in a major way.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Kentucky has 15 minutes.

The PRESIDING OFFICER. The Senator from Kentucky has 28 minutes. Mr. Mcconnell. I reserve the remainder of my time.

Mr. FeinStein. Mr. President, the amendment of the Senator from California creates an incentive for contributions to the party committees for party building, she said, but how can this happen if we reduce the amount national parties can receive? With the aggregate limit to parties, the $20,000 limit, under current law, it is actually reduced to $17,500 by the amendment. I think by, in effect, pushing the $20,000 limit backward because of the aggregate provision the Senator has, we really move the party contributions back to the 1960s, not even leaving them at 1974. I have sort of a mixed feeling about the Senator’s amendment. It is great that she is moving in the right direction as far as candidates are concerned, but she has not addressed the needs of political parties, which are getting whacked by the underlying bill in a major way.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Nevada has 2 minutes.

The PRESIDING OFFICER. The Senator from Nevada has 2 minutes. Mr. Reid. Mr. President, the Senator from California has 12% minutes, and the Senator from New York needs 15 minutes. May I get the attention of my friend from Kentucky? Would the Senator from Kentucky be so kind as to allow us 2½ minutes of his time?

Mr. Mcconnell. How much time do I have?

The PRESIDING OFFICER. The Senator from New York needs 15 minutes.

The PRESIDING OFFICER. The Senator from New York needs 15 minutes.

Mr. Schumer. Mr. President, I thank my friend from Kentucky for his courtesy, as well as the Senator from Nevada for arranging things on the floor with exquisite neatness and efficiency, as he always does, and most of all the Senator from California for her leadership on this issue. I agree with everything the Senator from California was trying to do before. But I have joined this because of my concern about the 441(a)(d) amendment, which the Senator from California and the Senator from Mississippi have graciously agreed to add to their amendment. I will address that issue now.

Although I am fully supportive of the other parts of the amendment as well, the Senators from California and Mississippi have taken care of that very well. Many Members come to me and say: What are you talking about with these 441(a)(d) limits?

Well, the bottom line is simple, that the very basis of McCain-Feingold, which is limiting the amount of contributions that can go to a candidate, is undermined by a removal of the 441(a)(d) limit. That limit is in the law now. It has been in the law for a long time—since the original campaign finance bill was passed, I believe in 1974, when the Supreme Court case, called FEC v. Colorado Republican Federal Campaign Committee, has just been argued in the Court, and a decision
should come down shortly, within the next month or two. And to believe most—not all, but most—of the prognosticators, they will rule that the 441(a)(d) limits are removed. If the Court rules as most observers expect, we will face a gross distortion of our campaign finance system, as turn of six-figure contributions by wealthy individuals that we absolutely have to address now.

The bottom line is simple. Even if McCaín-Feingold were to pass completely, this Court case would greatly undermine what we are trying to do. But if we were to raise the limits under which a person could give to a party and then a party could give to a candidate, it would make it so much the worse.

Part of the Feinstein-Cochran-Schumer amendment that I am referring to would at least prevent that exacerbation of the problem.

Let us take it from the beginning. The 441(a)(d) limits direct a national party, whether it be the RNC or the DNC or, as usually happens, the DSCC and the RSCC, in the amount of money they can give directly to a candidacy. Coordination between the national party and candidates is currently allowed by the 1996 Supreme Court decision. It may be 1998. I do not remember the year.

Until now and as of now, there are real limits as to how much a party can give, what typically is voter-aggregated income in the State. In California, it is limited to about $2 million; in my State of New York, $1.7 million; and the rates go down accordingly.

The problem with the 441(a)(d) mechanism, from the point of view of McCaín-Feingold, is very simple. Under present law, a person can give $20,000 to a national party, to the DSCC or the RSCC, and they can give it right to the candidate. What has kept that in check, of course, is the overall amount the party can give to that candidate is limited, but if the Supreme Court lifts that ruling and says there can be no limits on a constitutional first amendment basis—something we debated with Senator Hollings’ amendment and others; I disagree with that interpretation of the Constitution, but like everyone else, we must live with it. But if they were to lift that limit, then parties presently could raise virtually unlimited amounts of money in $20,000 chunks, the old—McCaín-Feingold, it would go up to $30,000 chunks per year.

If John Q. Citizen wished to fund Senate candidate Smith in his State, he could give $20,000, $30,000 a year, each for 6 years to the national party, and that money could go right to Candidate Smith. It makes a mockery of the $1,000 and $2,000 limit. It allows people of great wealth to give huge amounts of money to the candidates.

My view is that the No. 1 thrust of McCaín-Feingold is eliminating soft money to prevent these large sums of money from going to candidates. If 441(a)(d) is lifted, those large sums of money will continue. True enough, McCaín-Feingold does other things with corporate and labor union contributions, and true enough, no one can give, say, $1/2 million to a candidate through the party, which they can do today, but the limits could be so astronomically high that they would almost make a mockery of the $1,000 or $2,000 limit that we are talking about on individual contributions.

What can we do about that? One thing we believe we do not raise the aggregate limits of giving to a party very high. One of the reasons—and I discussed this last night with my friend, the Senator from Tennessee—I am so opposed to his amendment is because it would not just mean you could not just give to the candidate through a party at a $20,000 clip but rather at a $60,000 clip. The Feinstein-Cochran-Schumer amendment at least limits that to $35,000 per cycle.

It is an improvement over present law and, in my judgment, an improvement over McCaín-Feingold before it was adopted. I think this is a step forward, not just a compromise, that you are not stepping back as much, but on the aggregate limits on the party. It is a step in the right direction.

The second thing we have to do is try to discourage the parties from giving unlimited amounts of money to the candidates. Parties have great functions. I am all for party building. I have problems with money going to the parties for get-out-the-vote operations and educating the people about the process but not for TV ads for candidates, which is what happens, no matter what disclaimer is on the ad.

What we do in this amendment is say that if you go over the limits that are in this bill—because the Supreme Court may rule that you can go over those limits; if the Supreme Court rules the other way, this amendment has no teeth. But if you go over those limits, you cannot get the low-cost TV time that the Torricelli amendment now allows. It is an incentive to keep the limits low to prevent the parties from raising vast amounts of money for the candidates and obliterating the $1,000 or $2,000 limit for individual contributions that we are hoping to make a much stronger basis of campaign financing with McCaín-Feingold.

Is it constitutional? We have consulted a variety of experts, and they say very simply that the constitutional requirement is that the carrot is related to the stick. In other words, it can well be a constitutional limitation that does not strike down free speech. I understand my friend from Kentucky has much a broader interpretation, but it is a constitutional limitation if what you are sanctioning is related to the reward. Clearly, the proposal we have made in the Schumer part of this amendment is related. Go over the limit and you do not get low-cost TV time. Stay within the limit and you get low-cost TV time. There could not be a clearer relationship because most of this money is used, at least in every campaign I have seen, for television time.

We have consulted a variety of experts who all believe there is not a constitutional problem with this amendment.

If we do not adopt this amendment, if we do not include this amendment, I believe 6 months from now, and certainly 2 years from now, the next cycle of elections, people are going to scratch their heads and say: Was this bill a step forward on the road to reform or was it a step backward? Because even though some limits are placed on corporate contributions, the ease with which people will be able to give large amounts of money to candidates will probably increase or at least not decrease at all.

The ease with which somebody could, potentially, run away from a candidate through the party in an election cycle would be large.

I say to my colleagues, first, whether you are for or against the limits in Feinstein-Cochran-Schumer, this is a salutary addition. I say to my colleagues who have trouble raising the limits, which I do not, I support what is in the amendment that the senior Senator from California has crafted, and I think very well, that this will ameliorate some of the greater danger and make it more palatable to those who are against raising the limits altogether.

I particularly salute the Senator from California for having the aggregate party limit be $35,000 a cycle. That is extremely important. Also, when in combination with the part of the amendment before us that I have added, it will put some brakes on a potentially runaway situation that could undo the very reform we seek to pass.

This is a complicated area but one that will become very obvious within a year or two if we do nothing about it. I urge my colleagues to adopt the Feinstein-Cochran-Schumer, to not go in the direction, as much as the good Senator from Tennessee wishes to go, which, as I said, will have much greater ramifications should the Supreme Court rule against 441(a)(d) limits, the Colorado decision.

I hope we will support it.

I yield whatever time I have not consumed back to the Senator from California.
Senator Feinstein has tried to craft a reasonable compromise between the different views, actually bring us together, and help us pass a bill. I urge my colleagues, at least on this vote for tabling, to vote no to table.

I yield the floor.

The PRESIDENT pro tempore of the Senate (Mr. THOMPSON). I have had an opportunity to have the Senator from Tennessee be heard on this amendment.

Mr. THOMPSON. I have had an opportunity to read or have summarized the Feinstein amendment, and I thought we were just basically dealing with dollars and dimes when we got into it, it is breathtaking in its scope and, in my opinion, clearly unconstitutional.

The Senator from Kentucky had it exactly right. Basically what the so-called Schumer provision would do—it is like the government losing a first amendment case and then conditioning a benefit upon not doing what the Supreme Court just decided he has a right to do.

There is no way we can engage in that kind of activity. As we know, there are limits now on what a party can spend in coordination with its candidates. A lot of people think that will be overturned in Colorado and the Colorado 2 case.

As I understand the Schumer amendment, if the Supreme Court strikes the coordinated expenditure limits of parties, then no broadcaster is required to give a party the lowest unit rate unless the national party certifies to the FEC that neither it nor the State committees where the television ad is run—that certifies they are adhering to what the Supreme Court just struck down.

I see the Senator from Tennessee is on the floor, I yield 10 minutes to the Senator from Tennessee.

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I see the Senator from Tennessee is on the floor, I yield 10 minutes to the Senator from Tennessee.
Mr. THOMPSON. Let me say to my friend, I will yield for a question.

Mr. SCHUMER. Let me ask him this question on the constitutionality. Should the Supreme Court knock down the 414(a)(d) limit, then they would be doing it, I believe, with a very rational argument; I have read the arguments—on its mandatory nature. Right now that limit is mandatory.

Our amendment, as my good friend from New York says, is voluntary. It says you can go above the limit but you don’t get the benefit of the low-cost TV time. But if you want the benefit of the low-cost TV time, then you do not get the benefit.

My reading of this constitutional law is very simple, and that is that it is quite different, on a first amendment case, to make something mandatory, where the Court is very reluctant—at least this Court—I do not agree with it, but it is there. And we have to live with it—than when there is an option, there is a voluntary limit for which you get some kind of benefit.

I ask the Senator what his view is of that argument, so he can respond to it.

Mr. THOMPSON. I respond to my friend. I do not view that argument very favorably because it flies in the face of Velazquez v. Legal Services Corporation. The people in Legal Services did not have to take that money either. They had the option to take that money or not, and the Supreme Court there said you can’t require private citizens to restrict their speech in order to get those benefits.

Mr. SCHUMER. Will the Senator yield for a question?

Mr. THOMPSON. I yield to the Senator from Kentucky.

Mr. SCHUMER. I yield. I guess the Senator from New York was saying speech up to a certain amount only costs this much but if you speak above that amount, that speech costs more. And I do not agree with that.

Mr. MCCONNELL. Mr. President, let me just sum up prior to the vote. The Feinstein-Schumer provision will increase individual contribution limits from $1,000 to $2,000. That certainly is helpful to candidates. It sort of catches us up, maybe, to the early 1990s in terms of purchasing power. It does not, however, increase the amount an individual can give to political parties. In fact, the aggregate individual limit also, as part of the amendment, will reduce the amount an individual can give to a party from $20,000 per year down to $17,500 per year. So we are going backwards.

We have already taken away all the non-union money from political parties. That is 40 percent of the budgets of the Republican National Committee and the Democratic National Committee, 35 percent of the budgets of the Republican Senatorial Committee and the Democratic Senatorial Committee. We have wiped that out with the votes yesterday.

Now if the Feinstein amendment were adopted, the parties, national party organizations would be left only with hard money and we have, in effect, reduced the amount an individual could give to a party, set back in 1974, from $20,000 down to $17,500.

While the Feinstein amendment might make some marginal improvement for candidates, it is a step backwards for parties.

In addition, it has the Schumer provision in it that the Senator from Tennessee has very skillfully discussed a few moments ago. And even if the Supreme Court declares party-coordinated expenditure limits unconstitutional—which may happen in the next few months in the Colorado Republican case currently before the Supreme Court—even if that coordinated limit, that hard money limit that parties can spend on behalf of their candidates is struck down as unconstitutional, if a party chooses to spend more than the old limit just having been struck down as unconstitutional, then the party loses the lowest unit rate on ads.

So the practical effect of that is a party could spend so much on behalf of a candidate at a certain price and then, once it has spent more than that, it would have to pay more for additional speech.

The Senator from Tennessee has persuasively argued, and I would as well, that is an unconstitutional condition or surcharge, if you will, on the exercise of free speech. Clearly, a tax on speech raises serious constitutional questions. I could have raised a constitutional point of order on this. I say to the Senator from Tennessee that I am not going to do that. I have done that in the past when we had campaign finance debates. I am not going to do that.

But I assure you that if this is in the final bill, and if the bill is signed by the President, it will be one of the items that, as a plaintiff in the case, I intend to be as one of the items that we will be raising in court.

Mr. President, I yield the remainder of the time on my side.

I make a motion to table, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The PRESIDING OFFICER. Is there a sufficient second?
The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote? The result was announced—yeas 46, nays 54, as follows:

Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) by striking “the second and third sentences” and inserting “the third sentence”;

(2) by striking “‘A’ before “At the beginning” and

(c) by adding at the end the following:

“(B) Except as provided in subparagraph (C), in any calendar year after 2002—

“(i) a limitation established by subsection (a)(1)(A), (b), (d), or (h) by the percent increase determined under subparagraph (A);

“(ii) each amount so increased shall remain in effect for the remainder of the calendar year; and

“(iii) if any amount is not adjusted under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

“(C) In the case of limitations under subsections (a)(1)(A) and (h), each amount increased under subparagraph (B) shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the preceding year in which the aggregate limit is increased under subparagraph (B) and (2) by striking “means the calendar year 1974” and inserting “means the calendar year 2001”;

“(2) a period beginning on the day after the general election to which the expenditure limits, for the calendar year in which the general election to which the expenditure relates occurs, that would apply under such section as in effect on January 1, 2001.

“(iii) RATE NOT AVAILABLE FOR INDEPENDENT EXPENDITURES.—If the limits on expenditures under section 315(d)(3) of the Federal Election Campaign Act of 1971 are held to be invalid by the Supreme Court of the United States, then no television broadcast station, or provider of cable or satellite television service, shall be required to charge a political party the lowest charge of the station described in paragraph (1) after the date of the Supreme Court holding unless the national committee of a political party certifies to the Federal Election Commission that the committee, and each State committee of that political party of each State in which the advertisement is televised, will adhere to the expenditure limits, for the calendar year in which the general election to which the expenditure relates occurs, that would apply under such sections as in effect on January 1, 2001.

The motion was rejected.

Mr. MCCONNELL. Mr. President, I move to reconsider the vote.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 151, AS MODIFIED

The amendment (No. 151), as modified, is as follows:

SEC. 104. CLARITY IN CONTRIBUTION LIMITS.

(a) CONTRIBUTION LIMITS APPLIED ON ELECTION CYCLES.—Section 315(a)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)(A)) is amended to read as follows:

“(A) to any candidate and the candidate’s authorized political committees during the election cycle with respect to any Federal office, which, in the aggregate, exceeds $4,000;

(b) INDIVIDUAL AGGREGATE CONTRIBUTION LIMITS APPLIED ON ELECTION CYCLE BASIS.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)), as amended by this Act, is amended to read as follows:

“(3) The aggregate contributions an individual may make:

“(A) to candidates or their authorized political committees for any House election cycle shall not exceed $30,000; or

“(B) to all political committees for any House election cycle shall not exceed $35,000.

For purposes of this paragraph, if any contribution is made to a candidate for Federal office during a calendar year in the election cycle for which the contribution is held during that calendar year, the contribution shall be treated as made in the first succeeding calendar year in the cycle in which an election for the office is held;

(c) INDEXING OF CONTRIBUTION LIMITS.—Section 315(c) of the Federal Election Campaign

MORNING BUSINESS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that there now be a period of morning business with Members to speak therein for up to 10 minutes each, and the time be considered charged against the 90 minutes provided under the unanimous consent agreement previously adopted. This period will run approximately an hour, while the negotiators work on a potential compromise between the Feinstein and Thompson amendments. We will reserve the last 30 minutes of the 90 minutes for debate on a compromise, if one develops.

Mr. DODD. Mr. President, reserving the right to object, that 30 minutes is to be equally divided between the two sides.

Mr. MCCONNELL. Yes.

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

The Senator from Montana is recognized.
SOUTHWEST MISSOURI STATE
LADY BEARS

Mr. BOND. Mr. President, while we in the Senate are working hard exploring the mysteries of campaign finance reform, many Americans are enjoying the annual tradition known as “March Madness.” In Missouri, we are particularly fixated on the March to the Arch where St. Louis is hosting the final four of the Women’s NCAA basketball tournament. In the final four are a couple of teams from somewhere in Indiana and Connecticut but in Missouri, we will be cheering for our Southwest Missouri State University Lady Bears. They started out as a low seed, but they are two upset wins away from the Lady Bears. They started out as a low seed, but they are two upset wins away from the Southwest Missouri State University Lady Bears. They started out as a low seed, but they are two upset wins away from the national championship. The Lady Bears are coached by Cheryl Burnett, but they are two upset wins away from the national championship.

In recent years, the residents of my home State of Missouri have been privileged to witness many great sports legends, from George Brett and Derrick Thomas in Kansas City to Mark McGwire and Stan Musial in St. Louis to Springfield’s own Payne Stewart. Today I recognize the achievements of the Southwest Missouri State University basketball team and, Jackie Stiles—our newest sports legend.

On March 1 of this year, in front of a sell-out, standing-room-only crowd, Jackie broke the record for most career points scored by a women’s basketball player in NCAA Division I, a record that has stood since 1989. Ms. Stiles is the Nation’s leading scorer at 30.7 points per game and the career total is a whopping 3,235 points. Monday night, in Spokane, Washington, Southwest Missouri State rolled over the home team Washington 104 to 87. Jackie Stiles left the game to a standing ovation from 11,000 fans rooting for the opposing team.

Fans in her hometown of Clifton, KS, enjoyed watching her compete in basketball, track, and tennis at the high school where she scored more points in the history of Kansas prep sports than any high school basketball player—boys or girls. Her decision to play NCAA Division I basketball at SMS was made after all of the top women’s college basketball programs tried to recruit her. Her choice has been applauded time after time over the last 4 years as fans pack into Hammons Student Center to cheer on the Lady Bears team.

Jackie Stiles has led Division I teams in average points per game the past 2 years and was nominated for the prestigious ESPY award, the Naismith Award, and was recently named to both the Associated Press and the Sports Illustrated Women’s All-American First Team. The awards she has earned throughout her career are too numerous to list. Beyond the many honors she has earned we should recognize her for something even more important than records and awards. Jackie Stiles has become a role model to the many young people who dream of the kind of achievements she has accomplished. The best thing about this is that she is showing them the way to achieve their goals. First, by being a role model and setting a fine example for young people everywhere. In the words of SMS Lady Bear’s head coach Cheryl Burnett, “She really is the kind of role model that an athlete should be . . . Jackie is a tremendous ambassador for women’s basketball and athletics in general.” Whether she is breaking records on the court or reading to elementary students, Jackie embodies a spirit of excellence. Second, Jackie Stiles has reached the pinnacle of women’s college basketball by combining her talent with more hard work than most can comprehend. She is the product of a small mid-western town and reflects the values you would expect to find in a small town—600—hard work, friendliness, dedication, and devotion to family. She has distinguished herself from many sports heroes with her humility which was evident in her recent ESPN interview where she gave credit to her teammates, rather than accepting it for herself. I agree the team deserves a lot of credit, but so does Jackie Stiles.

When Jackie broke her wrist during her sophomore year of high school she did not let it get her down. Instead, she learned to shoot left handed and still averaged 26 points per game. That is also when she began her now-famous 1,000 shots per day practices that kept her in the gym all hours of the day and night. Jackie’s work ethic builds champions, and that I stand to honor today. She puts her team first and plays unselfishly on the court. When she scored 50 points in a game she gave the credit to her coaches and her teammates, as well as to the enthusiastic fans from Southwest Missouri that have lined up to see her play the last 4 years.

Her team-centered focus on winning games, not personal accolades, sets Jackie apart. You can see it in her focus on being a scholar-athlete, maintaining a high grade point average while dealing with the intense pressures of being in the national spotlight. Thank you, Jackie, for choosing Southwest Missouri State University, and for setting an example for young people everywhere with your hard work and humility. Those are the true things of which champions are made. I congratulate Coach Burnett, Ms. Stiles and the entire team and University for this great achievement or making it to the Final Four. I plan on attending the game Friday night game in St. Louis to see one of those Indiana teams dispatched by the Lady Bears. I say to my friends from Indiana, while Indiana may be known for men’s basketball, I predict this weekend will make Missouri host to the capital of college women’s basketball.

Mr. President, I see no one seeking recognition, so I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. 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. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. REID. 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. THOMAS. Mr. President, I understand we are in morning business.

The PRESIDING OFFICER. That is correct.

THE UPCOMING BUDGET DEBATE

Mr. THOMAS. Mr. President, we are having a little pause in the subject of campaign finance reform, thankfully. We have been at it for some time. Hopefully, we will be through this week soon. It is a very important issue, but I am anxious, as most of us are, to move on to some of the other issues before us. Probably the most important one is that of the budget.

Each session, of course, is important and vital. It is important for us to have a budget. You can argue about the details of the budget, but the fact is that a budget is more than just a piece of paper with our spending plans on it. The budget is what defines where we are going to go over the next 2 years and into the future. It defines, as well, what our priorities are, which is a very important issue. It causes us to look ahead to where we ought to be doing things that strengthen America, things that we ought to be doing that help put this economy back in place. Hopefully, we will be working on that budget next week.

The President has put forth a budget. Our Budget Committee will come forth
with a budget. I believe the Republican budget addresses the priorities of the American people. It puts us on the continued road of a balanced Federal budget which, of course, for many years we didn’t have. We had deficit spending and we increased our national debt. We now, largely because of a strong economy, have a situation where we have not only a balanced budget, but a surplus which is, of course, in many ways a very happy thing to have. We have in the past, of continuing to save Social Security for seniors, not only for the immediate future but for a distance in the future where young people will be able to have benefits from the Social Security they pay in from the very first day on the job. We can commit ourselves to do that by assuring the dollars that come in that are designed for Social Security are used for Social Security.

We have a priority to improve and strengthen Medicare—obviously, one of the things that affects many people. We have to deal with pharmaceuticals and with many of the things that go together to strengthen the Medicare. In terms of dealing with the future and dealing with young people, we need to deal with our national debt which, of course, is very large. I believe we have a responsibility to begin to pay that down. Some people want to pay it down immediately, which is not practical in terms of the fact that the money is invested for a period of 100 years under this budget, we can pay that public debt off. I think that is what we ought to do. We have an obligation to do that. We have spent the money and now we should not leave the debt over to the other people.

We are committed to improve educational funding, and we need to do that, to give every school an opportunity. We always get into the argument—of course, a valid argument—about whether Social Security or Medicare are appropriate or not, what is the best way for people to have access, you cannot use those lands at all. Those are not the choices. We can, indeed, have access to public lands. We can, indeed, utilize those resources and allow people to hike, hunt, produce on those lands, and, at the same time, protect the environment. Next week is going to be one of the most challenging weeks as we deal with the budget, our priorities, and what we are going to do about the surpluses. Americans are paying the highest percentage of tax of gross national product, higher than World War II. That should not be the case, and we have an opportunity to change it. We have an opportunity to let local people and the States be involved in the decisions rather than dictating from Washington, as we have become accustomed to over the last number of years. We have an opportunity to do some things, and I am excited about that opportunity. It is very important we pass a budget. If we do not do that, we will not be able to deal with tax reductions, which I think are terribly important, not only as a matter of fairness to the American people but as a matter of helping this economy and moving it forward as quickly as we can. I yield the floor.

The PRESIDING OFFICER (Mrs. CLINTON). The Senator from Missouri.

CAMPAIGN FINANCE REFORM

Mrs. CARNAHAN. Madam President, we will have many important debates over the coming year on this Senate floor. Debates about tax cuts, spending priorities, education and defense, health care and agriculture. But none of these debates will be more important to the future of our democratic process than the debate over campaign finance reform.

From the time I sat at our kitchen table balancing the books on my husband’s earliest campaign to his race for the U.S. Senate, I have witnessed the changing face of campaigns. Last year’s U.S. Senate race in Missouri shattered all previous records. The two opposing campaigns spent almost $18 million. This figure does not include spending by the state parties or outside interest groups. For $18 million, Missouri could have done any one of the following: built two new elementary schools; hired 500 new teachers; sent 3,800 students to the University of Missouri; provided day care to an additional 5,000 low-income children; put 9,000 new computers into our schools.

There is no accounting of the hours and effort that went into raising these large sums of money. It is time and energy I am sure all Senators would rather spend discussing the issues and dealing with problems affecting their constituents.

The traditional face-to-face visits with voters at the State fair, the local diner or a town hall play a much smaller role in modern campaigns. Instead, candidates introduce themselves with costly and skillfully packaged commercials.

According to a recent study, viewers in the Kansas City area were exposed to over 22,000 campaign commercials during the 2000 election cycle. At 30 seconds apiece, that is the equivalent of 187 straight hours of campaign ads. The same study showed that the number of ads nationwide has nearly tripled since 1996. Without reform, there is no end in sight.

Not only do candidates air ads to get their own message out, they must also respond to negative attacks. More and more, our political discourse is turning away from an honest discussion of the issues affecting the average American. Personal attacks and outrageous distortions are all too common.

What are the consequences? Today, American are more cynical and more disconnected from the government than ever. They read of huge contributions from special interest groups and wonder how one small voice can possibly be heard over the shouts of large donors to political campaigns. Election day for them is not a celebration of self-government, but a finale to months of nasty, negative messages that have invaded their homes and mailboxes.

To rejuvenate our democracy, we must change the common perception and reality that our political system is dominated by big money. To win American politics from these excesses will be costly and painful, but we must begin.

While many reforms are necessary, purging the system of unlimited donations to campaigns through so-called "soft money" is a critical first step.

Some would argue that passing McCain-Feingold will hurt the Democratic Party, but I say if we do not pass
McCain-Feingold, we will be hurting the democratic process.

This is a time when all of us, Democrats and Republicans alike, must do what is right for our country, what is right for our democracy.

The Biblical account of Joshua and the battle of Jericho shows us the strength of a united voice. We are told that “the people shouted with a great shout, so that the walls fell down.

If we all shout, the wall of “soft money” that separates ordinary citizens from their government will come down. Only then can we be confident that campaigns are decided by the power of our ideas, not by the power of our pocketbooks.

I enthusiastically support campaign finance reform and hope that we can pass legislation that reduces the influence of money in politics.

WOMEN’S HISTORY MONTH AND JACKIE STILES

Mrs. CARNAHAN. Madam President, this month we celebrate Women’s History Month. It is an opportunity to reflect on the successes, advances and contributions women have made and are making in American life.

Today, I have the special privilege of honoring a woman who is not only celebrating women’s history this month—she is making it.

Jackie Stiles stands 5 feet 8 inches tall, but she is a giant on and off the court. Earlier this week, she led the Lady Bears of Southwest Missouri State into victory over Washington, securing her team a spot in the NCAA Final Four. It was the latest accomplishment in the life of this remarkable young woman.

In high school, she was a 14-time state track champion and once scored 71 points in a single basketball game. Her fans would show up at nine in the morning with lounge chairs to be first in line when the gym doors opened at 4:30. They wanted to catch a glimpse of Jackie in action. She is a hero in her hometown—and in towns across America where young girls dream impossible dreams. Jackie shows them dreams can happen.

At Southwest Missouri State, Jackie Stiles has scored—as of today—3,361 points, becoming the all-time leading scorer in the NCAA. She has also become the heart of the Lady Bears. Every time she plays, she thrills the sell out crowds at the Hammons Student Center—better known as the “House of Stiles.”

On Friday, the team will come home to Missouri for the Final Four. And with all due respect to my colleagues from the great state of Indiana, I predict a big win over Purdue for Jackie Stiles and the Lady Bears.

Jackie Stiles didn’t become a star overnight. She does it the hard way—the only way she knows how. She began playing at age two with her father and has pushed herself ever since. She goes to the gym and won’t leave until she makes 1,000 shots.

The story of Jackie Stiles is also the story of Title IX, the landmark civil rights legislation which set out to curtail discrimination against women and girls in education and athletics. Without Title IX, we might never have heard of Jackie Stiles. In 1971, the year before Title IX, only 25,000 women competed in college sports. Today, that figure has grown to more than 135,000 women—including one very talented player who wears the number ten jersey for Southwest Missouri State.

Jackie’s success is measured in more than just rebounds, lay-ups, and jump shots. She has brought attention to women’s sports, and has proven that women’s basketball is exciting. Most of all, she is a role model and an inspiration for thousands of girls.

If she chooses, Jackie’s next stop is probably the WNBA. I have no doubt that she will become one of the league’s greatest attractions. She will help not only her team but her sport and all those who appreciate and enjoy it.

Mr. President, in honor of Women’s History Month, I ask unanimous consent to offer my congratulations to Jackie Stiles, the Lady Bears of Southwest Missouri State, and all the other heroes who are bringing women’s sports to a new high and teaching young girls to follow their dreams. May they continue to thrill, entertain, and inspire us.

EXTENSION OF MORNING BUSINESS

Mr. REID. Madam President, with the consent of my friend from Kentucky, I ask unanimous consent we extend the morning hour until 2:30, and leave thereafter half an hour to be divided among the opponents and proponents of the two pending amendments.

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

Mr. REID. 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. WELLSSTON. Madam President, I ask unanimous consent the order for the quorum call be dispensed with.

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

HARD MONEY

Mr. WELLSSTON. Madam President, I will take a little bit of time because I think other Senators will be coming out to the floor soon to talk about where we are on the hard money changes. We had a proposal by Senator Thompson which basically raised the amount of money that an individual could give to a candidate from $1,000 to $2,500 per election; from $2,000 to $5,000 a year. It is now up to $2,500 per election, primary, general, up to $5,000 per candidate. There are other provisions as a part of the Thompson amendment.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business has expired.

CAMPAIGN REFORM ACT OF 2001—Continued

Mr. WELLSSTON. Madam President, I ask unanimous consent that I be allowed to keep the floor as we move on to the debate.

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

Mr. WELLSSTON. Madam Chair, I have two children who are teachers,
can tell you right now that neither one of them can afford to make a $1,000 contribution or a $2,000 contribution or $4,000 or $5,000 in an election cycle. I can tell you right now that neither one of them can afford to make $30,000 worth of contributions. My God, that is, frankly, a salary of a wood running for office. They cannot afford to make those kinds of contributions.

On the floor of the Senate we are saying, my gosh, the reality is that we have very few and $1,000 isn’t worth $1,000. The reality is that the vast majority of the people in the country don’t make these big contributions; therefore, we don’t pay as much attention to them; therefore, they have become increasingly disillusioned, and now as a part of this deal we are raising the spending limits—whatever the compromise is. It seems to me that it goes exactly in the opposite direction than we should be going.

However, citizens who can’t afford to make these big contributions going to feel—that this political process is now going to be better for them when we have taken the caps off and have raised the contribution level? Now by ordinary running for office are going to be even more dependent on the top 1 percent of the population. How is that reform?

I haven’t done the analysis. I do not know how it will add up. My guess is that the salary of a wood running for office is now going to put a whole lot more hard money into politics. In the election year 2000, 80 percent of the money in politics was hard money.

I am not trying to denigrate taking soft money out—the prohibition on soft money that is in McCain-Feingold. But as this legislation moves along, I am, in particular, saddened and a little bit indignant that we are now defining “reform” as “softening” the limits so those people who can afford to make a $1,000 contribution can now make $2,000; those who can afford over 6 months—whatever cycle—to make not $2,000 but to now make $4,000 contributions will be able to do so.

The argument that some of my colleagues make is the fact that 99 percent of the population can’t afford to do this doesn’t mean we shouldn’t let the other 1 percent.

But I tell you that is going to happen. We are going to be even more dependent on the big givers. We are going to become even more divorced from all of those people who we serve who can’t afford to make those contributions. We are going to spend even less time. They will be the less of an emphasis on the small fund raisers and less of an emphasis on grassroots politics. It is a tragedy that we are doing this.

I do not know how the bill will ultimately go. I think this is a terrible mistake. I think that sort of “made for Congress” look.

This is the sort of agreement that is a victory, Minnesotans. This victory is for all you Minnesotans who now contribute $1,000 or more. You will be able to give even more money to candidates. Minnesotans, please listen. The Senate is now pretty soon about to pass a reform measure. All of you Minnesotans who contribute $1,000 and $2,000 a year are going to be able to double your contributions. I am sure people in Minnesota will just feel great about this. I am sure people in Minnesota will feel that this is real reform.

And I am sure 99 percent of the people in Minnesota will feel this is not true. This is a game we can’t play: You pay, you play. You don’t pay, you don’t play.

I will finish, maybe, but just to make one other point.

I am looking at this in too personal a way by showing more indignation than I should. People can disagree. That is the way it is. You win or lose votes. We talk about getting rid of soft money. With what we are now about to do on these individual spending limits, there is a bunch of people who will never be able to run for this Senate. They are really not. I will tell you who those people are. They are women and those people who don’t have a lot of money and who take positions that go against a lot of the money interests in this country and people who have the economic resources.

I said earlier that the Chair would be interested because of her own history. I was talking about the Fannie Lou Hamer Project. Spencer Overton from the Fannie Lou Hamer Project was speaking yesterday at the press conference. Fannie Lou Hamer, as the Chair knows, was this great civil rights leader, daughter of a sharecropper family, large family, grew up poor, and became the leader of the Mississippi Democratic Party. She was a great leader, a poor person, a poor woman, and a really great leader.

He was saying yesterday that there are not any Senators who look like Fannie Lou Hamer. He was right. He went on to say that the truth is, this isn’t an issue of corruption. This is an issue of representation—of whether there is inclusion or exclusion. The Fannie Lou Hamers of this country are going to be even less well represented when we become even more dependent on those fat cats who can make these huge contributions.

How is it that people such as Fannie Lou Hamer, a great woman, ever going to run? How about people who want to represent the Fannie Lou Hamers? How are they going to have a chance to run? They are going to be clobbered.

Democrats don’t get angry at me, but there are plenty of Democrats who will be able to raise the money. That is good. You will be able to get the two, three, or four, or five, or six. I don’t know what their final deal will be. You will be able to get those big contributions. But you will pay a price. Democrats, we will pay a price. We are paying that price. We will dilute our policy performance. We will trim down what we stand for. We will be more reluctant to take controversial positions on test economic issues. We will be less willing to challenge economic and political power in America today than we are already, and today we are not so willing to take those people who have moved dangerously far away from our democracy is that each person should have access to this money.

Now I ask you, how does that represent reform? How does that make
this a healthier representative democracy? I think it is a huge mistake. And, I, for one, am adamantly opposed and want to express my opposition.

I am not out on the floor to launch a filibuster, so I will yield the floor. I suspect some former members of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

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

Mr. McCONNELL, Mr. President, we expect the group that has been working on a compromise on the hard money contribution limit to come back to the floor at some point in the next hour or so. Rather than sit around and churn, it is agreeable to both sides for Senator DewINE, who will have the next amendment after we finish the disposition of the Thompson and Feinstein matter, to go on and lay his amendment down, which he can set aside when those involved in the discussions come back to the floor. He can lay down his amendment and begin the discussion. I believe that is all right with the Senator from Connecticut.

Mr. DODD. Yes. What I suggest is that this requires unanimous consent as we go along.

I ask unanimous consent that the Senator from Ohio be recognized for a half hour for the purpose of offering his amendment and speaking on his amendment, and that at the hour of 3:30, the Senate would revert to a quorum call.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Ohio is recognized until the hour of 3:30.

AMENDMENT NO. 152

Mr. DEWINE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio (Mr. DEWINE), for himself, Mr. HATCH, Mr. HUTCHINSON, Mr. BROWNBACK, and Mr. ROBERTS, proposes an amendment numbered 152.

(Purpose: To strike title II, including section 204 of such title, as added by the amendment proposed by Mr. Wellstone (Amendment No. 145).)

Beginning on page 12, strike line 14 and all that follows through page 31, line 8.

Mr. DEWINE. Mr. President, this is a very simple amendment, which I will explain in just a moment. I offer it on behalf of Senator Hatch, Senator Hutchinson from Arkansas, Senator Brownback, and Senator Roberts.

Our amendment is very simple. It is a motion to strike title II, the Wellstone-Snowe-Jeffords provision from the underlying McCain-Feingold bill.

Mr. President, this amendment is necessary because title II draws an arbitrary and capricious and unconstitutional line—a line that abridges the first amendment rights of U.S. citizens. Under title II, citizens groups—and I emphasize that this is currently in the bill and unless our amendment is voted upon—will try to use the broadcast media to hold incumbents accountable for their voting records. It silences the voices of the people. It silences them at a time when it is most important for those voices to be heard. It restricts the people's ability to use the broadcast media to hold incumbents accountable for their voting records.

I, for one, am adamantly opposed and I think it is a huge mistake. And, I think this a healthier representative democracy? I think it is a huge mistake. And, I, for one, am adamantly opposed and want to express my opposition.

I am not out on the floor to launch a filibuster, so I will yield the floor. I suspect some former members of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

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

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Mr. DODD. Yes. What I suggest is that this requires unanimous consent as we go along.

I ask unanimous consent that the Senator from Ohio be recognized for a half hour for the purpose of offering his amendment and speaking on his amendment, and that at the hour of 3:30, the Senate would revert to a quorum call.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Ohio is recognized until the hour of 3:30.

Title II would make it illegal for citizens groups to take to the airwaves and even mention a political candidate by name. It would make it illegal to state something as simple as to tell the voters whether or not a candidate voted yes or no on an issue. It basically just summed the rights out of the political ring. It throws them right out of the ring. I believe that is wrong and I think it is also unconstitutional.

It represents a direct violation of the people's right to free political speech, the right guaranteed to us by the first amendment of the Bill of Rights in the Constitution of the United States of America.

The language in this bill picks the time when political speech is the most important and restricts who can use that political speech, and who can engage in that political speech.

Let me tell you an example from the real world. It is an example that could have involved me. I was a proponent for something in Ohio we refer to as the Darby Refuge. It would be a wildlife refuge in central Ohio. I won't trouble or bother Members of the Senate now with the reasons why I have been wrong, and I have been wrong. But I have been. I think it is the right thing to do.

There are also citizens in the State of Ohio who live in that area of the State who don't think it is such a good idea. They have exercised first amendment rights time after time to explain to me and to other citizens in Ohio who are driving down the highway that it is not such a good idea, and that this proposed wildlife refuge is not the thing to do. We have seen signs up—I think they are still up—which say “No Darby. Dump Dewine.” We have seen signs that say “Get Mike Dewine Out of my Backyard.” That was on a T-shirt. Other signs have been around also.

Obviously, I didn't particularly like the fact that those signs were there.

What was my response to people when they said, What about those signs? I tried to explain why I was for the Darby, but I also said: The first amendment is there; it is alive and well, and people are exercising their constitutional rights.

Let us suppose this citizens group—actually there are two formal citizens groups that oppose the Darby and have been vocal about it. Let us suppose that within 60 days prior to the last November election—I was up for reelection last November—and let us suppose they went to the Columbus radio stations and the Dayton TV stations. Let us also suppose this title II was law.

Let us suppose they took their money and went to buy an ad, and what they wanted to talk about in that ad was why the refuge was a bad idea.

Let us suppose also they wanted to convey another message, and that message was: Call Senator Mike Dewine
and tell him he is wrong. Call Senator Mike DeWine and tell him that you oppose the refuge and you think he should as well.

I would not have liked that. It probably would have irritated me. But they have the constitutional right to do that if they want to do it.

Under the bill as now written, they could not do that. The TV station in Dayton or the TV station in Columbus would have had to turn to them and say: Okay, you cannot say that; there are on certain things you can say. You can talk about the refuge being a bad idea, but you cannot mention Mike DeWine’s name.

That is when it would become apparent to these citizens that their first amendment rights were being abridged, and the person who ran the TV station, the general manager, would have had to tell them: Congress said you cannot run this type of ad. I submit that is wrong.

As much as those of us who have been in public office and who have faced tough elections do not like criticism, as much as we sometimes think political ads that attack us are unfair, as much as we sometimes think they distort, sometimes we think they only tell half the story, that is just part of the political process. That is what the first amendment is all about.

The fact is that today in a State such as Ohio, my home State, if you want to reach the people of the State, there is really only one way to effectively do it, and that is the use of television. You have to be on the air, and you have to get your message across. That is true whether you are running for office and you are the candidate or whether you are a group of citizens who decide they want to convey a message, they feel strongly about an issue and want to link that issue with a person who is running for office. Today they can do that. The way the bill is now written, they cannot.

The fact is, given today’s national political discourse in the modern age of technology, television and radio play the primary, if not the key, role in the spreading of political messages. The whole reason we use the names of candidates in political speech on television is to emphasize policy positions and alternative policy options. Doing so enables people to evaluate and support or reject incumbents and their positions on issues. That is the basis, the very essence, of political speech and debate.

Messages about the candidates, about their voting records and their positions on the issues, speak louder and have a greater impact on voters than just generic issue ads about Social Security or about Medicare, tax cuts, or whatever is the issue of the day.

Constitutionally, we cannot deny citizens groups access to the most effective means of reaching the largest number of people for the least amount of money, and that is TV and radio. We cannot deny them the ability to communicate through television and radio during the time period most vital to deciding the outcome of an election, the time when they can have the most impact. We should not deny them a voice in the political debate, but, unfortunately, title II effectively does just that.

Ultimately, political speech is directly tied to electoral speech. We cannot escape that. We cannot escape, nor should we try to escape, the fact that our Constitution protects the rights of people to support or to criticize their Government or the people running for Federal office. The founders of this country recognized that. They knew from their own personal experience in forming this Nation that political speech is of the highest value, particularly during the election season, and it must be protected.

Given that, the last thing we should be doing is restricting 60 days before an election to get the word out to voters about the issues and about the candidates. Such a restriction is absurd. Such a restriction is wrong. Such a restriction is blatantly, certifiably unconstitutional.

I realize that political speech is very often part of political speech, makes incumbents uncomfortable. It makes us all uncomfortable. I know this. I have been there. Do I like to be criticized? No. Does anyone like to be criticized? No. Do we like the see our voting record picked apart? No.

The fact remains that no matter how much those in public office do not like to hear negative political speech, our Constitution protects that very speech. Federally elected officials are here to serve the people, and the people deserve the right to cheer us or to chastise us, particularly during an election campaign.

Are we, as Members of this body, becoming the guardians of incumbents and political speech? Are we becoming the guardians of incumbents and political speech? Are we so worried about tough criticism from outside groups, American citizens? Are we so concerned about what we consider to be unfairness and the potentially misleading nature of their message that we are willing to curtail their basic, constitutional, first amendment rights?

I hope not, and I hope we adopt this amendment and pull back from this infringement on people’s constitutional rights. We all should be offended by the attempt to do that.

The fact is that the limits imposed by title II on political speech, limits on legitimate political discourse, debate, and discussion will hurt voters. The voters will have less opportunity to make informed choices in elections. It is the voters and the public who ultimately will lose.

Allowing the reading directly from the Bill of Rights—and we are all familiar with it—amendment I:

Congress shall make no law respecting the establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

I repeat, “Congress shall make no law . . . abridging the freedom of speech . . . .”

These are very simple words, but they are some of the most powerful and certainly most important words in the Bill of Rights and in our Constitution.

I am certain that my colleagues in the Senate all realize our Founding Fathers, when crafting our Bill of Rights and our first amendment protections, had political speech—political speech specifically—in mind. They knew how important and vital and necessary free speech is to our political process and to the preservation of our democracy. They knew that democracy is stymied by muzzles and gags. They knew that free speech was necessary for our political system—our open, free political system—to function and, yes, to flourish. They knew that liberty without free speech is really not liberty at all.

A month or so ago I mentioned that our first amendment is absolute. In fact, there are constitutionally acceptable limits on political speech. For example, the Supreme Court has ruled that the government has an interest in regulating political speech when there is a clear and present danger that the speech will result in the imminent likelihood of violence. Also, the Court has said that defamation laws apply to political candidates, so as to protect them from statements that are knowingly false. In such situations, the government has a compelling interest in restricting the speech. I ask my colleagues: What is the government’s overriding and compelling interest in restricting core political speech 60 days or less from an election—at the time most crucial to the public’s interest in hearing and learning about candidates and their positions and incumbents and their voting records? How will restricting the most important speech at the most important time further the election process and political system? It clearly will not.

The bottom line, Mr. President, is that core political speech is different from other forms of speech. Lies at the heart of the first amendment and deserves the highest—the utmost—level of protection. To that extent, I agree with Justice Thomas who said that political speech is the very speech that our founding fathers had in mind when actually drafting our Bill of Rights and our first amendment protection. Justice Thomas further argued that the key time for political speech is during campaigns. He wrote:

“The Founders sought to protect the rights of individuals to engage in political speech because a self-governing people depend upon the free exchange of political information. And that free exchange should receive the most protection when it matters the most—during campaigns for elective office.

The Supreme Court, in Buckley v. Valeo, emphasized the importance of
protecting political speech. The Court wrote:

The First Amendment denies government the power to determine that spending to promote one's political views is wasteful, excessive, or unnecessary. In a free society governed by our Constitution, it is not the government, but the people—individually, as citizens and candidates, and collectively, as associations and political committees—who must retain control over the quality and range of debate on public issues in a political campaign.

The Court was telling Congress, essentially, to stay out. It was saying don't diminish the first amendment rights of citizens and organizations to participate in political debate. Don't restrict the means by which the people of this nation make informed decisions about candidates running for federal office.

The fact is, Mr. President, in order to embrace the freedoms guaranteed by the first amendment, we must allow others to exercise those freedoms. Title II runs to that, and in the process, violates our Constitution.

Title II hugely undercuts the McCain-Feingold campaign finance reform bill. It has turned the campaign finance debate on its head. It has turned the campaign process, violates our Constitution. We must not let that great Constitution, that great Bill of Rights, that first amendment be chipped away by efforts clearly aimed at protecting the self-interests of the incumbent political candidates. To do any less, as we change the law, is to do less than would fly in the face of our democracy and the American people whom we are here to serve.

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. DOMENICI. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

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

Mr. DOMENICI. I ask unanimous consent I may proceed as in morning business for 2 minutes.

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

The Senator from New Mexico is recognized.

Mr. DOMENICI. I thank the Chair.

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 638 are similarly indexed under “Statements on Introduced Bills and Joint Resolutions.”)

Mr. DODD. Mr. President, 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. DODD. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

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

Mr. DODD. Mr. President, I now suggest a period of, say, 15 minutes for general discussion on an agreement that has been reached between Senator THOMPSON and Senator FEINSTEIN. On the purpose of that discussion, why don’t I yield to Senator THOMPSON of Tennessee to begin the discussion and then Senator FEINSTEIN as time permits, as far as this agreement, or others who may want to talk about it. My hope is that we would have less inflammatory language which would include this compromise which we would be able to offer as a modification of the Thompson amendment, and a vote to occur thereon shortly after the debate is concluded.

The PRESIDING OFFICER. Does the Senator have a unanimous consent request?

Mr. DODD. No. We are just going to proceed in this regard.

The PRESIDING OFFICER. Senator from Tennessee is recognized.

Mr. THOMPSON. Mr. President, I think the Senator from Connecticut is correct. Senator FEINSTEIN and others and I have been meeting, talking about how we might come together for a unified modification of my amendment. As this body knows, my amendment was not tabled. Senator FEINSTEIN’s amendment was not tabled. That was the basis for our discussion.

We acknowledge readily that it was certainly appropriate to increase the hard money limits in certain important categories.

We had a full discussion of those categories of concerns and desires on either side.

Pending the language and subject to comments of my distinguished colleague from California, I would like to basically outline the highlights of the currently pending agreement.

The individual limitation to candidates, which now stands at $1,000, will be increased to $2,000 and indexed. The PAC limitation of $5,000 under current law stays at $5,000. The State and local committees, which are currently $5,000 a calendar year under current law, will go to $10,000 per year. The contribution to national parties, which under current law is limited to $20,000 a year, will go to $25,000 a year and be indexed at the base.

The aggregate limit, which is now $25,000 per calendar year under current law, will go to $37,500 a year and be similarly indexed.

We will double the amount that national party committees can give to candidates from $17,500 to $35,000 and be similarly indexed.

A part of our agreement also has to do with the amendment originally from Senator SCHUMER, that was later incorporated into the Feinstein amendment, having to do with the 441 situation he described pending the Supreme Court decision in the Colorado case; that we expect a part of our agreement with regard to this modification is that it will not be a part of this Thompson-Feinstein modification but will get a vote separately shortly after the vote on this.

I believe that basically outlines the major provisions of the agreement.

I relinquish the floor and ask my distinguished colleague from California to make any statement she cares to.

The PRESIDING OFFICER. Senator from California.

Mrs. FEINSTEIN. Thank you very much, Mr. President. I thank the Senator from Tennessee, the Senator from Wisconsin, the Senator from Arizona, the Senator from Connecticut, the Senator from Mississippi, as well as
the senior Senator from New York—all who participated in this negotiation.

Essentially the question was around whether we could bring enough people together to settle what is a question that has become a major problem: that is, how do we account for inflation in hard money because it is likely we will not address this issue for another 20 or 30 or 40 years. Therefore, this is a bill that has to stand the test of time.

Many of us are deeply concerned that once you restrict soft money in campaigns and in parties, you create an opportunity for this soft money to go into the issue of advocacy of independent campaigns. It is undisclosed. It is unregulated, and what we want to try to avoid as much as we can is a transfer of millions of dollars of soft money from campaigns into millions of dollars of soft money into independent campaigns.

The way we do this is by trying to find a modest vehicle by which we can come together and agree on how much an individual contribution limit should be raised. I am very pleased to say that contribution limit in the bipartisan agreement is $2,000. That $2,000 would be indexed on the inflation from a baseline that is provided now. We will speak about in a moment, for in

In my view, and I hope in Senator THOMPSON’s view, this gives us an opportunity to meet the future and to see that there is a modest increase. It is not a tripling of the individual limit. It is simply increasing it from $1,000 to $2,000 and then indexing it to inflation, but that the baseline now, we hope, where both sides can come together and vote for this bill.

I, for one, happen to think the indexing is healthy. I think it gives us an opportunity to say that we don’t come back again, to reopen the bill, but that we live by the bill as it is finally adopted.

I really thank the Senator from Mississippi who began this fight with me. I thank the Senator from Tennessee for our ability to sit down together and have a turkey sandwich and also come to this agreement. I think it is a very important step forward for the bill.

I thank the Senators from Wisconsin and Arizona for their persistence in moving this along. I yield the floor.

May I ask if the modification is available?

Mr. DODD. As my colleague spoke, an amendment. I thought it. The modification has arrived.

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

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant clerk proceeded to call the roll.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the order for the question be suspended.

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

UNANIMOUS CONSENT AGREEMENT

Mr. MCCONNELL. Mr. President, under the provisions of the consent agreement with the concurrence of Senator FEINSTEIN, myself, and Senator DODD, Senator THOMPSON will now send a modification to the desk.

In addition, I ask unanimous consent that the Feinstein amendment be withdrawn and 30 minutes of debate equally divided in the usual form prior to the vote on the Thompson amendment, as modified, with no amendments in order to the amendment. I further ask consent that following the vote, the pending DeWine amendment be set aside, Senator SCHUMER be recognized to offer an amendment, and there be 60 minutes equally divided in the usual form. Finally, I ask consent that following the use or yielding back of the time, the Senate proceed to a vote on the Schumer amendment, with no amendments in order to the amendment.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

The amendment (No. 151), as modified, was withdrawn.

Mr. THOMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. THOMPSON. Mr. President, it is my intention to send a modification to the desk very shortly. It might take a couple moments.

Mr. DODD. To save a little time, if my colleague would yield, Mr. President, I have been looking at a couple drafting notes from legislative counsel. I have spoken on numerous occasions over the last several days of my concerns of raising the hard dollar limits that individuals may contribute on the theory that I do not think there is too little money in politics, on the contrary, I think there is too much money. We are shutting down the door of soft money. Fine, as it should be. However, my concern is that we are also bashing open the back door with hard dollars amounts. To the average citizen in this country, there is no distinction between hard and soft money. We make the distinction for the reasons we are all aware of. What I believe is people are sort of disgusted with the volume and amount of money in politics. This agreement is one I am going to support. I do so reluctantly. However, I support the underlying McCain-Feingold bill. I think it is very important that we take steps forward to change the present campaign finance system. I regret we are adding to the huge dollar limits on contributions that individuals can make to candidates, national political parties, and overall aggregate annual limit.

I come from a small State. I represent a State of 3.5 million people. My colleague from California represents a State 10 times that size. I recognize there are distinctions between these States. For example, campaigning is far more costly in California than it is in a State such as my own. I accept there needs to be some increase.

The modification Senator THOMPSON graciously worked out with Senator FEINSTEIN exceeds what I would do. It is certainly less than what was offered by the colleague from Tennessee, Senator HAGEL. It was less than what others wanted as well. It reduces substantially the aggregate amounts that were originally being offered at $75,000 per year or $150,000 a couple, down to $37,500 per calendar year. That still is too much, in my view, but it is a lot less than it otherwise could have been.

There are some other changes dealing with individual contributions to State and local party committees and the national parties. However, limits remained the same. We provided indexing for inflation. Again, this is something I have reservations about. I recognize that in any legislative body, if you are trying to put together a bill where 100 different people have something to say about it, and you have to produce 51 votes, then you are going to have to give something if you are going to accomplish the overall goal.

My overall goal has been for years to get McCain-Feingold adopted in law. I think it was not a goal I was going to accept regardless of what was in the bill. Had we gone beyond these individual contribution limits we had
agreed to in these modifications, I would have had a very difficult time supporting the McCain-Feingold bill. I will support McCain-Feingold. I urge my colleagues to do so. We have other amendments to address on both sides of the aisle that people want to add to this bill. In my view, this is a worthwhile effort. I commend my colleague from Tennessee—he is a noble warrior, a good fighter and debater, and a good negotiator—and our colleague from California who likewise has or did explain a good cause. I thank Russ Feingold and John McCain. I know this goes beyond even what they would like to do. We recognize we can't do everything exactly as we would like to do it. I believe this modification still is within the realm of the McCain-Feingold restrictions. For those reasons, I will support the bill.

AMENDMENT NO. 169, AS MODIFIED

The PRESIDING OFFICER (Mr. Brownback). Under the previous order, the Senator from Tennessee has the floor to send the modification to the desk.

Mr. THOMPSON. Mr. President, the modification has been sent to the desk. The PRESIDING OFFICER. Under the previous order and without objection, the amendment is so modified.

The amendment, as modified, is as follows:

On page 37, after line 14, insert the following:

SEC. 2. MODIFICATION OF CONTRIBUTION LIMITS.

(a) Increase in Individual Limits.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (A), by striking "$3,000" and inserting "$2,000"; and

(2) in subparagraph (B), by striking "$20,000" and inserting "$12,000".

(b) Increase in Aggregate Individual Limit.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)), as amended by section 102(b), is amended by striking "$30,000" and inserting "$50,000".

(c) Increase in Senatorial Campaign Committee Limit.—Section 315(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(b)) is amended by striking "$17,500" and inserting "$35,000".

(d) Indexing of Contribution Limits.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences,

(B) by inserting "(A)" before "At the beginning"; and

(C) by adding at the end the following: "(B) The Members held in subparagraph (C), in any calendar year after 2002—

(i) a limitation established by subsections (a)(1)(A), (a)(1)(B), (a)(3), and (h), or (B) shall be increased by the percent difference determined under subparagraph (A); and

(ii) each amount so increased shall remain in effect for the calendar year; and

(iii) except after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

(C) in the case of limitations under subsections (a)(1)(A), (a)(1)(B), (a)(3), and (h) increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election."); and

(2) (c) by striking "the calendar year 1974" and inserting "the calendar year 2001".

(e) Effective Date.—The amendments made by this section shall apply to contributions made after the date of enactment of this Act.

Mr. THOMPSON. I yield 5 minutes to the Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I, too, commend the Senator from Tennessee. I would love to have gone further to really provide full indexation for the limits that were established in 1974, 26 years ago, and were thought to be appropriate at that time. But any increase in hard money limits is a step in the right direction.

To give you an idea of what the world without soft money is going to look like for our national parties, we took a look at the 2000 cycle, the cycle just completed, as an assumption that the party committees would have had to operate in 100 percent hard dollars, which is the way they will have to operate 30 days after this bill becomes law. The Republican National Committee under the current system had 75 million net hard dollars to spend. So the Republican National Committee would go from 75 million net hard dollars that it had to spend last cycle down to $37 million.

The Democratic National Committee, in a 100-percent hard money world, last cycle, would have had 20 million net hard dollars to spend. So the Democratic National Committee would have had $48 million under the current system. So the Democratic National Committee would go from 48 million net hard dollars down to 20 million net hard dollars, if you convert the last cycle into a 100-percent hard money world.

Finally, let me take a look at the two senatorial committees. The Republican Senatorial Committee last cycle under the current system had 14 million net hard dollars to spend on behalf of candidates. In a 100-percent hard money world, they would have had about 1.2 million net hard dollars to spend for candidates. Our colleagues on the other side of the aisle, the Democratic Senatorial Committee, in the current system had 6 million net hard dollars to spend on their candidates. In a 100-percent hard money world, they would have had 800,000 hard dollars to have spent on all of their 33 candidates.

One thing that is not in debate, that is no discussion about it, this is going to create a remarkable, a huge shortage of dollars for the party committees. At least the Senator from Tennessee is trying, through negotiating an increase in the hard money limits for parties and providing indexation, to help compensate for some of this dramatic loss of funds that all of the party committees are going to experience 30 days after this bill becomes law.

I thank the Senator from Tennessee for the effort he made. I wish we could have done more. I hear there are plenty on the other side who wish we would have done less. This is at least a step in the right direction.

We are going to have a massive shortage of funds in all of the national party committees to help our candidates. It is going to be a real scramble. Hopefully, this will help a bit make up at least a fraction of what is going to be lost on both sides that will be available for candidate support.

I intend to support the amendment of the Senator from Tennessee.

Mr. THOMPSON. Mr. President, do I control the time?

The PRESIDING OFFICER. The Senator controls 11½ minutes.

Mr. THOMPSON. I ask the Senator from Arizona if he wishes to be heard at this time.

Mr. MCCAIN. One minute.

Mr. THOMPSON. I yield 1 minute to the Senator from Arizona.

Mr. MCCAIN. Mr. President, I want to take a minute to thank Senator Feinstein and Senator Thompson. I have been privileged to see negotiations and discussions between people of good faith and a common purpose. I was privileged to observe that in the case of Senator Thompson and Senator Feinstein. The Senator from Oklahoma, Mr. Nickles, was very important, as was the Senator from Michigan, Mr. Levin, as well as Senator Hagel of Nebraska and others, as well as the Senator from New York, Mr. Schumer. I know I am forgetting someone. I am forgetting some other individuals involved.

I am proud that people compromised without betraying principle to come to a common ground so we can advance the cause of this effort. I express my deep and sincere appreciation to those Senators who made this happen, as well as our loyal staffs.

Mr. THOMPSON. Mr. President, I yield 2 minutes to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I thank the Senators who took the lead in the negotiations, especially the Senator from Tennessee who, again, has had so much to do with this reform, and the Senator from California. They were extremely skilled at bringing us together. I thank Senator McCain, Senator Cochran, who was part of the effort, Senator Feinstein, Senators Dodd, Levin, Schumer, of course, Senators Reid and Daschle, Senators Nickles and Hagel, who were all involved.

I join in the remarks of the Senator from Connecticut. This particular
The amendment doesn’t move in the direction that fits my philosophy. I believe we should stay where the levels are, as do many of my Democratic colleagues. I very regrettably came to the conclusion that we had to do it. I realized if we are going to get at the No. 1 problem in today, the loophole that has swallowed the whole system, as Senator Thompson has said, we had to make this move. I am grateful that we were able to keep the individual limit increase to a reasonable level. Although I would prefer that it not be indexed, I will vote, at least we won’t have to hear anymore that it isn’t indexed for inflation because it is. So the next time Senators have to deal with this issue 20 years from now or 30 years from now, at least that very troubling and persistent argument will not be there. I thank all my colleagues and look forward to the vote on the amendment.

Mr. THOMPSON. How much time is remaining?

The PRESIDING OFFICER. The Senator from Tennessee controls 8 minutes 45 seconds. The Senator from Connecticut controls 11 minutes 30 seconds.

Mr. DODD. Mr. President, I don’t know of any other requests to speak. I think we are familiar with this issue. Does my colleague from California wish to be heard?

Mrs. FEINSTEIN. I think I have said what I needed to say. Maybe we can conclude the rest of our time and have a vote.

Mr. DODD. I am prepared to yield back our time. Mr. THOMPSON. We have other amendments on this side. There are several over there. We have to keep things going.

Mr. DODD. We yield back our time. Mr. THOMPSON. The yeas and nays have been ordered?

The PRESIDING OFFICER. Yes, the yeas and nays have been ordered.

The PRESIDING OFFICER. The amendment (No. 149), as modified, was agreed to.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, again on the wings of angels, the Senator from New York has arrived.

The PRESIDING OFFICER. The Senator from New York is recognized to offer an amendment.

AMENDMENT NO. 135

Mr. SCHUMER. Mr. President, I have an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk reads as follows:

The amendment (No. 149), as modified, was agreed to.

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

The amendment is as follows:

(Purpose: To express the sense of the Senate that the Senate should schedule immediate consideration of an amendment that is of great importance here to urge my colleagues to support an amendment that is of great importance to keep the individual limit increase to a reasonable level. Although I would prefer that it not be indexed, I will vote, at least we won’t have to hear anymore that it isn’t indexed for inflation because it is. So the next time Senators have to deal with this issue 20 years from now or 30 years from now, at least that very troubling and persistent argument will not be there. I thank all my colleagues and look forward to the vote on the amendment.

The Senator from New York, Mr. SCHUMER. Mr. President, can I suspend for a minute? I believe they have read the wrong amendment at the desk.

I ask unanimous consent the previous amendment be withdrawn.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

The amendment (No. 135) was withdrawn.

The amendment is as follows:

(Purpose: To condition the availability of television media rates for national committees of political parties on the adherence of those committees to existing coordinated spending limits)

On page 37, between lines 14 and 15, insert the following:

SEC. 205. SENSE OF THE SENATE.

(a) FINDINGS.—The Senate finds that—

(1) the right to vote is fundamental under the United States Constitution;

(2) all Americans should be able to vote unimpeded by antiquated technology, administrative difficulties, or other undue barriers;

(3) States and localities have shown great interest in modernizing their voting and election systems and require financial assistance from the Federal Government;

(4) more than one Standing Committee of the Senate is in the course of holding hearings on the subject of election reform; and

(5) election reform is not ready for consideration in the context of the current debate concerning campaign finance reform, but requires additional attention from committees before consideration by the full Senate.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Senate should schedule election reform legislation for floor debate not later than June 29, 2001.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. SCHUMER. How much time do I have, Mr. President?

The PRESIDING OFFICER. Under the previous order, the two sides have 30 minutes each to debate the amendment.

Mr. SCHUMER. Mr. President, I am here to urge my colleagues to support an amendment that is of great importance to the future of McCain-Feingold and to the bill in general that we are debating, particularly in light of the fact we have just raised hard money limits.

Let me ask my colleagues what this is all about.

Mr. President, may we have order.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from New York.

Mr. SCHUMER. Mr. President, can I suspend for a minute? I believe they have read the wrong amendment at the desk.

I ask unanimous consent the previous amendment be withdrawn.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

The amendment (No. 135) was withdrawn.

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(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Senate should schedule election reform legislation for floor debate not later than June 29, 2001.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. SCHUMER. How much time do I have, Mr. President?
that political party of each State in which the advertisement is televised, will adhere to the expenditure limits, for the calendar year in which the general election to which the expenditure limits apply, that would apply under such section as in effect on January 1, 2001.

(ii) Rate Not Available for Independent Expenditures—The rate prescribed under section 315(d)(3) of the Federal Election Campaign Act of 1971 are held to be invalid by the Supreme Court of the United States, then no television broadcast station, or provider of cable or satellite television service, shall be required to charge a national or State committee of a political party that submits a certification under such section, on the expenditure limits, for the calendar year in which the advertisement is televised, will adhere to the expenditure limits, for the calendar year in which the general election to which the expenditure limits apply, that would apply under such section as in effect on January 1, 2001.

(b) Federal Election Commission Rule-Making.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following:

"(4) If the limits on expenditures under paragraph (3) are held to be invalid by the Supreme Court of the United States, the Commission shall prescribe rules to ensure that each national committee of political party that submits a certification under section 315(b)(2)(B) of the Communications Act of 1934, and each State committee of that political party described in such section, complies with such certification.

(c) Severability.—If any provision of this section is held by the Supreme Court to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendments to any person or circumstance, shall not be affected by the holding.

Mr. SCHUMER. Mr. President, this amendment is vital to the effectiveness of McCain-Feingold, particularly in light of the large increase in hard money limits which we have passed by a large margin in the Thompson-Feinstein amendment. It is necessary because of an impending Court decision. The Supreme Court has already heard the case and is about to issue a decision related to the 441(a)(d) limits.

Let me first explain what the 441(a)(d) limits are, what the Court case is, what it does, and why it is so important. As we all know, there are 441(a)(d) limits, whereby a national party—in this case the Democratic Senatorial Campaign Committee or the National Republican Senatorial Committee—can contribute a certain amount of money directly to a candidate. There is complete coordination allowed between the party and the candidate by the recent Supreme Court decision. That amount of money is limited by the amount of voters in the State. If a voter increases the rate, so it runs from a high of over $2 million in California, $1.8 million in my State of New York, down to a low in the State of Wyoming and places such as that, probably no more than a couple of hundred thousand dollars.

The case before the Supreme Court, which is called FEC v. Colorado Republican Federal Campaign Committee, has been argued. There it has been argued that those limits should be lifted, that there should be no limit as to the amount of money a national party organization can give to a candidate for the Senate or for the House.

What this would do, if the Court should rule favorably and uphold the lower court, is very simple. It would allow parties to go around and raise money in large, large amounts. After the Feinstein amendment that has passed, that would be $25,000 a year or $150,000 every 6 years, and then with complete coordination, the party could give that money to any particular candidate.

The consequences are obviously the $1,000 and $2,000 we have now would have become much less important and large donors could contribute, through the national parties, obscenely large amounts of money to candidates. In effect, the Court decision would, if the 441(a)(d) limits were lifted, pull the rug out from under McCain-Feingold, all the more so because of the increase we have made in hard money limits.

You can call it hard, you can call it soft—it is large. The whole purpose of getting rid of soft money was not that we were discussing whether it was so large that it was unlimited. Imagine, after passing McCain-Feingold and having it signed into law—which I hope will happen—that the Supreme Court could make that ruling and then we back into a McCain-Feingold bill that is where large contributions governed. That, in my judgment, would be a serious error on our part. That, in my judgment, would so undermine McCain-Feingold that we would have to be back here next year changing the law again.

I have heard colleagues say we will not come back for 20 years. If the Court rules in favor of Colorado Republican Federal Campaign Committee, which most of those who have looked at the case believe they will, we will not be back here in 20 years; we may be back here in 20 months.

The amendment I have offered tries to ameliorate these conditions. In all candor, it does not eliminate them, but it does make them better. It does it very simply by saying, if a candidate should wish to go above the 441(a)(d) limit, the 2 cents per voter in his or her State, they cannot take advantage of the low-rate television time that is now offered in McCain-Feingold.

It is an incentive as many other incentives—to have candidates abide by limits. Again, could a candidate violate those limits? Yes. They would just pay a lot more for their television advertising, which of course is the No. 1 expenditure in just about every hotly contested race.

Some have brought up the issue of constitutionality. Others have asked: Why are we legislating this at the time when we do not even know how the Court will rule? In answer to the second question, this amendment has no effect if the Court rules to keep the 441(a)(d) limits. No one can go over those limits and we will hold as constitutional. That is just fine. This amendment is designed to deal with the advent, the likely advent that the Supreme Court does rule. If we should fail to pass this amendment, which I know is subject to heated debate—the parties feel quite differently about this and I expect the vote will be very close, but if we should fail to pass it, I would say on the individual side, the parties will continue, $25,000 our new limit, and we will lose 90 percent of McCain-Feingold will be undone.

It will allow a couple to give, through the party, $300,000 to a Senate candidate. It is true, of course, that the parties might solicit and say that we will, for sure, contractually almost, give the money to that candidate. But they can do virtually everything but. It would also allow a party to go to someone and say: Give us $100,000 over the next few years and we will give $25,000 to our four toughest races.

The whole idea of McCain-Feingold to stick to the $1,000 and the $2,000, or now the $2,000 and $4,000, limits, would be undone, again constitutionality, which seems to be the major argument against this.

In the amendment is the severability clause, and in that severability clause we say, of course, if this is thrown out, it will not affect the rest of the McCain-Feingold bill. Some say that is not necessary. But we put it in there just to deal with anyone who was not satisfied with the general language in the bill.

Second, on constitutionality, the courts have ruled already that voluntary limits may be placed on speech to further other goals.

The underlying case is Buckley v. Valeo which said that a government benefit can be conditioned on a candidate’s voluntary agreement to forego other sources of funding. The $1,000 limit on Buckley v. Valeo is very simple. It has been in existence and upheld and would apply in this case.

Another case in 1979 where the Presidential limits were set is also applicable. It is called RNC, the Republican National Committee, versus the FEC. I believe it is a 1979 case before the Supreme Court. There again it was stated that in return for limits on campaign contributions—in this case, the Presidential limits, which every Presidential candidate until George Bush of this year abided by—the government could confer benefit, in this case money.

The only difference with what we are doing is instead of providing money to benefit, they are providing low television rates, which is in a sense money. It is perfectly clear, and it has been repeated by the courts, that a voluntary limit on speech in exchange for another benefit is repeated and further that same goal is constitutional.

I know some have seen the Colorado case. If they bring it up, I will rebut it. But I want to conclude before I yield my time by pleading with my colleagues to support this amendment. I salute all those of us who have worked on McCain-Feingold. I salute both the Senator from Arizona and the Senator...
from Wisconsin for their leadership, the Senator from Kentucky, and the Senator from Connecticut for conducting this debate in a fair, admirable, and open fashion, and all the others who have worked on this issue.

Everyone sort of had a vested interest but no one that I have seen amendment. If we pass the amendment only to see it undone in large part 3 months from now. It would increase the cynicism of the public. It would increase for thousands of us who believe in reform the view that nothing could be done, and it would make it harder to continue reform. It would be close to a tragedy.

After all the work done by so many, if the 441(a)(d) limits were lifted and hard money could cascade into candidates just the way soft money does now, we would be making a major mistake.

I urge my colleagues to support this amendment. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. MCCONNELL. Mr. President, last week Senator SCHUMER stated that the Supreme Court’s decision in FEC v. Colorado Republican Federal Campaign Committee could deluge the system with unlimited amounts of money raised in enormous amounts through the national parties for specified campaigns.

This statement was false.

As Senator SCHUMER recognized, the Colorado case is about coordinated party expenditures by the national committees on behalf of House and Senate candidates.

The FECA has a formula to calculate these limits based on the size of the state which ranged from $135,000 in Montana to $3,200,000 in California in 2000.

Senator SCHUMER’s attempt to portray these expenditures as soft dollar contributions is false. Coordinated party expenditure always have been, and always will be 100 percent hard money.

The hard money limits to the national committees which were set in 1976 were $20,000 per year for an individual and $15,000 per year from a PAC.

The coordinated party limits at issue in the Colorado case are the last vestige of spending limits in FECA.

In 1976 the Supreme Court in Buckley struck down expenditure limits on candidates and their committees and limits on independent expenditures.

In 1996 the Supreme Court in Colorado I ruled that party committee’s can make independent expenditures, in addition to coordinated expenditures. (See sec. 213 of S. 27) The Court remanded the question of the coordinated limits back to the district court which became the Colorado case pending before this Court.

If the Supreme Court strikes down the coordinated party limits in the Colorado case, the only impact is that national parties will be able to spend unlimited amounts on behalf of their candidates.

However, these expenditures must still be all hard dollars, raised under the limits of FECA.

As for concern that striking these limits will lead to enormous amounts of party money going into the system, I would point out that in the 2000 cycle, Republican parties spent $28,009,000 on all coordinated expenditures and Democratic parties spent $20,000,000. This is the total for all races—Presidential, Senatorial and Congressional—470 races nation-wide.

Senator SCHUMER also presented a scenario where national parties are a mere pass-through for candidates. This is false for soft dollars. For hard dollars it is called earmarking.

Current law permits donors to earmark contributions through national party committees directly to be used on a specific candidate’s behalf. However, it is subject to the $1,000 contribution limit.

For example, if a donor gives $1,000 to the RNC and directs it to a specific candidate, the $1,000 is a contribution to the candidate.

However, if a donor gives $20,000 to the DSCC and directs it to be spent on behalf of a specific candidate, it is a $20,000 contribution to that candidate—a violation of the contribution limits under FECA.

This has been tried before and squarely rejected.

In 1995 the DSCC paid the largest fine ever by a national committee for engaging in this type of activity. In that case the DSCC and Democratic Senate candidates were raising large amounts of money into the DSCC to be “tallied” for use on that candidate’s behalf. These contributions were earmarks and exceeded the contribution limits to candidates.

The DSCC was fined $75,000, forced to end that tally program and was and is required to include specific language on all solicitations clarifying that money raised in the DSCC is spent “as the Committee determines within its sole discretion.”

To be clear, coordinated expenditures are made with all hard dollars given to the party committees and cannot be restricted for use on specific candidates. There is simply no legal way to circumvent that law. The constitutional problem with the Schumer amendment is that if the Supreme Court strikes down the coordinated limit as unconstitutional, then the Schumer provision will require parties to continue to abide by an unconstitutional limit in order to get the lowest unit rate.

This is a classic unconstitutional condition and would make the whole bill further subject to problems in Court.

I hope the Schumer amendment will not be approved.

It is my understanding that there is a desire on both sides to have a quick vote. Is that correct?

Mr. DODD. Yes. If I may, Mr. President, let me respond to my colleague from Kentucky by saying that this amendment has been debated and discussed. The Senator from New York has, I know, at least three different occasions explained this amendment and its value to him.

I think we have had a pretty good debate. I recommend to my friend and colleague from Kentucky that we have a vote on or in relationship to the Schumer amendment at 5:30.

I believe there is a meeting for some of our colleagues at the White House at around 5:30. My hope would be we might have this vote before that meeting occurred. That would give those who would like to be heard on this amendment some time to come to the floor and to express their views on this.

Mr. MCCONNELL. I say to my colleagues from New York, as he has done characteristically throughout his public career—certainly as long as I have known him as a Member of the other body and as a new Member of this body—has literally discovered, in a sense, what could be the new soft money loophole if we do not deal with this.

I say to my colleagues, for those who care about McCain-Feingold, care about what we are trying to do on soft money, as almost every legal expert in the country who is knowledgeable about campaign finance laws has predicted, this will be the decision in the Colorado case II. The section 441(a)(d) coordinated expenditure limits will be held unconstitutional by a majority of the Supreme Court in the Colorado II case. The practical results is that when spending limits on the national parties are removed from the hard dollar cap, then the parties can contribute to Federal candidates, directly or indirectly, with unlimited sums of money. If I have misspoken here, my colleague from New York will correct me. I believe this summarizes the sum and substance we believe is about to happen. If, of course, the Supreme Court goes the other way and rule the section 441(a)(d) limits constitutional, then this amendment has no effect. But if the coordinated spending limits are overturned, as the Senator from New York has predicted, and as others have suggested, we will not be obligated to return to this subject matter.

Knowing how painful it is to spend as many days as we have already without getting final issues, it could well be another 25 years before we would come back to this subject matter.
In the meantime, we could have a Supreme Court decision that would blow open the doors for hard money, or the new soft money loophole, having spent all these days working to shut down the existing soft money loophole and limiting the hard dollar contributions in order to have the most effective amendment. Let me quickly add, again, I voted for the Thompson modified amendment. I did so reluctantly. I disagree with the notion that we had to increase these hard dollar limits of individual contributors as much as the Thompson modification allowed.

Now to reject the Schuman amendment, and by doing so allow unlimited hard dollar contributions would fly right in the face of everything a majority of us have spent the last 10 days working to accomplish. We have improved, in my view, the McCain-Feingold bill. It is a better bill in many ways than it was when it came to the floor a week and a half ago. If we reject this amendment, in light of what is clearly going to happen in the court, we will undo much of what we have done, not only over this past week and a half, but what Senator McCain and Senator Feingold have achieved with those of us who have sponsored or cosponsored their efforts over the past several years.

So I urge my colleagues to take a close look at this. Try to understand what the Senate from New York is saying here. He is saying if, in fact, the coordinated party expenditure limits are ruled unconstitutional, then we need to provide a voluntary mechanism for how such limitations may be dealt with. He does it in a way that tracks the two Supreme Court decisions in the Colorado Republican cases and on first amendment issues very successfully. Having read these decisions carefully, he has now crafted a proposal that is directly in sync with these decisions, including the projected decision in Colorado II, where nexus has to occur between the activities and there is no mandatory requirement attached.

While I am not an expert in this area of the constitution, but based on what I have read, if you meet the two criteria I suggested, then your proposal can pass constitutional muster. I think it is our collective judgment to move forward in this area.

Last week we passed an amendment that would prohibit millionaires from running against us incumbents. We allowed the hard dollar contributions to immediately go up if someone out there challenges us. If the challenger suggests he or she might spend half a million dollars of their own money against us, then the trigger threshold comes into play. I voted against it because I thought it was a ludicrous amendment. But, if you felt comfortable that amendment was adopted and you are protected from the personal wealth of a challenger, then don't start breathing a sigh of relief now. The millionaire amendment is here. I would pause before I would enjoy the sense of security. If this amendment is rejected, then you could face million-dollar contributions going to your opponent if, in fact, the Supreme Court does what many think it will do, and strike down the spending limits.

So, again, Mr. President, I do not see a proponent of the amendment. I think you ought to support this amendment. None of us here—nor any challenger—should face the possibility of watching almost unlimited contributions come through national or State party committees without any of the restrictions at all. Particularly after a majority of us—a significant majority of us—believe there should be some limitations, some slowing down of a process here the amount of money is getting out of hand.

With that, Mr. President, I see my colleague from Michigan who has been eloquent on this subject matter and understands it almost as well as the Senator from New York and certainly better than I do. The Senator from Connecticut. So I would be happy to yield to him 2 or 3 minutes to correct any mistakes I may have made in describing what this amendment does and how it works.

The CHIEF ROLLING OFFICER (Mr. Al- lard). The Senator from Michigan.

Mr. LEVIN. Mr. President, I thank my good friend from Connecticut. I wish I could come close to him in terms of knowledge of this subject, or my friend from New York. I just want to very briefly say one thing. We have been guided so far, a majority of us, by a principle; and that principle is, there should be limits. That is what this debate is all about. We have limits on individual contributions. We have now decided what those limits would be. We have limits on PAC contributions, limits to PACs, limits to State and party committees, limits on national party committees, and aggregate limits.

What this debate is about is restoring limits to campaign contributions. Without McCain-Feingold, or a variant thereof, we have the status quo: Unlimited contributions to campaigns. Despite the fact that our law—our law—says there should be limits, there has been a loophole created which has destroyed that law—destroyed the limits—and we have seen the result.

There is one potential loophole left. That is the loophole of watching almost unlimited contributions come through national or State party committees without any of the restrictions at all. Particularly after a majority of us—a significant majority of us—believe there should be some limitations, some slowing down of a process here the amount of money is getting out of hand.

We are here now because we realize how important this issue is. It was said exactly right, in answer to the Senator from Kentucky; some things that are unconstitutional when mandatory are perfectly constitutional when voluntary. This is the case now.

I find it interesting that my friend from Kentucky is talking about the unconstitutionality of this provision when yesterday he voted for one and said: I knew it was unconstitutional, but it will help bring the bill down. Maybe he wants to do the same on this amendment.

Mr. SCHUMAN. If the Senator will yield.

Mr. SCHUMAN. I am happy to yield. Mr. McCONNELL. I will change my position, if he keeps talking. Mr. SCHUMAN. I want him to change his position. I want to reiterate to my colleagues, this is a crucial amendment. If we don't pass it, we will come back 6 months from now and say, why didn't we do it, because all the work on
McCain-Feingold, much of the work on McCain-Feingold—not all of it but certainly much of it—will be undone.

As my friend from Michigan said, limits are the theme of this bill. To say that we want to limit soft money but put no limits on hard money makes no sense. They are both greenbacks. Too much of one and too much of the other is not a good thing in our political financing system. That is all our amendment seeks to undo. It is reasonable. It is completely within the theme of McCain-Feingold.

I fear that if it is not passed, we will have trouble passing the bill as a whole, and, worse than that, we will have undone a good portion of what we tried to do with McCain-Feingold.

Mr. DODD. Mr. President, the proponents of the amendment are prepared to yield back the remainder of our time.

Mr. MCCONNELL. Mr. President, I yield back such time as may remain on this side.

Mr. DODD. Mr. President, I ask for the yeas and nays on the Schumer amendment.

The PRESIDING OFFICER. The legislative clerk called the roll. The question is on agreeing to the Schumer amendment No. 153. The clerk will call the roll.

The Yeas were as follows:—

Yeas—52, nays 48, as follows:

[Rollcall Vote No. 56 Leg.]

Yeas—52

Akaka Dorgan Lincoln

Baucus Durbin McCain

Bayh Edwards Mikulski

Biden Feingold Miller

Bingaman Feinsteins Murkowski

Boxer Graham Nelson (FL)

Breaux Harkin Nelson (NE)

Byrd Hollings Reed

Cantwell Inouye Reid

Carnahan Jeffords Rockefeller

Carper Johnson Saranche

Cleland Kennedy Schumer

Clinton Kerry Stabenow

Conrad Kohl Torricelli

Corzine Landrieu Voinovich

D permanent Lautenberg Wyden

Dayton Levin Wyden

Dodd Lieberman

Nays—48

Allard Enzi Murkowski

Allen Fitzgerald Nickles

Bennett Fritz Roberts

Bond Gramm Santorum

Brownback Grisham Sessions

Bunning Bunning Shelby

Burns Hagel Smith (NH)

Campbell Hatch Smith (OR)

Chafee Helms Snowe

Cochran Hutchinson Specter

Collins Hutchison Stevens

Craig Inhofe Thomas

Crapo Kyl Thompson

DeWine Lezak Thurmond

Domenici Lugar Voinovich

Ensign McConnell Warner

The amendment (No. 153) was agreed to.

Mr. DODD. I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Connecticut.

AMENDMENT NO. 152

Mr. DODD. What is the pending business?

The PRESIDING OFFICER. The pending business is the amendment of the Senator from Ohio, Mr. DeWINE.

Mr. DODD. On our side, I know the opponents have a request for about 20 minutes. I don’t know if the Senator from Ohio is prepared to accept a time agreement so we know when the next amendment might occur.

Mr. DeWINE. I am not prepared to enter into a time agreement. I will tell my colleague that I don’t anticipate it will be very long. We have a couple of speakers and we will be done. I don’t want to enter into a time agreement, but I think the projection we see of votes at 6:30, I certainly think we will make. I am very committed to the time agreement.

Mr. MCCONNELL. Mr. President, for the information of our colleagues, on this side of the aisle, I am aware of about eight amendments, some of which I hope will disappear. I hope by announcing this I do not encourage the proliferation of more. It is my understanding that a discussion is underway to water down or mitigate the coordination language in the underlying bill at the request of organized labor.

I assume we will see that amendment at some point during the process. I hope we will know whether Senator Dodd has any idea how many amendments may be left on this side.

Mr. DODD. Mr. President, in response to my friends and colleagues from Kentucky, I have 21 amendments. Now, we all have been down this road in the past. How many of those will actually be offered—I know around 12 at this juncture. I have asked the authors of these amendments how serious they are, and I would hope at least 8 or 13 feel very adamant. They may not need much time. We don’t necessarily need 3 hours as the bill requires or allows.

We are constantly working, trying to see if we can’t get this number down. We have a list. We are prepared to go through with several amendments. I have Senator Bingaman with amendments ready; Senator Durbin has amendments ready; Senator Harkin has amendments ready. We are prepared to move along based on the schedule the leadership wants to endorse.

Mr. MCCONNELL. It is my understanding the desire of the leadership is to finish up the debate on the DeWine amendment tonight. I understand the Senator from Ohio is not interested in a time agreement at this point but to have the vote in the morning.

In the meantime, I say to my colleagues from Connecticut and others, with regard to any amendment that might be considered in the opposition of the AFL-CIO to the bill by massac- ring the coordination language, we would like to see that when it is ready. That is the amendment I have been predicting for a week and a half, that there would be at some point an effort to water down the coordination language in the underlying McCain-Feingold bill in order to placate the AFL-CIO. We are anxious to see that language. I am sure it will pass, once offered, but we are asking them to take a look and make sure all Members of the Senate are aware of the substance of it.

It looks as though I may have fewer amendments to deal with than Senator Dodd. I suspect the sooner we shut up, the Senator from Ohio can continue his discussion of his amendment.

Mr. DODD. I am for that.

Mr. MCCONNELL. I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DeWINE. Mr. President, I have used about 30 minutes of my time and I think at this point I yield the opponents some of their time.

For the information of Members of the Senate, we have one or two speakers who will not speak very long, and we will be prepared to vote.

Mr. DODD. Mr. President, I yield 6 or 7 minutes to my colleague from Vermont in opposition to the DeWine amendment.

Mr. JEFFORDS. Mr. President, I rise today to once again discuss the Snowe-Jeffords provisions in the Bipartisan Campaign Reform Act. My focus today will be reassuring you that the Snowe-Jeffords provisions are constitutional.

We have grown concerned about our language to avoid violating the important principles in the first amendment of our Constitution. In reviewing the cases, limiting corporate and union spending and requiring disclosure have been areas that the Supreme Court has been most tolerant of regulation.

Since 1907, federal law has banned corporations from engaging in electioneering. In 1947, that ban was extended to prohibit unions from electioneering as well. The Supreme Court has upheld these restrictions in order to avoid the corrupting influences on federal elections resulting from the use of money by those who exercise control over a large amount of capital. By treating both corporations and unions similarly we extend current regulation cautiously and fairly.

We also worked to make our requirements sufficiently clear and narrow to overcome unconstitutional claims of vagueness and overbreadth that required us to review the seminal cases in this area, including Buckley v. Valeo. I have heard some of my colleagues argue that Buckley clearly shows that the Snowe-Jeffords provisions are unconstitutional. And I must disagree more strongly with that reading.

In fact, the language of the case must—should must be read to show that the Snowe-Jeffords provisions are constitutional. In Buckley the court limited spending that was for the purpose of influencing an election as I noted in my speech last Friday, 80 percent of the voters, an overwhelming majority, see these sham issue ads as trying to...
influence their vote and the outcome of the election.

Buckley also allowed disclosure of all spending, “in connection with an election.” As I discussed last Friday, 96 percent of the public sees these ads as connected with an election. In addition, the chart my colleague Senator S'nowe presented on the Senate floor last Monday clearly demonstrates that these ads are run in lock step with the candidate’s own ads. This makes sense this clearly proves that campaign issue ads are well connected with the election.

A final point concerning the Buckley decision. The Supreme Court was concerned about both deterring corruption and the appearance of corruption, plus ensuring that the voters were properly informed. The Snowe-Jeffords provision satisfies the Court’s concerns. We deter the appearance of corruption by shining sunlight on the undisclosed expenditures and ban corporate issue advertisements. Corruption will be deterred when the public and the media are able to see clearly who is trying to influence the election. In addition our provisions will inform the voting public of who is sponsoring and paying for an election advertisement by requiring that the address of the person or group paying for the ad be displayed. As my opponents may say, the Supreme Court using the standards articulated in the Buckley decision would uphold the Snowe-Jeffords provision as constitutional.

Our opponents also point to the Supreme Court decision in Massachusetts Citizens For Life as demonstrating that the Snowe-Jeffords provisions are unconstitutional. I would agree with my opponents that the MCFL decision seems to reaffirm the express advocacy test articulated in Buckley, but I would argue in upholding this test that the Court actually made it even more likely that the Snowe-Jeffords provisions would be upheld as constitutional. The MCFL decision said the standard articulated in Buckley by analyzing the context of a communication and divining its “essential nature.” As the results from the BYU Center for the Study of Elections and Democracy study I discussed earlier show, the essential nature of these sham issue-ads is to influence the outcome of an election. Presented with all of the facts provided by myself and Senator S'nowe, the Supreme Court would be constitu¬tional. The MCFL decision said the standard laid out in Buckley and MCFL. So rather than strengthening their case, the MCFL decision shows that the Court is willing to examine the issue closely and look beyond a strict interpretation of the magic words test that some have said the Buckley decision created.

A final court decision my opponents point to as supporting their position that the Snowe-Jeffords provisions are unconstitutional is the recent Vermont Right to Life decision in the second circuit. I must first point out that as a circuit court opinion it is not the law of the land. That can only come from the decisions of the Supreme Court, on which the provisions of the Snowe-Jeffords provisions are built.

Additionally, the facts that faced the second circuit in the Vermont Right to Life case are clearly distinguishable from the Snowe-Jeffords provisions. Unlike the Vermont statute that was vague and overbroad, our provisions are narrowly tailored to avoid overbreadth, and create clear standards that are interpreted by our provisions, thus avoiding the vagueness in the Vermont statute. In addition, the court focused much of its discussion in declaring the Vermont statute unconstitutional on the effects of the provision on modes of communication not covered by Snowe-Jeffords. As the Snowe-Jeffords provisions do not cover these types of communications, our language is distinguishable from the facts faced by the second circuit. So, don’t be fooled when the opponents of our provision say that the Vermont Right to Life case clearly shows that the Snowe-Jeffords provisions are unconstitutional. They are comparing apples with oranges, and such a conclusion is inappropriate.

In conclusion, James Madison once said, “A popular government without popular information is but a prologue to a tragedy or a farce or perhaps both. Knowledge will forever govern ignorance and a people who mean to be their own governors must arm themselves with the power which knowledge gives.”

The Snowe-Jeffords provisions will give the voters the knowledge they need. I ask for my colleagues continued support in this vital effort to restore faith in our campaign finance laws. It is time to restore the public’s confidence in our political system. It is time to increase disclosure requirements and ban soft money. It is time to pass the McCain-Feingold campaign finance reform bill. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, my colleagues and I have long believed that one of the issues that have been raised by the amendment and the motion to strike by my colleague from Ohio, Senator DeWINE.

I urge this body to oppose that motion to strike the provisions known as the Snowe-Jeffords provision. A vote to strike these provisions is essentially a vote against comprehensive reform. A vote against this provision is a vote against balanced reform. A vote against this provision is a statement that we are willing to tolerate part—albeit a vital part—of the problem that is confronting the political system of today.

The other part of the problem that we seek to address through these provisions is the glut of advertisements in elections—close to election time, close to election day—that seek to influence the outcome of Federal elections. So these ads are not disclosed or dis¬closed. We do not know who is behind those advertisements. Yet they are very definitively influencing the outcome of Federal elections.

To illustrate the amount of adver¬tising that we only have to look at what has happened since 1995-1999, when $135 million to $150 million was spent on these types of commercials. Now in the election of 2000, over $500 million was spent.

Is everybody saying it does not matter? That we should not know who is behind these types of commercials that are run 60 days before the election, 30 days before a primary, whose donors contribute more than $1,000? Are we saying it does not matter to the elec¬torate? Are we saying we do not care?

I know the Senator from Ohio is saying these provisions are unconstitutional. I would like to make sure my colleagues understand that this provision does not do that. It was developed with more than 70 constitutional experts, along with Norm Ornstein, a reputable scholar associated with the American Enterprise Institute. They looked at the constitutional and judicial implications of the Buckley v. Valeo decision back in 1976. They crafted this type of approach, which carefully and deliberately avoids the constitutional questions that my colleague, the Senator from Ohio, suggests may be raised.

First of all, we designed a provision to address the concerns that were raised in the 1976 Buckley decision about overbreadth, vague types of re¬strictions on the first amendment. So we went on to say that unions and corporations would be banned from participating directly in Federal elections. We also went on to say that unions and corporations would be banned from using their treasury money financing these ads when they mention a candidate 60 days before a general election or 30 days before a primary. Again, there is a basis in law extending back to 1907, when we had the Tillman Act that prohibited the participation of corporations in elec¬tions and, in 1947, the Taft-Hartley Act that prohibited unions from partici¬pating directly in Federal elections. This amendment and provision is building upon those decisions that were upheld and have been upheld by the Court. In fact, the most recent decision of 1990, Austin v. Chamber of Commerce, is again upholding...
those decisions in the prohibition of the use of corporations participating in Federal elections. That is what we have done. That is what we sought to do when designing this amendment. Are we saying these ads do not make a difference? We have seen and examined a number of studies over the last few years that talk about the influence of these ads on elections. What have we determined? No. 1, and I guess it is not going to surprise this audience which has participated in election after election and have seen these ads, but more than 95 percent of the ads that are run in the last 2 months, the last 60 days of the election, mention a candidate; 94 percent of those ads are seen as attempting to influence the outcome of an election. They mention a candidate's name. Virtually all the ads that are run in the last 60 days mention a candidate's name. Don't we have the right to know who is running those ads? Who is financing those ads? Yes. The Supreme Court has said it is permissible for Congress to have this requirement. It is in our interest. We have the right. It is not just the right to free speech. It extends to other restrictions that have been incorporated in Federal election laws.

Ninety-five percent of the ads that are run for the final 2 months of an election mention a candidate. The worry is when organizations run these types of ads is that they mention a candidate by name 60 days before an election. We have the right to know who the $1,000 donors are. We are also saying that unions and corporations would be banned from running those types of ads using their treasury money when they are mentioning a Federal candidate the last 60 days because of preexisting law that has stood for almost a century and has been upheld by the Federal court.

The provisions that are in play say that again, 94 percent have spots during the 2 months before the election making a case for a candidate. Again, we are entitled to know who is behind those types of advertisements. We have the right to know. The public has the right to know because they are playing a key role. We had a number of studies that examined the impact of these ads. Perhaps it wouldn't come as a surprise to this audience once again that 84 percent of the ads that were aired in the last 2 months of a Federal election were attack ads. They were negative. And they mentioned a candidate's name.

Again, we are saying we have the right to know. The Supreme Court will uphold our right to know and the public's right to know. This is sunlight; it is not censorship. In this next chart, only 1 percent of the ads were true issue advocacy ads.

In the final 2 months of an election, 99 percent identified a candidate by name. They were attack ads. Only 1 percent would be construed as being legitimate issue advocacy ads.

For example, on an ad that would say, "Call your Senator on an issue that is before Congress," they would still have that right. If they identified a candidate, however, they would be required to disclose.

On this chart we see the relationship between TV ads and the congressional agenda. We are trying to make distinctions between true issue advocacy ads and election ads. That is what this Snowe-Jeffords provision does. It is carefully crafted to make sure we have a narrow provision identifying the time period of 60 days and 30 days. We ban only union and corporation money. So the entities know which provisions affect them in the election.

Then we also require disclosure of those donors who contribute more than $1,000 to organizations that run ads that mention a candidate in the 60-day window. Again, groups or individuals will know exactly what is permissible and what is not and whether or not they would be running afoul of the law. That is what the Supreme Court said—that such vague provision to ultimately have a chilling effect on the constitutional right of freedom of speech. That is why this provision was so narrowly and carefully drawn, with constitutional experts examining each and every provision.

Look at the relationship between TV ads and congressional agenda. In the last 60 days we do a lot here in Congress before an election. So you are going to affect organizations' abilities to talk about those issues in their ads. Guess what. All the ads, virtually speaking, run by these organizations that mention or identify a candidate in that 60-day window parallel the ads that are run by the candidates themselves.

In the lower line at the bottom, which is the line that reflects the issues being debated in Congress, you can see that there is virtually no parallel between what we are discussing in Congress and the ads that are being run by organizations in that 60-day window. They parallel the ads with a candidate's ad, which again reflects one thing—that these ads are designed to influence the outcome of an election. There was a study of just 735 media markets in this last election. Guess what. One hundred million dollars was spent in the last 2 weeks of the election on advertisements that identified a Federal candidate by name in that 60-day period—in fact, in that 2-week period.

I think the public deserves the right to know who is financing those ads and who is attempting to affect the outcome of an election given the amount of money that has been invested in these types of commercials. As I said, it was three times the amount in the last election compared to the 1996 election.
Mr. REID. Senator WARNER will withdraw his amendment tonight?

Mr. LOTT. He will.

The PRESIDING OFFICER (Mr. BENNETT). Is there objection?

Without objection, it is so ordered.

Mr. LOTT. In light of this agreement, there will be no further votes tonight. The next vote will occur at approximately 9:45 a.m. Thursday. Also, the managers intend to complete this bill by the close of business tomorrow, so that is going to mean a lot more work. There are a number of amendments that are still pending. But if Senators expect to complete our work tomorrow, we are going to have to put our nose to the grindstone and just make it happen. So we should expect numerous votes tomorrow. And we would hope to finish at a reasonable hour early in the evening or late in the afternoon.

I yield the floor.

Mr. MCCAIN. Could I be yielded about 4 minutes to speak on the amendment?

Mr. LOTT. Mr. President, I believe Senator SNOWE had gotten consent for 2 additional minutes.

The PRESIDING OFFICER. Does the Senator from Maine ask for additional time? The consent was not given because of the interruption of the majority leader.

Mr. LOTT. I do not believe there would be any objection.

Ms. SNOWE. The time is controlled by whom?

The PRESIDING OFFICER. The time is controlled by the Senator from Ohio and the Senator from Nebraska.

Mr. REID. The Senator from Maine is given 3 minutes.

Ms. SNOWE. I will yield to the Senator from Arizona. He needs 4 minutes.

Can we have 10 minutes?

Mr. REID. Following the Senator from Maine, the Senator from Arizona is yielded 5 minutes.

Mr. MCCAIN. Could we have a total of 10 minutes?

Mr. REID. Yes.

Ms. SNOWE. I yield to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I thank the Senator from Nevada. Again, I thank Senator MCCONNELL for the level and tenor of this debate. I understand his concerns about one additional amendment we will have tomorrow concerning coordination, and I have given him the language. We want to work with him on that particular amendment.

I also know a lot of time and attention is going to be devoted to the issue of severability. Senator from Maine for a very important presentation. I find myself between two of my dearest friends on this amendment. I, obviously, am strongly in favor of the Snowe-Jeffords amendment which the Senator from Maine and the Senator from Vermont are looking for. Literally years together. This Snowe-Jeffords amendment, unlike some of the business we do around here, was not hastily thrown together. It was crafted after careful consultation with constitutional experts all over America. It clearly addresses a growing problem in American politics.

I believe that the Snowe-Jeffords amendment, if removed, would open up another huge channel for the use of soft money into so-called independent campaigns.

I also listened with great attention to my friend from Ohio, Senator DeWINE. I understand his concerns, and I appreciate him. It makes a very strong case. I would like to say why we think Snowe-Jeffords is constitutional and why we are convinced of it.

First, it avoids the vague problem outlined in Buckley by instituting a bright-line test for what constitutes express advocacy versus issue advocacy. People will know if their ads are covered by this statute. They will know whether it is covered by Snowe-Jeffords.

Second, the main constitutional problem with bright-line tests is that they eliminate vagueness at a cost of overbreadth—a situation in which constitutionally protected speech such as issue advocacy is unintentionally swept in by the statute. Specifically, the Supreme Court is concerned whether there is substantial overbreadth as far as the statute is concerned.

Snowe-Jeffords minimizes the overbreadth concern. It only covers broadcast ads run immediately before an election that mention a specific Federal candidate. Studies show that only a minuscule number of these types of ads in this time period are strictly issue ads. Anyone who observed the last couple campaigns would attest to that.

Besides, we all know that Buckley’s magic words are not necessary to make a campaign ad. In fact, a Brennan Center for Justice analysis of the last congressional election showed that only one in ten of those who create their own campaign advertising used express advocacy language—in other words, magic words—to promote the candidate.

In sum, Buckley left the door open for Congress to define express advocacy. That is what Snowe-Jeffords seeks to do, in keeping with the Supreme Court’s concern about protecting free speech guaranteed by the first amendment. In addition, we can demonstrate that the Court’s definition of “express advocacy”—magic words—has no real bearing in today’s world of campaign ads.

You never see an ad anymore that says “vote for” or “vote against.” You see plenty of them that say: Call that Joe Squadrel, that no-good Representative of yours or Senator of yours, who is guilty of every crime known to man. Call him. Tell your Senator that you want thus and such and thus and such. I have seen it and it is a fine art. I believe Snowe-Jeffords is a very vital part of this bill. If it were removed, it would have a very significantly damaging effect on our desire to try to enact real and meaningful campaign finance reform.

I thank my friend from Ohio for his impassioned advocacy of the other side. I believe this is really what this debate has been all about: What we have just seen between Senator DeWINE and Senator SNOWE, an open and honest and informed ventilation of a very important issue to the American people. I am very proud of the performance of both because I think the American people have learned a lot from this debate, especially on this very important amendment.

Mr. President, I yield back the remainder of my time.

Ms. SNOWE. Mr. President, I thank Senator McCAIN for his words regarding these provisions and for under- scoring the importance and the significance and the meaning of the Snowe-Jeffords provision as outlined in the McCain-Feingold legislation.

The preponderance of these ads in the political process has to be disturbing to each and every one of us, not to mention the American people. That is what it is all about and what we need to address.

How can we say we are going to allow those so-called sham ads to go unchecked? How are we going to say to the American people that somehow they or we do not have a right to know who is financing these ads?

As Senator McCAIN indicated, even candidates now, who already come under the Federal election laws, do not use the magic words “vote for” or “against” because what has become most effective is not using those magic words to get the point across. That is the way all of these ads have taken to running ads because they know what is more effective and more influential.

In every focus group and study group that has been conducted over the last few months, to take the Snowe-Jeffords provisions and use them in a focus group, to see what the response was of the individuals included in that group—guess what—they were most influenced by those organizational ads that mention a candidate by name but do not use those magic words. The Supreme Court said there isn’t one single permissible route to getting where we are going in terms of restrictions and
Is McCain-Feingold unconstitutional? When campaign finance reform is debated in the Senate, this question will be a key one. There will no doubt be questions raised about banning soft money, but besides the bleating of reform opponents, there seems to be a sound constitutional footing. Soft money, after all, was neither a natural development nor a court-generated phenomenon; rather it was created by the decision of the Federal Election Commission. If a regulatory commission could invent soft money, Congress can unhandicap it.

More problematic is the campaign reform measure's provision on so-called issue advocacy, an amendment known as Snowe-Jeffords. Would it pass Supreme Court muster? No doubt some Senators opposed to reform will offer elaborate smoke screens to scare their colleagues. But there is legitimate concern about the constitutionality of the proposal, even among many sympathetic to it.

Changes in the rules surrounding anything close to issue advocacy, as opposed to express advocacy, that candidates are delicate and tricky. This area is at the heart of the First Amendment and cannot be reformed lightly. Still, when Senators take a careful look at the reasoning behind it, their concerns should be assuaged. There is every reason to believe that this measure will withstand constitutional scrutiny.

The challenge here starts with the language of the landmark 1976 Supreme Court decision Buckley v. Valeo that accepted the fact that any effort to reform the campaign finance system and rejected others, and continues to govern our campaign finance rules. The court rejected as overly broad the 1974 Congressional decision to include in its regulatory net any communication “for the purpose of influencing” a federal election. Instead, the court drew a line between direct campaign activities, or “express advocacy,” and other political speech. The former could be regulated, at least in terms of limits on contributions; the latter has great First Amendment protection. How to define express advocacy? The High Court in a footnote gave some suggestions to fill the resulting vacuum and to differentiate between two kinds of advocacy. Express advocacy, the justices said, would cover communications that included words like “vote for” or “vote against” or “elect” or “defeat.” The residual category included “issue” advocacy.

The court did not say that the only forms of express advocacy are those using the specific words above. Those were examples. However, political consultants and high-priced campaign lawyers are like the raptors in “Jurassic Park” nearly brush up against the electric fence of campaign regulation, trying to find dead spots or make the fence fall down entirely. In this case, they often searched on parameters that seemed to be unilaterally as if any communication that did not use these specific so-called “magic words”—no matter what else they said—would be “issue advocacy” and thus was exempt from any campaign finance rules. By this logic, ads or messages without any issue content whatsoever that is not in a campaign finance violation (thank the bark, the ban on parties [the back of a candidate] to directly influence the outcome of an election could use money raised in any amount from any source, with no disclosure required.

Ads of this sort have exploded in the past few elections, with outside groups and political parties exploiting a loophole to run campaign spots outside the rules that apply to candidates. In the past couple of election cycles, solid, substantial and comprehensive research, expensive or otherwise, of thousands of election-related ads, has demonstrated two things. One was that only a minuscule proportion of the ads run by campaigns themselves are of express advocacy—actually used any of the so-called “magic words” that shaped the court’s definition of express advocacy a quarter century ago. Secondly, hundreds of millions of dollars in political ads—nearly all viciously negative, personality-driven attacks on candidates without a shiver of any kind, have blanketed the airwaves right before the elections, dominating and drowning out candidate communications. The parties and outside groups that have run them have declared that they fall under “issue advocacy,” meaning no disclosure and no limits on contributions are required.

These sham issue ads have drastically altered the landscape of campaigns, reducing candidates to bit players in their own elections and erasing a major share of accountable voting for voters. It has been interpreted by the campaign lawyers, this process has been unchallenged. Lower courts have routinely upheld the framework and made very specific finding re-form opponents and many objective observers to question whether any change in the Buckley standards or framework could possibly pass constitutional muster in the Supreme Court.

That view ignores a fundamental reality. Since it spoke in 1974, Congress has been essential on campaign finance reform. Buckley v. Valeo is in effect the law of the land because Congress has not superseded it by filling the vacuum in the quarter century that followed. If the Supreme Court would give it due deference. In a 1986 decision on campaign finance and the role of corporations (Federal Election Commission v. Massachusetts Citizens for Life), Chief Justice William Rehnquist, in a separate opinion joined by three other justices, noted “We are obliged to leave the drawing of lines such as this to Congress if those lines were within constitutional bounds.”

The lines Congress drew in 1974 were not what Senators in both parties saw as others, different from the Congress in 1974 and the court’s in Buckley, can be, especially if Congress makes clear that its views are based on both careful deliberation and strong emotional evidence.

Two years ago, I led a group of constitutional scholars in careful and systematic de-}
of express advocacy are those using the Speak a constitutional. However, that is a misinterpretation of the decision, which said that a constitutional bounds. But other

The PRESIDING OFFICER. The time of the Senator has expired.

Ms. SNOWE. Mr. President, I hope my colleagues will vote against the motion to strike that has been offered by our colleague from Ohio. It would remove our amendments from the legislation before us. We cannot have comprehensive reform without addressing this egregious development that has occurred in the election process.

The PRESIDING OFFICER. The Senator from Ohio. Mr. DEWINE. Mr. President, in a moment I will yield to the chairman of the Judiciary Committee, Senator HATCH. I do want to briefly respond to the comments of my friend from Maine, my friend from Vermont, and my friend from Ohio. It is very important to me that members of this body understand what the 1974 Buckley v. Valeo decision in 1976. He was citing examples back in the 10th of 1 percent of the ads.

McConnell (R-Ky.) regularly refers to the court's Buckley decision. Mr. Hatch. Mr. President, as my colleague in this body are aware, unlike contributions to a candidate's campaign, expenditures of money to influence public opinion has been accorded nearly ironclad first amendment protection by the U.S. Supreme Court. In fact, I know those who would argue it is absolutely ironclad.

The reason for this protection is simple to understand. Freedom of speech is one of the bedrock protections guaranteed for our citizens under the Constitution of the United States. Where is the role of free speech more important than in the context of the elections we hold to determine the leaders of our representative democracy. As the Supreme Court stated in Buckley: "The right to speak any of these communications the included words such as "vote for," "vote against," "elect" or "defeat". The residual category included "issue advocacy." The court did not say that the only forms of expression are those using specific words above. Those were examples. Now we hear the only way we can have these ads covered is if they use those magic words. As Norman Ornstein is saying in his column, the court was citing examples back in the 1974 Buckley v. Valeo decision in 1976. He went on to say, the fundamental reality is that Congress had been essentially silent on campaign finance reform since it spoke in 1974.

Burton Ozawa, an expert in effect of law of the land because Congress has not superseded it by filling the vacuum in the quarter century that followed. If Congress acted, the Supreme Court would rule that a reform Congress would give its due deference. That is the state of the bill today. That is not what we are talking about. Snowe-Jeffords, as originally written, did this: Under current law express advocacy is not restricted for unions and corporations. What Snowe-Jeffords did is to say that 60 days out from an election, unions and corporations—it is usually unions who are doing it—would be prohibited from mentioning the name of a candidate. It is a major change in what is going on today, a major restriction on a union's ability to communicate, a fundamental change in law. Under Snowe-Jeffords, express advocacy is expanded to include any message with the candidate's name 60 days before the election and, if they do that, it is illegal.

That is not what we are talking about. Snowe-Jeffords is now Snowe-Jeffords-Wellstone, and it has been dramatically changed and expanded. I think the original language, quite candidly, you can argue either way whether it is constitutional. Frankly, no one knows this until the Supreme Court tells us. The Wellstone language that is now a part of Snowe-Jeffords is absolutely unconstitutional. I have talked to a number of Members on the floor who voted on both sides of the original Wellstone amendment. I haven't found one yet—I am sure someone will come to the floor in a minute; I am sure my colleague from Minnesota may come—who will tell me it is constitutional because what does it say? It takes the original Snowe-Jeffords-Wellstone and says, not only will labor unions not be able to do this within 60 days of an election, not only will corporations not be able to do it, but now everybody else can't do it. Any groups that want to get together and buy an ad that means the candidate's name will no longer be able to do that.

So within 60 days of an election, at the time when political debate should be the most respected, when political debate has its greatest impact, the Snowe-Jeffords-Wellstone amendment now says, no, you can't do it.
phrases at any time is protected as a core fundamental right under the first amendment.

It is especially important to our democracy that we protect a person’s right to speak these phrases during an electoral campaign because it is through elections that the fundamental issues of our democracy are most thoroughly defined. It is through elections that the leaders of our democracy are put in place to carry out the people’s will.

Not only do we have a right to speak out during a campaign regarding candidates and issues, a person also has a right to speak out in an effective manner. The right to speak would have little meaning if the government could place crippling controls on the means by which a person was permitted to communicate his or her message. For instance, the right to speak would have little meaning if a person was required to speak in an empty room with no one listening.

Accordingly, the Supreme Court has consistently ruled that Congress may not burden a person’s constitutional right to express his or her opinion during an electoral campaign. And to effectuate these rulings, the Court has consistently held that Congress may not burden a person’s right to expend money to ensure that his or her opinion reaches the broadest possible audience.

In Buckley, the Supreme Court made a fundamental distinction that has survived to this day, a distinction that must inform our discussion of campaign finance, and a distinction that continues to place significant limitations on what reforms are permissible under the strictures of the first amendment of the U.S. Constitution. It is not Congress’ role to pass unconstitutional legislation and stand by while that legislation is struck down by the courts.

The provision of the McCain-Feingold legislation that unconstitutionality burdens the first amendment is section 201, the so-called Snowe-Jeffords amendment. That is what the current DeWine amendment seeks to address. Snowe-Jeffords is designed to address what many have characterized as a loophole in the election laws that allows third parties prior to an election to fund advertisements which relate exclusively to an issue and refrain from the expressly urging to vote for or against a particular candidate. Recent experience has shown that such speech may effectively advance the prospects of one candidate over another, even though it refrains from express advocacy of the candidate.

I applaud my colleagues for their ingenuity in seeking to address this issue. The political speech that is regulated by our electoral laws, may play a role in our elections.

You can call a dog a hog and it still remains a dog. I think trying to say their amendment and this particular clause that it's an issue advocacy seeks to regulate a larger chunk of the first amendment free speech rights fits the description of trying to call a dog a hog. Still, it remains a dog.

The problem I have with this portion of the legislation is that issue advocacy prior to an election simply cannot be viewed as a loophole in the election laws that we must endeavor to close with appropriate legislation. Viewed through the lens of the first amendment, this issue advocacy is exactly the type of speech that must be accorded the ultimate protection of the first amendment. The Supreme Court has consistently refused to sanction disclosure requirements on issue advocacy, unless the communication in question is directly advocates for or against a particular candidate.

Look, issue advocacy generally is used against us Republicans. There is not much doubt about that. That is where the money is. It is used against both from time to time, but really against us. I remember back in 1982 there was tremendous issue advocacy against me by the trade union movement. It was very difficult to put up with some of the ads used against us, both in print and otherwise. Even though it was a free speech right, and I would fight to my death to defend those rights of free speech.

The Snowe-Jeffords amendment seeks to redraw the line between protected issue advocacy and nonprotected express advocacy of a candidate in order to regulate a larger chunk of public speech prior to an election. Section 201 of the proposed legislation broadens the Federal Election Commission’s Act’s regulatory scheme to include any advocacy that spends at least $10,000 a year on electioneering communications. Now that is free speech.

Let’s go further. Electioneering communications are defined as any communications in the electorate within 60 days before a general election that “refers to a clearly identified candidate”—regardless of whether such communication urges a vote for or against that candidate.

The problem with this line-drawing exercise is that the Supreme Court has already done it. In Buckley v. Valeo the Supreme Court defines what types of political speech are consistent with the Constitution, be made subject to FECA’s regulatory requirements. The Court found that only communications that expressly advocated for or against a specific candidate were subject to regulation. The Snowe-Jeffords amendment invaders the constitutionally protected territory of pure issue advocacy. In fact, that invasion is the sole purpose of the provision.

It may well be true that third parties are, in fact, able to influence the electorate for or against the candidate by running independent issue advertisements, uncoordinated with a candidate’s campaign, in the weeks leading up to the election. That phenomenon does not manifest a flaw in the regulatory scheme established by our current campaign finance laws. For better or for worse, that phenomenon manifests the free interchange of ideas in an open society. Such issue advocacy is free speech, protected by the first amendment, and accordingly, the McCain-Feingold legislation is unconstitutional.

In Snowe-Jeffords, those provisions are fatally overinclusive. They try to sweep away our first amendment political speech. The Supreme Court has been more than clear on this. What the authors are attempting to do is understandable, it is well intentioned, but unfortunately it is unconstitutional.

That is one reason I have to stand here today and speak out for the amendment of the distinguished Senator from Ohio.

I believe he is right in his motion to strike. I believe he is right. I believe we ought to support him, and I hope our colleagues will.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, on behalf of the opponents of this legislation, I yield 20 minutes to the Senator from North Carolina, 20 minutes to the Senator from Maine, and 10 minutes to the Senator from Minnesota. We have 50 minutes left. Whatever time is left we will yield back.

I recognize my friend from Ohio is controlling the time on the other side. After Senator EDWARDS, I understand he has his time allocated. What is the only time we have requested tonight. That is how we will allocate our time.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EDWARDS. I thank the Chair.

Mr. President, we talked at great length in this debate about the need to
return this democracy to the voters and to remove the influence of big money or the appearance of influence of big money.

Tonight I want to talk about two things: First, the two critical provisions of the McCain-Feingold bill; and, second, I want to speak in opposition to the DeWine amendment.

As most people who follow this debate know, the two most critical provisions of this bill are the ban on soft money and the Snowe-Jeffords provision. I want to speak to the constitutionality of the ban on soft money.

There has been some suggestion during the course of this debate that there is a serious question about constitutionality. In fact, there is no serious question about that. The U.S. Supreme Court in the Buckley case said that in order for the Congress to regulate these sorts of contributions, the only constitutional test that must be met is a finding of a compelling State interest.

In the Buckley case, the U.S. Supreme Court went on to find, in fact, that preventing the actuality or appearance of corruption constitutes a compelling State interest. The language of the Court is:

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Second, I want to speak in opposition to the Snowe-Jeffords provision; and, particularly when they fall within that 60-day period prior to a general election or within 30 days of the primary election; second, that it contain the likeness of a candidate or the name of the candidate; and third, that it be a broadcast television ad.

No one reading that definition could have any misunderstanding. It is specific. It is clear. It is a bright-line test. By any measure, it is not vague. It would meet the first test established by the U.S. Supreme Court in Buckley. Second, it “must serve a compelling State interest.” Just as in the case of the soft money ban, the U.S. Supreme Court has already held that avoiding the appearance of impropriety is, in fact, a compelling State interest. The Court has already held that the Snowe-Jeffords provision is a compelling State interest. So that test is easily and clearly met by the language of the Court in Buckley v. Valeo. The third, it “must be narrowly tailored to serve that interest.”

First of all, why did Senators SNOWE and JEFFORDS offer this provision as part of the McCain-Feingold bill? They offered it because in order to avoid legitimate campaign advertising, the Court has held that avoiding the appearance of impropriety is, in fact, a compelling State interest. The Court has already held that the Snowe-Jeffords provision is a compelling State interest. So that test is easily and clearly met by the language of the Court in Buckley v. Valeo.

What we are trying to do in Snowe-Jeffords, we have a very narrowly tailored provision that catches ads that are clearly campaign ads. We now know that 99 percent of those ads that fall within the test of Snowe-Jeffords are ads just like this. They are pure campaign ads, plain and simple. These ads are being paid for by contributions that otherwise would pay the legitimate election laws of this country.

What are the criteria established by the U.S. Supreme Court in Buckley, Snowe-Jeffords does not meet constitutional muster. In fact, it is very clear if you look at the language of the U.S. Supreme Court in Buckley and if you look at the cases that come after Buckley, Snowe-Jeffords does exactly what the U.S. Supreme Court in Buckley required in order to meet the test of constitutionality. First I will talk about that test.

The U.S. Supreme Court has established four requirements in order for the Snowe-Jeffords provision to be found to be constitutional.

The first of those requirements is that it cannot be vague. The second is that it must serve a compelling State interest. The third, it must be narrowly tailored to serve that interest. The fourth, it cannot be substantially overbroad.

The Court, in reaching that conclusion, first recognized that the first amendment in the case of electioneering—which is what we are talking about, campaign ads—is not absolute. There are certain circumstances where First Amendment rights can be restricted, but only if these tests are met.

The first question, “cannot be vague.” The Snowe-Jeffords provision is by any measure, a clear, easy-to-identify bright-line test. It requires that the ad be within the 60 days before the general election or within 30 days of the primary election; second, that it contain the likeness of a candidate or the name of the candidate; and third, that it be a broadcast television ad.

We now know empirically in the case of the 2000 election, 99 percent of those ads covered by Snowe-Jeffords are campaign ads and not issue ads. They are issue ads. That is fraud under the campaign election laws that exist in this country.

Snowe-Jeffords is trying to eliminate that fraud, eliminate that sham. What we now know, the ads covered by Snowe-Jeffords, 99 percent of those ads are not issue ads but are campaign ads. I have one or two examples. This is an ad run in a congressional election in 1998:

Announcer: The Daily reports criminals are being set free in our neighborhoods. In May, Congressman X voted to allow judges to let violent criminals out of jail, rapists, drug dealers, and even murderers. X’s record on drugs is even worse. X voted to reduce penalties for crack cocaine. And in April, X voted to use your tax dollars to give free needles to illegal drug users.

Call X. Tell him he’s wrong. Dangerous criminals belong in jail.

This doesn’t use the language used as illustrative by the U.S. Supreme Court in Buckley. It doesn’t say “vote for;” it says “elect,” or “vote.” It says “call.” But any rational person, including all the people who watched this ad on television, know that this ad is aimed at defeating Congressman X in the campaign. That is exactly what it is about.

That is what was demonstrated in my chart. 99 percent of the ads that fall within the test of Snowe-Jeffords are ads just like this. They are pure campaign ads, plain and simple. These ads are being paid for by contributions that otherwise would pay the legitimate election laws of this country.

Let me stop on this test for just a moment and give a couple of pieces of evidence. First, the empirical studies show in the year 2000 election, 1 percent of the ads that fall within the test of Snowe-Jeffords—that is, within 60 days of the general election, mention the name of the candidate. broadcast television ads—one percent constituted legitimate issue ads; 99 percent constituted campaign ads. We know what our gut would tell us, anyway. We know from our own experience from watching these television ads, and voters would know from their own experience, that when they see these ads on television, in fact, they are campaign ads. They are not issue ads. They are advocating for the election or defeat of a particular candidate, not for some particular issue.

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It is not vague, a clear, bright-line test, we have compelling State interest, and now we know this provision is narrowly tailored, and that goes hand in glove, by the way, with the fourth provision, which means it "cannot be substantially overbroad."

The Court recognized that any time you have a bright-line test that is not vague, you are, by definition, going to catch some stray advertisements that are not intended to be included. They don’t want to be included. There has to be substantial overbreadth in order to be unconstitutional.

What we now know empirically, 99 percent of the ads that meet Snowe-Jeffords are exactly what are intended to be targeted by Snowe-Jeffords. The empirical evidence clearly supports the notion that Snowe-Jeffords is not substantially overbroad, on top of the fact that the provisions of the bill itself, are not substantially overbroad. They are narrowly tailored. They do exactly what the U.S. Supreme Court has required.

I suggest that, in fact, Senators Snowe and Jeffords have done a terrific job of meeting the constitutional test because they have made the provision for bright line, they have made it clear it is not vague, and at the same time it is sufficiently narrow to meet the constitutional requirements of Buckley v. Valeo.

What we now know and can see by looking at the constitutional requirements is that Snowe-Jeffords meets all those requirements. The U.S. Supreme Court has established these requirements, has defined what they mean, and Snowe-Jeffords, we know, meets those requirements. The empirical evidence shows it is not overly broad, it is not substantially overbroad, it reaches very few ads that are, in fact, issue ads.

One argument made is that Buckley v. Valeo uses a test in order for an ad to be a campaign ad, as opposed to an issue ad — "elect;" “vote for,” “cast your ballot for.” The people who are making that argument are not reading the U.S. Supreme Court opinion. Because what the Court said was, in order to make the existing election laws—as of the time of this opinion—constitutional, we are going to establish a test since Congress did not do it. They go on and invite us to do it, to establish the test. Instead of saying “this is language that is required,” they say, “This construction would restrict the application of section 608 . . . . to communications containing express words of advocacy of election or defeat, such as ‘vote for; ‘elect.’"

It is obvious from the “such as” language that the Court by no means intended this list to be exhaustive. The Court fully recognized that given the imagination of campaign managers and people who prepare these ads, that they could even begin to do an exhaustive list. This list is nothing but illus- trative, never intended to be anything but illustrative.

For those who come to the floor and say, wait a minute, Snowe-Jeffords doesn’t use the magic language, doesn’t use “vote for,” doesn’t use “elect”—what the U.S. Supreme Court made clear in their case was these are nothing but illustrations of what changes and can be an ad from an issue ad to a campaign ad.

Sure, if they say “vote for” and “elect” they become a campaign ad, but as we have shown from the illustration a few moments ago, it is just as simple to say and that the television never says “vote for,” that never says “elect,” that simply says: Call Congressman so-and-so, call Senator so-and-so. But any rational person looking at the ad would know it was calling for the election or defeat of a particular candidate and it was nothing, on its face, but a pure campaign ad.

The point is, it is not a legitimate argument that because Snowe-Jeffords does not use these magic words—the language that the U.S. Supreme Court made clear it is not vague, and at the same time it is sufficiently narrow to meet the constitutional requirements of Buckley v. Valeo.

The Supreme Court established four tests in Buckley v. Valeo. The Supreme Court, in fact, invited us, the Congress, to establish a test since Congress did not do it. They go on and invite us to do it, to establish a test since Congress did not do it. They are sitting there watching television. As long as those are genuine issue ads and it is not electioneering, they have all of the freedom in the world to do that—period. No question about it.

Second, if they want to do the electioneering and they want to do these sorts of ads where you say “call” as opposed to “vote against candidate x,” you bash the candidate, whatever party—they can run all the ads they want and they can have all of the freedom in the world to do it. The only thing is, they have to finance it out of hard money. That is all. 'They cannot pretend that these are “issue ads” when they are sham issue ads and we all know it is electioneering. That is the point. But they can do it. They have to raise their money under the campaign limits that deal with hard money. That is the whole point of some of the amendments to this bill.

From my own part, one more time—and the more I talk to people, I think they do agree this is a very important strengthening amendment—what we want to make sure of is when we do the prohibition on soft money to the
parties, all of a sudden that money, again, like pushing Jell-O, doesn’t just shift to these sham issue ads where a variety of existing groups and organizations, much less the proliferation of all the new groups and organizations, will take advantage of a loophole and just shift their soft money into these sham issue ads which are really electioneering. In that case, what will we have accomplished if we have, roughly speaking, just as much soft money spent but it is just going to be spent in a different way, unaccountable big dollars?

That is what the amendment I introduced the other night was all about. I only came to the floor because I want to make sure the RECORD is clear. My colleague from Maine was gracious enough to give me a little bit of time. Let me make three quick points.

Point No. 1. The amendment I introduced the other night—since this amendment has been mentioned several times by my colleague—uses the exact same sham issue test ad, with some additional targeting, as the Snowe-Jeffords language in the bill which is constitutional. In fact, actually the targeting language I made the amendment more likely to survive any constitutional challenge.

Point No. 2, the Snowe-Jeffords test is a bright-line test, as my colleague from North Carolina pointed out. It is perfectly obvious to its face, whether an ad falls under this definition. This means there will be no “chilling effect” on protected speech, which was a concern raised by the Supreme Court in the Buckley decision because every group, every organization would be uncertain if an ad they intended to run would be covered or not. We make sure everybody would be certain.

Point No. 3, the test is not overly broad. A comprehensive study conducted by the Brennan Center, which did a whole lot of work on campaign finance ads during the 1998 election, found that only two genuine issue ads, out of hundreds run, would have been inappropriately defined as a sham issue ad.

This is a really important one for the RECORD. On February 20, 1998, a letter signed by 20 constitutional scholars, including the former director of the ACLU, which analyzed the Snowe-Jeffords provision on electioneering communications, argued that even though the provision was written to exempt certain organizations from the ban on electioneering communication, such omission was not constitutionally necessary.

I quote from these scholars, including a former director of the ACLU:

The careful crafting of the Snowe-Jeffords amendment stands in stark contrast to the clumsy and sweeping prohibition that Congress originally drafted. If Congress could, if it wished, apply the basic rules that currently govern electioneering to all spending that falls within this more realistic definition of electioneering communications, could, for example, declare that only individuals, PAC’s and the most grassroots of nonprofit corporations could engage in electioneering that falls within the broad definition. It could impose fundraising restrictions prohibiting individuals from pooling large contributions towards such communications.

Fifth point: If you believe that the amendment that passed the other night that I introduced covers certain groups unconstitutionally—if that is what you believe—then you must also believe that the current Shays-Meehan bill—the version passed by the House of Representatives—and the 1997 version, and all previous versions of the McCain-Feingold bill are also unconstitutional because they cover the same groups.

Point No. 6. In September 1999, Don Simon, then-executive vice president and general counsel of Common Cause, argued in a memo to all House Members, that the Shays-Meehan bill is fully constitutional. That is exactly the amendment we passed the other night on the floor of the Senate.

Finally, in the context of constitutional problems, the amendment passed the other night is fully severable. I make five arguments as to why this is a very different question.

First, this amendment, and indeed the Snowe-Jeffords provision already in the bill, only covers broadcast communications. It does not cover print communications like the one at issue in Massachusetts Citizens for Life. Indeed, the group argued that the flyer should have been protected as a news or “editorial.” Snowe-Jeffords specifically exempts editorial communications.

Second, the court based its decision in part on the logic that regulation of election related communications was overly burdensome to small, grass roots, nonprofit organizations and so would have a chilling effect on speech. But the Snowe-Jeffords standard that the amendment would apply has a high threshold that before communication is covered. A group would have to spend $10,000 on broadcast ads that mention a federal candidate 60 days before an election before this provision would kick in. This meets the Court’s requirement in the case that minor communications be protected.

Third, the federal law that the court objected to was extremely broad and the Court specifically cited that fact as one of reasons it reached the decision it did, saying “Regulation that would produce such a result demands far more precision that [current law] provides.” This amendment provides that precision. The Snowe-Jeffords language is very narrowly targeted and has a very high threshold before it applies, which further protects amateur, unprofessional, or extremely limited communications.

Fourth, the Court actually argued that the election communications of non-profit corporations—such as the ACLU would be covered and that we should be regulated once it reached a certain level. In fact, the Court held that, quote:

... should MCFL’s independent spending so extensive that the organization’s major purpose may be regarded as campaign activity, the corporation would be classified as a political committee. As such, it would automatically be subject to the obligations and restrictions applicable to those groups whose primary objective is to influence political campaigns.

Yet since the decision, such groups have actually operated outside the law with impunity. Take for example, the organization “Republicans for Clean Air.”

Despite it’s innocuous name, this was an organization created for the sole purpose of promoting the candidacy of George W. Bush during the Republican primary during the last election. Another example is the Club for Growth. This was an outfit that ran attack ads against moderate Republican congressional candidates in Republican congressional primaries. Both groups, which would be covered by my amendment—but not the current Snowe-Jeffords provision—could clearly be banned from running these issue ads with their treasury funds under the Massachusetts Citizens for Life decision.

Fifth, the court’s decision was based on the premise that major true in 1986, but certainly is not the case today: that non-profit groups such as the one at issue in the decision did not play a major role in federal elections. In fact, the court held that: “the FEC maintains... the inapplicability of current law” to MCFL, that opened the door to massive undisclosed spending by similar entities... We see no such danger.”

Today, it is clear that the FEC had it exactly right and the Court had it exactly wrong.

In fact, the Campaign Finance Institute at George Washington University in a February 2001 report found this to be the case and stated quote: “These undisclosed interest group communications are a major force in U.S. lit. the oddities or blips on a screen.” Perhaps in 1986 it was a “blip on the screen” but today we are talking about tens of millions of dollars just in these sham issue ads. These groups have become major players in our elections but the law does not hold them accountable.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. SNOWE. Mr. President, I want to conclude the debate on the motion to strike that has been offered by my colleague from Ohio by making several points on the Snowe-Jeffords provision. We will conclude the debate tomorrow before the vote. But I think it is critical for my colleagues to understand that the essence of this provision, as the Senator from North Carolina so eloquently stated, the legal rationale for the underpinnings of this amendment, was drafted with an abundance of caution. It was carefully crafted to specifically address the issues that were raised in the Buckley decision in 1976 with respect to the restrictions
being either too vague or too broad, and so they in effect would not have a chilling effect on the public’s right to free speech.

Since that time, as I indicated earlier, in the 25 years or 26 years that have ensued, there has been no other major campaign finance law that has been passed by this Congress or that has come before the Supreme Court because we have not acted. We have not taken any action on campaign finance reform or changes in our campaign finance laws since that time.

We have seen the evolution and the eruption of the so-called sham issue ads that supposedly were operating under the guise of being advocacy ads. But in reality, as we all well know, with the studies that have been done recently on the influence and impact they are having on the election because they mention the candidates by name, they come into that very narrow window of 60 days before an election.

The law just happens to be; it is because the election is occurring. They design these ads to mention a candidate and to avoid using those magic words “for or against” but knowing full well that it will have an effect on the intended audience on a candidate’s election.

We are very definitive. We are very specific in the Snowe-Jeffords provision in the McCain-Feingold legislation that is before us. It has to identify. It has to be about a candidate. The ad has to run 60 days before a general election and 30 days before a primary. The ad has to run in a candidate’s State or district.

Those criteria are very specific, and therefore anybody who has the intention of running those ads will know exactly whether or not they are treading constitutional grounds. That is why 70 constitutional scholars and experts signed a letter in support of these provisions, saying they know they are running afoul of constitutional limitations in the first amendment because it is very specifically drafted to address those issues.

Fundamentally, it really comes down to whether or not we are truly interested in disclosure. The Supreme Court said we have a right to disclosure. It is in the public interest. It is a compelling public interest for disclosure. The Supreme Court has said clearly in a number of cases for constitutional purposes, the electioneering is different from other speeches. That was handed down as one decision by the Supreme Court in 1986.

Of course, in the Buckley case, it said Congress has the power to enact campaign financing laws that extend electioneering through a variety of ways, even though spending in other forms of political speech is entitled to absolute first amendment protection. It said, as an example, to “vote for” or “vote against” are the magic words but that it was not all-inclusive.

The Supreme Court could not possibly have foreseen the evolution of the kinds of ads that are pervading the election process today. They are escaping. They are coming in under the radar of disclosure.

We are saying those major donors of $1,000 or more—that is five times the amount of what we have alluded to as inclusive—those are major donors that we have to provide as candidates under Federal election laws—but we are saying five times higher before the trigger for disclosure occurs to organizations that run ads in that 60-day window, in the 30-day window in the primary, that those ads could be treated. It is clear that the intent is designed to influence the outcome of an election.

In Buckley, it said Congress has broader latitude to require disclosure of election-related spending than it does to restrict such spending. Disclosure rules, according to the Court, are the least restrictive means of curbing the evils of campaign ignorance and corruption.

Congress banned corporate union contributions as upheld in United States v. UAW in 1957, reaffirmed, as I said earlier, in the Austin v. Michigan Chamber of Commerce decision in 1990. It is all weighted in sound legal precedent. That is what the Snowe-Jeffords provision is all about.

I really do think we have to come to grips with the realities of what is occurring in our elections when 99 percent —99 percent is almost as high as it gets—99 percent of all of the ads that are aired during that period of time before the election mention candidates. And their intent is clear, because all the focus groups that responded to the Snowe-Jeffords provision used that as an analysis and viewed these ads, and identified these ads as being the most influential, negative, and intended to effect an outcome. So that is essentially what we are talking about.

I think the vote tomorrow to strike this provision is basically coming down to whether or not we want fundamental reform, if we are willing to take back the process, if we are willing to take back the process as candidates. I want to control my own campaign.

As I said in my previous statement, in 1978 when I first ran for the House of Representatives, these phenomena were virtually unknown. It was rare to even have an independent expenditure—and that is another story—under Federal election laws. That is a different thing. But we did not even have that. These elections should be between and among the candidates themselves. Do we really think it is in our interest, in the public’s interest, to have organizations of whom we know little, if anything, to influence, to impact, our elections—In fact, to spend more than the candidates themselves in some of these elections? Sometimes these organizations spend more than the candidates themselves who are involved in these elections. Are we saying that that is in our public interest?

They hide behind the cloak of anonymity. We do not even know who they are. I have a list here. Some of them we would probably readily identify by name, at least in terms of their interests. But while you do not know most of them, this is a list of 100 organizations. And this is not all of them. This is why 70 constitutional scholars have endorsed the Snowe-Jeffords provision.

Mr. President, I ask unanimous consent to have this letter from the Brennan Center for Justice printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD.
The problems of corruption and the appearance of corruption that the McCain-Feingold Bill attempts to address are ones that inhere in any system that permits large campaign contributions to elected officials and the political parties. These problems have been brought to the public’s attention in a rather stark manner through the recent presidential events and the trial and testimony of Marc Rich. Regardless of underlying merits of that presidential decision, the public perception that flows from the publicly reported large political contributions that receive preferential treatment from our elected government officials. These perceptions, regardless of underlying merits, are ultimately very corrosive to our democratic institutions.

I. LIMITS ON “SOFT MONEY” CONTRIBUTIONS TO POLITICAL PARTIES FROM CORPORATIONS, LABOR UNIONS, AND WEALTHY CONTRIBUTORS ARE CONSTITUTIONAL

To prevent corruption and the appearance of corruption, federal law imposes limits on the source and amount of money that can be given to candidates and political parties “in connection with” federal elections. The money raised under these strictures is commonly referred to as “hard money.” In 1977, Congress prohibited corporations from making hard money contributions to candidates or political parties. See 2 U.S.C. § 441a(a)(3). In 1990, the FEC ruled that a provision in the Bipartisan Campaign Reform Act (the “BCRA”) limits an individual’s contributions to (1) $1,000 per election to a federal candidate; (2) $25,000 per year to a national political party committee; and (3) $5,000 per year to any other political committee, such as a PAC or a state political party committee. See 5 U.S.C. §§ 441(a)(1). Individuals are also subject to a $25,000 annual limit on the total of all such contributions. Id. § 441(a)(3).

The soft money loophole was created not by Congress, but by a Federal Election Commission (“FEC”) ruling in 1978 that opened a seemingly modest door to allow non-regulated sources—so-called “soft money”—to distinguish them from the hard money raised under FECA’s strict limits. In the years since the FEC’s ruling, this modest opening has blossomed into an enormous loophole that threatens the integrity of the regulatory system. In the recent presidential election, soft money contributions soared to the unprecedented figure of $87 million, which represented an 85 percent increase over the previous presidential election cycle (1995–96). It is not merely the total amount of soft money that raises concerns, but the size of the contributions as well, with donors being asked to give amounts of $10,000, $25,000, or more to gain preferential access to federal officials. Moreover, the soft money raised is, for the most part, not being spent to bolster party grassroots organizations. Rather, the funds are often solicited by political parties and used to finance media advertising clearly intended to influence federal elections. In sum, soft money has become an end run around the campaign contribution limits and disbursed as a contribution to a campaign in which monied interests appear to buy access to, and inappropriate influence with, elected officials.

The McCain-Feingold bill would ban soft money contributions to national political parties by requiring that all contributions to national parties be subject to FECA’s hard money restrictions. The bill also would bar federal officeholders and candidates for such offices from soliciting, receiving, or spending soft money. Contributions that are permitted under state law to accept unregulated contributions from corporations, labor unions, and wealthy individuals would be prohibited from being used on activities related to federal elections, including advertisements that support or oppose a federal candidate. We believe that such restrictions are constitutional. The soft money loophole has raised the specter of corruption stemming from large campaign contributions to political parties. These problems have existed and will continue to exist unless Congress enacts a constitutional ban on large campaign contributions to prevent corruption and the appearance of corruption.

II. CONGRESS MAY REQUIRE DISCLOSURE OF ELECTE NERING COMMUNICATIONS WITH MONEY RAISED THROUGH POLITICAL ACTION COMMITTEES

The current version of the McCain-Feingold Bill adopts the Snowe-Jeffords Amendment, which addresses the problem of thinly-disguised electioneering ads that masquerade as “issue ads.” Snowe-Jeffords defines the term “electioneering communications” to include radio or television ads that refer to clearly identified candidates and are aired in the period of 60 days before an election or 30 days of a primary. A group that makes electioneering communications totaling $10,000 or more in a calendar year must disclose its identity, the cost of its communi-

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restrictive means of curbing the evils of political marketplace."

"Court. Any communication that so much as 'suggest' or 'call for' the use of money by those exercising control over large aggregates of capital—" United States v. UAW, 332 U.S. 567, 585 (1947), as an essential preclusion of First Amendment protection. Before the government punishes speech at issue or the purpose underlying the overbreadth concern expressed by the Court adopted a simplistic bright-line approach. For example, in libel cases, an area of core protection, the Supreme Court has rejected, "reject," Buckley, 424 U.S. at 44 n.52. But the Court did not declare that all legislation was struck with these magic words, or words like them, for all time. To the contrary, Congress has the power to enact a statute that defines electioneering in a more precise manner and its definition adequately addresses the vagueness and overbreadth concerns expressed by the Court. Any more restrictive reading of the Supreme Court's opinion would be fundamentally at odds with the rest of the Supreme Court's election jurisprudence. Countless other contexts—including libel, obscenity, fighting words, and labor elections—call for delicate line drawing between protected speech and speech that may be regulated. In none of these cases has the Court adopted an extensive jurisprudence to distinguish between the two categories, yet the parties have provided certain concrete guidelines. In no area of First Amendment jurisprudence has the Court mandated a mechanical test that ignores either the context of the speech or the purpose underlying the regulatory scheme. In no area of First Amendment jurisprudence has the Court held that the only constitutionally permissible test is one that would render the underlying regulatory scheme unenforceable. It is doubtful, therefore, that the Supreme Court in Buckley intended to single out electioneering, a regulation into the McCain-Feingold Bill is a well-reasoned attempt to define electioneering in a more realistic manner while remaining faithful to First Amendment vagueness and overbreadth concerns. It seeks to provide public with more information concerning which private groups and individuals are spending substantial sums on electioneering, and it prohibits corporations and labor unions whether a communication meets that definition or defeat of a clearly identified candidate. And it is difficult to predict what might "influence" a federal election. The Supreme Court could have simply struck FECA, leaving it to Congress to develop a clearer and more precise definition of electioneering. Instead, the Court interpreted FECA to reach only funds used for communications that "expressly advocate" the election or defeat of a clearly identified candidate. In an important footnote, the Court provided a way to decide whether a communication meets that description. The Court stated that its revision of the overbreadth doctrine for communications that "to communications containing express words of advocacy of election or defeat, such as 'vote for,' 'elect,' 'support,' 'cast your ballot for,' 'vote against,' 'defeat,' 'reject,'" Buckley, 424 U.S. at 44 n.52. But the Court did not declare that all legislation was struck with these magic words, or words like them, for all time. To the contrary, Congress has the power to enact a statute that defines electioneering in a more precise manner and its definition adequately addresses the vagueness and overbreadth concerns expressed by the Court. Any more restrictive reading of the Supreme Court's opinion would be fundamentally at odds with the rest of the Supreme Court's election jurisprudence. 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CONCLUSION

McCain-Feingold is a reasonable approach to restoring the integrity of our federal election finance laws. The elimination of soft money will close an unintended loophole that, over the last few election cycles, has rendered the pre-existing federal contribution limits largely irrelevant. Similarly, the incorporation of the Snowe-Jeffords Amendment into the McCain-Feingold Bill is a well-reasoned attempt to define electioneering in a more realistic manner while remaining faithful to First Amendment vagueness and overbreadth concerns. It seeks to provide public with more information concerning which private groups and individuals are spending substantial sums on electioneering, and it prohibits corporations from using their general treasury funds for electioneering. While no one can say with certainty how the courts will finally rule if any of these provisions are challenged in court, we believe that the McCain-Feingold Bill, as currently drafted, is consistent with First Amendment jurisprudence.

Respectfully submitted,

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ders.
Ms. SNOWE. They illustrate exceptionally well the legal validity and rationale for the legislation. It's a chart of a very narrow course. That is why they have every confidence it will withstand constitutional scrutiny.

You hear some who say: Oh, no, it will create a loophole. On the other hand, it creates too many restrictions. Well, which is it? I think we have reached the point in time where we have to stand up and be counted as to whether or not we want to hide behind the guise of anonymity, of organizational anonymity, to shape the direction and influence of these elections. I say that is the wrong direction.

The Annenberg Center did a study. It showed, as I said earlier, $100 million was spent in the final weeks of the campaign. And guess what. They mentioned a candidate by name. They mentioned a candidate by name. That is no coincidence. It had nothing to do with influencing the issue agenda because, as I showed on a chart earlier, what was happening in Congress and what was happening in the elections was not parallel. The ads run by these organizations tracked the ads run by candidates and had nothing to do, virtually speaking, with what Congress was addressing at that point in time.

So that is why this legislation becomes so important. It is an integral part of the reform that is before us embodied in the McCain-Feingold legislation. It does represent a balanced approach.

Mr. President, I ask unanimous consent to have a statement by persons who have served the American Civil Liberties Union printed in the RECORD.

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


We have served the American Civil Liberties Union in leadership positions over several decades. Norman Dorsen served as ACLU General Counsel from 1969–76 and as President of the ACLU from 1976–1991. Jack Pemerton and Aryeh Neier served as Executive Directors of the ACLU from 1962–1978. Melvin Wulf, Burt Neumeir, and Morton Halperin served as National Legal Directors of the ACLU from 1972–1992. Together we constitute every living person to have served as ACLU President, ACLU Executive Director, ACLU Legal Director, or ACLU Legislative Director, with the exception of the current leadership.

We have devoted much of our professional lives to the ACLU and to the protection of free speech. We are proud of our ACLU service, and we continue to support the ACLU's matchless efforts to preserve the Bill of Rights. We have come to believe, however, that the ACLU's opposition to campaign finance reform in general, and the McCain-Feingold Bill in particular, is misplaced. In our opinion, the First Amendment does not forbid content-neutral efforts to place reasonable limits on campaign spending and establish reasonable disclosure rules, such as those contained in the McCain-Feingold Bill.

We believe that the First Amendment is designed to safeguard a functioning and fair democracy. The current system of campaign finance dynamics that hampers that ideal by enabling the rich to set the national agenda, and to exercise disproportionate influence over the behavior of public officials.

We recognize that the Supreme Court's 1976 decision in Buckley v. Valeo makes it extremely difficult for Congress to reform the current, disastrous campaign finance system, and warns that Buckley should be overruled. However, even within the limitations of the Buckley decision, we believe that the campaign finance reform measures contained in the McC-ain-Feingold Bill are constitutional.

We support McCain-Feingold's elimination of the "soft money" loophole, which allows unlimited campaign contributions to political parties and undermines Congress's effort to regulate the size and source of campaign contributions to candidates. There can be little doubt that money contributions to the political parties can corrupt, and are perceived as corrupting, our government officials.

We also support regulation of the funding of political advertising that is clearly intended to affect the outcome of a specific federal election, but that omits the magic words "vote for [candidate]." The McCain-Feingold Bill treats as electioneering any radio or television ad that names a federal candidate shortly before an election and is targeted to the relevant electorate. It would ban the use of corporate and labor general treasury funds for such ads, and it would require public disclosure of the sources of funding for such ads when purchased by other groups and individuals. We believe that these provisions are narrowly tailored to meet the major and overbreadth concerns expressed by the Supreme Court in Buckley, and thus are constitutional.

Finally, we believe that the current debate over campaign finance reform in the Senate and House of Representatives should center on the important policy questions raised by the provisions of the McCain-Feingold Bill. It is clear that constitutional challenges to portions of the reform should not be permitted to hide behind an unjustified constitutional smokescreen.

NORMAN DORSEN
MORTON HALPERIN
CHARLES MORGAN, Jr.
ARYEH NEIER
BURT NEUMOREN
my colleague from Minnesota made the statement about former directors of the ACLU. Let me respond to that by referring to a letter from the current ACLU opposing this language, opposing the bill. In part, in referencing this section of the bill, they say:

"This is a recipe for political repression because it egregiously violates longstanding free speech rights.

There is more to the letter, but that is the essence of it.

With the exception of my colleague from Minnesota, everyone who has come to the floor this afternoon and this evening to argue against the DeWine amendment, each one of those individuals, while I have a great deal of respect for them and while they were all very eloquent, each one of them, with the exception of Senator WELLSTONE, voted against the Wellstone amendment. I can't tell my colleagues why in each case, but each one of them did. The fact we must remember, and I ask my colleagues to remember, and I ask my colleagues to remember is the question they are answering when they were answering when they were answering when they were answering when they were answering when they were answering when they were answering when they were answering when they were answering when they were answering when they were answering when they were answering when they were answering when they were answering when they were answering when they were answering when they were answering that constitutional question.

That is what is in the bill, not the original Snowe-Jeffords.

Ninety percent of the debate we have heard this evening is about Snowe-Jeffords. That is not where we are. I didn't come to the floor to offer an amendment to take out Snowe-Jeffords. It has been changed. It has been fundamentally changed. Members need to think about it.

My friend from North Carolina who voted against the Wellstone amendment said this in his closing statement when he argued why he was going to vote against it:

"So the reason Senator FEINGOLD and Senator MCCAIN are opposing this amendment is the same reason that I oppose this amendment. It raises very serious constitutional problems. The Supreme Court, in fact, in 1984, specifically ruled on this question.

That is what Senator EDWARDS said on this floor a short time before we voted on the Wellstone amendment. Every person who has come to the floor, with the exception of Senator WELLSTONE, every one who opposes the DeWine amendment opposed the Wellstone amendment. There had to be a reason.

Again, what we are dealing with now is a changed bill, a changed playing field. It is a different bill. It is a different bill. It is a different bill. It is a different bill. I say to each one of you who took an oath to uphold the Constitution of the United States, it is a different bill that we now are going to be voting on tomorrow or the next day. My amendment makes it a better bill. It makes it a constitutional bill.

Now, where are we? What does the new bill with the Wellstone amendment now say? It has the original provisions of Senator SNOWE and Senator JEFFORDS: 60 days out, corporations, union leaders, individual advocacy. They no longer can run ads that are now allowed by law. That is a fundamental change. It is a gag on unions for the last 60 days during the period of time when it counts the most.

The bill now goes further. Not only does it cover unions for 60 days, not only does it cover corporations for 60 days, now it says virtually nobody can run an ad that mentions a candidate's name except the candidates. And no one can engage in discussion about candidates' voting records when they mention their names. I don't know how you discuss a candidate's voting record in their candidate's name, but you can't talk about a candidate's voting record within 60 days of an election unless you are the candidate or the other candidate, or unless you own a TV station, or unless you are the commentator for the nightly news. Everybody else, every other citizen is silenced for 60 days.

Do we really want to do that? Putting aside whether it is constitutional or not constitutional—I think it is blatantly unconstitutional, certifiably unconstitutional—constitutionally protected speech, it wasn't. Do we still want to do that in this country and say within 60 days before the election all these people can't talk anymore? I don't think we do.

Yes, speech is effective. My colleague from Maine says it is too effective. She didn't use those words, but she said it is having an impact. Yes, it is having an impact. That is what political speech is all about. It is supposed to have an impact.

Everything seems to be reversed. At the crucial time when political speech matters most to the voters, those who hear it or see it, the bill as now written says: You can't do it. Sixty-one days out, you could run one of these ads, and you could talk about Mike DeWine's record. Fifty-nine days out from the election, you no longer can do it. And 3 days before the election, when everyone is paying attention, you can't run those ads. During the period of time when it is most effective, you can't run the ad.

Not only does it pick out the time when it is the most effective, but the bill also picks out the way candidates today communicate on TV and radio and says that is one method of communication you can't use. That is how we get our messages across. Whether we are candidates or whether we are opposing candidates or whether we are issue groups, whoever we are, we get it across. When it is most effective, you can't run the ad. Whatever groups who put those signs up had decided to run TV ads, it seems to me they ought to have a right to do that. Again, I would not like it, but I think they have a right to do that. I think they have the right to pick the most effective way to get their message across, during the most crucial time, when it is focused and paying attention, which is 60 days before the election, and to get their message out. If they want to put out a message on TV that basically says, "Dump DeWine," or, "Call Mike DeWine and tell him Darby is a bad idea," or variations of that, I don't like it. But do you know what? That is part of the first amendment. If those people who put those signs up had decided to run TV ads, it seems to me they ought to have a right to do that as much as I would not like it.

It is a question of the first amendment. There has been a lot of talk, not only on the floor but in the past 2 days, of my colleagues for the last at least 3 days, almost nonstop, about the issue of severability. It is an issue we are going to get and vote on tomorrow. We would not have that discussion if it weren't so abundantly clear that the Wellstone provision, which is not part of Snowe-Jeffords, is unconstitutional. Members know it. They tell you that privately. Some have said it publicly. But virtually everyone gets that it is unconstitutional and the Court is going to throw it out. It is a direct attack on the first amendment.

I talked this afternoon about my own campaign, my last campaign. I want to get back to that. I emphasize, most of what my colleagues fear and have said I agree with. Each one of us lives in fear of a group putting an ad on TV that criticizes us. We don't become any less human when we get into politics or when we come to the Senate. No one likes criticism. And no one likes criticism that they think is unfair. Do you know what? That is part of what we do. That is part of what you have to accept in the United States of America if you run for office—maybe not in some other countries but here you do. That is what makes us different.

This big debate tomorrow on severability and whether or not when one part of the bill goes down, another part
should go down, or whether we should fence off one part of the bill—that discussion, and a fairly close vote tomorrow, will come about because people know the Wellstone amendment is unconstitutional. If it weren’t so, we would be able to debate in a manner that is going to be the thing that is unspoken tomorrow when we get to that debate.

I want to talk for a moment about my colleague from North Carolina, who is a very good lawyer. He and I had the opportunity, during the impeachment hearings, to work together, along with Senator LEAHY and others. I saw how good he is. My colleague came to the floor this evening and talked about the constitutionality of Snowe-Jeffords. I respect what he has to say. Again, I point out, though, that this is the same Member of the Senate—not much more than 24 hours ago—who came to the floor and basically said the Wellstone amendment was unconstitutional. I understand his comments were about Snowe-Jeffords; but the problem is that title II is no longer Snowe-Jeffords, it is Snowe-Jeffords-Wellstone, and it contains that provision which Senator EDWARDS said is unconstitutional, or certainly implied it. I read it in the CONGRESSIONAL RECORD.

My colleague from North Carolina went through the tests that have been laid down by the Supreme Court. There are tests as to whether or not you can basically infringe on the first amendment. The courts will look at any restriction on the first amendment from a strict scrutiny point of view. One of the tests is, is there a compelling State interest? In other words, the burden upon someone asserting that it is constitutional to prohibit speech. That person has to prove to a court’s satisfaction that there is a compelling State interest to do that, to restrict that speech, because the presumption is you can’t restrict speech. I talked this afternoon about that.

There were some areas where the courts have acknowledged that it is constitutionally to restrict speech, but they are very narrow. They have held that it has to be a compelling State interest, and the burden of proof is on those who assert the constitutionality. It also has to be narrowly tailored. In other words, the burden upon someone asserting that it is constitutional to prohibit speech, it has to be narrowly tailored. I have failed to hear any discussion of any convincing nature of what the compelling State interest is. What is the compelling State interest that permits the U.S. Congress to say that within 60 days before an election we will stifle—shut off—free speech? What compelling State interest is there, and how is it narrowly drawn for Congress to say no speech within 60 days that mentions a person’s name? Is that narrow? That is a sleight of hand that comes down on the first amendment and shatters it. It is certainly not narrowly tailored. And certainly the proponents of the constitutionality of this provision have not shown there is any compelling State interest.

Now, the Court talked, in Buckley, about the appearance of corruption. Proponents of this constitutionality would have made the flat assertion and assertion that there is an appearance of corruption. Yet that is all they say. I don’t know what the evidence is of that appearance of corruption. They made the flat out assertion that there is corruption, or there is the appearance of corruption, and that gives them authority to write this type of legislation. I think they have failed in their burden of proof. Again, I state what the law is. The law is that they have a burden of proof.

Again, in conclusion, my amendment will strike article II of the bill. Article II prohibits what I believe is constitutionally protected free speech on TV, within the last 60 days of an election, by labor unions, corporations and, most importantly, by all outside interest groups, by all groups of U.S. citizens who have come together to talk in the one way that is the most effective; that is, on television. It bans that. There is no compelling State interest to do that. My friend and colleague from Maine also made another interesting comment. She said, “I want to control my own campaign.” I am sure the President and the President’s Office thinks the same way. I want to run my own campaign. I have won some and lost some. I want to run my own campaign. She also said that this debate should be between the candidates themselves. Debate goes back and forth on TV.

I sort of agree with that, too. At least I understand what she means by that. You run against someone and you want to have that debate between the two of you and you get nervous when someone else gets involved in the debate. They may be trying to help you or your opponent. You do not know what they are doing. Sometimes they do not know what they are doing. I understand where she is coming from.

This is not an exclusive club we are talking about. There should be no walls built up in the political arena to keep people out. This is America. This is the United States. We do have a first amendment.

One of the basic beliefs of our founders was that public discussion of issues is essential to democracy. They did not have TV in those days, obviously. They did not have radio. The main method of communication was the printed press, posters being put up, or speeches directly given and directly heard, and the principle is the same. The more people you can involve in political discussion, the better it is.

There are no walls built around the political arena where we say no one else can enter except the candidates. No one can participate except the candidates. No one can talk about issues in relationship to candidates, except the candidates.

That is just not what we do in the United States. That is not what this country is about. That is not how our political debates should take place. In other words, a revealing comment, my friend and my colleague from Maine certainly implied that. That is part of the problem with the way this bill is currently crafted.

This is the United States. I know many times when our campaigns drag on and on and they get pretty messy, and they get pretty rough, a lot of people say: Gee, why don’t we do it the way this country does or that country, talk and such a cute way, that does not mess around. They call an election in 6 weeks. They were strict when you could be on TV. They have their election, and it is over. Much as we might long for that sometimes when our campaigns drag on, or when Presidential campaigns start basically a couple months after one Presidential election is over and Senate races start several years in advance and House races seem to never stop, much as we long for that tranquility and the order, if we really thought about it, do not think we would really want it.

As long as the Wellstone amendment stays in the bill, clearly this bill is going to be held to be unconstitutional. This is different about us and other countries is our first amendment. It is our first amendment that is at issue. Many countries do not have the equivalent of our first amendment that protects political speech. Free speech. We do and we are much better for it. Our political discussion is much better for it and it is more informed.

We are different. I hope when Members of the Senate think about this tonight and prepare to vote tomorrow, they will remember the importance of the first amendment. They will vote for the DeWine amendment. They will vote to make this a better bill. They will vote to give this bill a much better chance of being held to be constitutional.

It is not just a question of the Constitution; it is also a question of public policy. Putting aside the constitutional issue, I do not think we want to be in a position where this Congress says, basically as the thought police in this country, political speech police, that within 60 days of the election we are going to dramatically restrict who can speak in the only way that is effective in many States, and that is to be on TV. I do not think we want to do that. Mr. President.

I thank my colleagues, and I thank the Chair.

CAMPAIGN TAX CREDIT

Mr. WARNER. Mr. President, as chairman of the Senate Subcommittee on Governmental Affairs, during the 105th Congress, I presided over numerous hearings on campaign finance reform and I filed two comprehensive bills on this subject. And,
just like my colleagues over the years in the course of my four Senate races, I have gained a first-hand familiarity with campaign finance issues. The Senate can take pride in this debate, while issues regarding the first amendment have been center stage, it seems to me there is another fundamental issue we should consider.

One of our aims during this great debate should be to encourage greater citizen participation in elections. Citizens are the backbone of our democracy; and therefore we should give encouragement to participate in every way in the elective process.

What are the means by which we can encourage a greater role for the average citizen? I believe one method is a $100 tax credit for contributions made to House and Senate candidates. I propose this tax credit be available only to single persons with an adjusted gross income at or below $50,000. For married couples, in order to avoid exacting a marriage penalty, a married couple filing jointly could claim a total of $200 in tax credits.

For various reasons, the wealthy are already involved in politics, but there has been a declining interest in campaign activities by the other end of the spectrum. This credit would encourage broader participation by moderate and lower income voters to balance the greater ability of special interests to participate in the process.

There is precedent for such a tax credit. Until 1986, there was a $50 tax credit for contributions to political campaigns. According to IRS data, when Congress repealed the political contributions tax credit, “a significant percentage of persons claiming the credit have sufficiently high incomes to make contributions in after tax dollars, without the benefit of the tax credit.”

My proposal would contrast with the previous approach because it would cap the eligible income levels to ensure it is not exclusively the wealthy who take advantage of it.

I think this is an issue that should be addressed in this campaign finance bill. However, because of the constitutional prerogatives of the House of Representatives, I merely bring this issue to your attention now, with the expectation I will raise it again in the context of a reconciliation bill that may be forthcoming.

Mr. TAYLOR. Mr. President, during yesterday’s campaign finance debate, I referred to a number of businesses that support a campaign finance reform proposal. I meant to say that top executives or chief executive officers of those businesses support the reform proposal.

OIL EXPLORATION IN THE ARCTIC NATIONAL WILDLIFE REFUGE

Mr. STEVENS. Mr. President, I was surprised to hear my colleague from Alaska, Senator MURKOWSKI, and I just attended a press conference concerning exploration in the coastal plain of the Arctic National Wildlife Refuge.

In attendance were: James P. Hoffa, International Brotherhood of Teamsters; Michael Sacco, Maritime Trade Department—AFL-CIO; Terry O’Sullivan, Building Trades Department—UNION; Martin J. Mauro, United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry; Joseph Hunt, International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers; Patrick Gallern, International Union of Operating Engineers; Larry O’Toole, Marine Engineers’ Beneficial Association; James Henry, Transportation Institute; and Michael McKay, American Maritime Officers Service.

I ask unanimous consent that the statement made by Michael Sacco of the Maritime Trades Department of the AFL-CIO be printed in the RECORD for my colleagues to read. It offers great insight into the reasons why working people throughout the country support oil and gas exploration in the coastal plain.

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

STATEMENT OF MICHAEL SACCO, MTD

With increasing energy problems throughout the United States, Americans are looking for new ways to meet the growing demand for energy products and ensure the continued economic expansion we have enjoyed over the past decade.

Only one location promises to help America meet its energy needs while providing good-paying jobs to American workers—the Arctic National Wildlife Refuge.

By opening ANWR, the United States can increase domestic oil production, reduce our reliance on foreign sources of oil, and create hundreds of thousands of new jobs for American workers.

ANWR will be explored and drilled by American workers—the oil transported through U.S.-built pipelines—refined and distributed by domestic facilities—and its by-products used by U.S. energy producers and U.S. consumers.

These jobs will help keep the economic engine of this country running.

Many of our brothers and sisters in maritime labor will crew the growing fleet of environmentally safe, double-hulled, U.S.-flagged tankers that will carry the oil from Alaska.

These vessels will be American-owned—built by Americans in American shipyards—and serviced and repaired in American yards. In times of national emergency, the U.S. Merchant Marine is the first to enter the war zone to deliver supplies. America’s military depends on the ability to project its power anywhere in the world.

That means we need sealift which is capable of quickly transporting fuel and supplies across thousands of miles.

As we learned in Operation Desert Shield/Desert Storm, U.S.-flag ships, American seafarers employed on those ships, and the American shipyard workers that build the vessels, are vital parts of our sealift capability.

Opening ANWR to development also will enable our U.S.-flag Merchant Marine to return to a low and environmentally sound industrial base—both of which serve valuable military purposes.

We’ve shown that opening ANWR will be done in a responsible, environmentally sound way.

Since the opening of Alaska’s North Slope, oil and development have safely co-existed. And today’s technology makes it possible to produce oil in a less-invasive and more environmentally friendly manner.

The Commandant of the Marine Corps, General Jones, the(centerpiece being those who competed for and won or lost elective offices.

His partner—his close friend—for over a quarter of a century, Robert Novak, rose to the challenge of chronicling with sensitivity, humor and insight his many lifetime achievements.

Senator KENNEDY, Senator SNOWE, and I were privileged to be in attendance at the services at Christ’s Church, Georgetown. We join in asking unanimous consent to have printed in today’s RECORD the proceedings of the U.S. Marine Corps’ official memorial service.

The Commandant of the Marine Corps, General Jones, officiated in presenting the American Flag to the family to conclude this deeply moving service.

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for presiding over the Evans-Novak political forum next week.

The headline in the New York Times called him a conservative columnist. I guess I did end up falling in love with Rowly, she concluded by saying: and, daddy, he’s a liberal! Nearly a century later, her husband was singing the praises of Ronald Reagan and Newt Gingrich.

Still I can think of words more descriptive of the whole man than conservative: reporter, competitor, and here using a description by his wife of 51 years—rascal.

He rejoiced in his rascality and loved to talk about it. About the time as Marine recruit at Parris Island, when he spotted an old buddy from the Kent School who was a Marine lieutenant. They decided to have a drink together. An officer and an enlisted man go together? To go to the Officers Club, his friend dressed Rowly as an officer. All went well until Rowly spotted how own commander at the bar. They tiptoed out to prevent their Marine careers from ending in court martial.

Most of us know the story of how Rowly, the legend of the Washington Bureau of the Associated Press, posted as bureau chief to interview Katherine for a job at 8 o’clock in the morning, no less. And then, the evening achievement of his life just a few years ago when he and his friend Woody Redmond skated the frozen Potomac River before being halted— and nearly arrested—by police.

The skating incident also reflected one of the fiercest competitive spirits any of us have ever seen—playing competitive ice hockey until he was 40, winning squash tournament after squash tournament at the Metropolitan Club into his 70’s and ranked nationally among senior squash players, playing tennis or bridge or poker, shooting dice with friends for lunch at the Metropolitan Club by the way but at Blackie’s House of Beef. It was a lunch that changed my life and made my career.

The upshot was the Evans-Novak column which lasted for 30 years until his retirement and a partnership of 38 years that continued in television and our newsletter. We had a thousand or so arguments, often at the top of our voices. We never fought about money, hardly ever about ideology but frequently about what story to tell and how to tell it.

Rowland Evans was the life of every party, but he ceased being a society boy long ago in the crucible of combat as a Marine sergeant in the South Pacific as a tough Marine, an unabashed patriot, a great journalist and a faithful friend and colleague. Rest in peace, Rowly.

CHAMPVA FOR LIFE

Mr. ROCKEFELLER. Mr. President, I am proud to be the author of the CHAMPVA legislation.

Last year, Congress finally enacted legislation to restore the promise of providing lifetime health care to our military retirees, TRICARE for Life, as it is known, is long overdue. However, an equally worthy group has been left out of the reform.

The Civilian Health and Medical Pro-

gram of the Department of Veterans

Affairs, CHAMPVA, provides health care coverage to several categories of individuals who have paid dearly for rights: dependents of veterans who have been rated by VA as having a total and permanent disability; survivors of veterans who died from VA-rated service-connected conditions; and survivors of servicemembers who died in the line of duty. CHAMPVA provides a measure of security to a group of persons who have indisputably given a great deal to our country.

CHAMPVA is intended to serve as a safety net for dependents and survivors of severely disabled veterans who, because of their sacrifices, are unable to provide health insurance benefits to their families through employment. The safety net mission of CHAMPVA has not changed, but this law must change, since under current law, CHAMPVA beneficiaries lose their eligibility for coverage when they turn 65.

The TRICARE for Life law passed last year specifically allows military retirees who are enrolled in the TRICARE program after they turn age 65, as long as they are enrolled with Part B of Medicare. CHAMPVA will cover those expenses not covered under Medicare. It also provides retail and pharmaceutical coverage for Medicare-eligible military retirees.

There is no doubt that TRICARE and CHAMPVA beneficiaries should retain eligibility for health care coverage. What TRICARE does for the families of military retirees should be no less readily available to the survivors and dependents of severely disabled veterans and those service-members who served in Vietnam.

But the heart of his reporting was here in Washington. His sources were legion: the mighty of Washington and obscure staffers, CIA spooks and mysterious emiries. All were interrogated in the dining room of the Metropolitan Club.

In the last week, I have been contacted by so many young news business owners who told me how Rowly counseled them, gave them a helping hand. His was what Stew Alsop called the reporter’s trade and he sought to pass it along to a new generation.

If I may close with a strictly personal note. On the morning of Monday, December 17, 1961, returning to the Washington Bureau of the Wall Street Journal after my honeymoon, I found a batch of notes from a reporter form the New York Herald-Tribune whom I barely knew: Rowland Evans. When I ran called back, he hung up. I was not at the Metropolitan Club by the way but at Blackie’s House of Beef. It was a lunch that changed my life and made my career. The upshot was the Evans-Novak column which lasted for 30 years until his retirement and a partnership of 38 years that continued in television and our newsletter. We had a thousand or so arguments, often at the top of our voices. We never fought about money, hardly ever about ideology but frequently about what story to tell and how to tell it.

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recently, this one from a Korean War veteran and his wife in Alderson, WV. They were upset to learn that when the wife turned 65, she lost all of her CHAMPVA benefits. As a result, she was forced to pay more than $300 per month for her diabetes and her medications, in addition to all the other new costs for care not covered by Medicare. With Social Security and disability compensation as their only income, this couple is struggling to absorb this enormous new expense in their budget. The husband, a 100-percent disabled veteran, wrote poignantly to me, "... it would help us out so much if CHAMPVA would continue to cover my wife's medical care."

In closing, I thank the Gold Star Wives Association for their dedication and for bringing this issue to my attention. We must never forget that the costs of military service are borne not only by the service member alone, but by their families as well.

I hope the Committee on Veterans’ Affairs will expedite passage of this bill out of committee. CHAMPVA beneficiaries are depending on it.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, March 27, 2001, the Federal debt stood at $3,736,074,141,495.08, five trillion, seven hundred fifty-four million, one hundred eighty-eight thousand, one hundred ninety-five dollars and eight cents.

One year ago, March 27, 2000, the Federal debt stood at $3,689,500,000,000, fifty trillion, sixty-nine billion, five hundred million.

Five years ago, March 27, 1996, the Federal debt stood at $3,450,809,000,000, three trillion, four hundred sixty billion, eight hundred million.

Ten years ago, March 27, 1991, the Federal debt stood at $3,260,400,000,000, three trillion, two hundred forty-four billion, two hundred twenty-six million, four hundred forty-one thousand, one hundred ninety-five dollars and eight cents, during the past 15 years.

THE 100TH ANNIVERSARY OF THE ARMADA FREE PUBLIC LIBRARY

Mr. LEVIN. Mr. President, I rise to congratulate the residents of Armada and the Armada Free Public Library on the occasion of its one-hundredth anniversary. Residents in my home State of Michigan will be gathering this Sunday, April 1, 2001, to celebrate this important milestone.

The Armada Free Public Library is a dynamic community institution, with a proud tradition of serving the needs of all residents of the growing community in which it is located. This commitment to community service is manifested in the library’s efforts to provide access to over 25,000 books and many other services, as well as access to the World Wide Web. In addition, the Armada Free Public Library serves as a barrier-free gathering place for community and civic groups.

The Armada Free Public Library was established on April 1, 1901. It was on this day that village residents approved a mill tax to fund the library by a resounding vote of 144 to 48. The library opened on August 10th of the same year with 87 books on its shelves.

In the ensuing years, the library grew from these humble origins to continue serving the needs of area residents. In particular, the early library emphasized its ability to serve as a meeting place for conferences, clubs and children located in this bustling farming community. Given its central role in the community, it is only natural that as Armada grew the Free Library grew with it. Were it not for the efforts of philanthropists and concerned voters, the Armada Free Public Library may not have reached this historic anniversary.

Mr. President, I have mentioned only a small portion of the dynamic history of the Armada Free Public Library and the many ways in which the library has remained committed to this community. I know my colleagues will join me in honoring the Armada Free Public Library for its service to the people of Armada and the State of Michigan.

RECOGNITION OF ROSARY HIGH SCHOOL

Mr. BOND. Mr. President, I rise to recognize Rosary High School’s outstanding accomplishments and to congratulate them on their 40th anniversary and rededication which will take place on April 29, 2001.

Originally, Bishop Joseph Ritter dedicated the building for Rosary High School in St. Louis on April 29, 1962. Since its first graduating class in 1965, Rosary High School has proudly graduated 8,000 students. Over the years its students have done an outstanding job of serving the St. Louis community by completing more than 100 hours of community service per student.

Rosary High School continues to maintain an excellent academic record with average ACT scores that are above the state and national norms. Fifty percent of their graduating class has received scholarships to college.

Rosary High School is an exemplary High School. The School, faculty, and students are an asset to the St. Louis community. It is my sincerest hope that the next forty years are as successful as the last.

TRIBUTE TO PATRICIA MULROY

Mr. REID. Mr. President, I rise today to honor a distinguished Nevadan, a good person and a good friend, Patricia Mulroy. Pat will be receiving the National Jewish Medical and Research Center’s Humanitarian Award on April 28, 2001.

The Humanitarian Award honors people who have made significant civic and charitable contributions, people who have chosen to devote their lives to making their communities better places to live.

Pat first moved to Las Vegas in 1974, and began making her mark almost as soon as she arrived. She graduated from the University of Nevada-Las Vegas by being admitted to Phi Kappa Phi and being listed in Who’s Who in American Colleges and Universities.

After college, Pat began her career in public service by working in the Clark County Manager’s Office. She was appointed the county’s first Justice Court Administrator in 1984, and later was appointed General Manager of the Las Vegas Valley Water District.

Those of us who live in the southwestern United States know how important, and scarce, water is to our States. Pat took over as General Manager of the Water District during one of the most difficult periods in Southern Nevada’s water history, a year when the community began growing at the rate of 3000 to 5000 resident’s per month, a trend which has only increased. In response, in 1991, Pat was appointed the first General Manager for the Southern Nevada Water Authority, an agency created by the state legislature to oversee competing governmental interest in water.

Since then, Pat has become known nationally as an expert on water issues. She is a member of the American Water Works Association and currently sits on the Board of Directors of the Association of Metropolitan Water Agencies. In 1992 she helped found and was the original chairman of the Western Urban Water Coalition. She is also a member of the Colorado River Water Users Association and has served on its Board of Directors. She serves on the Desert Research Institute Research Foundation Board of Trustees and received the University and Community College System of Nevada Board of Regents 1999 Distinguished Nevadan Award.

Those of us who have had the privilege of knowing Pat personally know her as more than a public advocate and expert on water issues. We also know her as a loving wife to her husband Robert, a devoted mother of two children, Ryan and Kelley, and a leader as championships in volleyball and basketball.
who is active in her church, on her school board, and in her community. Nobody deserves this award more than Pat. I extend my congratulations to you, and the appreciation of all Nevadans for your good work on their behalf.

DR. M. GRAHAM CLARK

Mr. BOND. Mr. President, today I would pay tribute to Dr. M. Graham Clark of Point Lookout, MO, who died earlier this month and will be sadly missed by his family and all of us who were privileged to be counted among his friends.

Dr. Clark was a tremendous educator, businessman and community leader. He came to what was then known as the School of the Ozarks in 1946, a high school, as vice-president and became its president in 1952.

On his watch of nearly a half century, the institution grew from a high school to a junior college, then to a four-year college, and was brought into regional accreditation. Dr. Clark was proud, and deservedly so, of the fact that the College was accredited even before it issued its first full degree. The school Dr. Clark built was also nationally recognized for its adherence to Christian principles and the strong work ethic of its students. He viewed the school as his mission, and tirelessly raised funds for its improvement, even when he was well into his eighties.

During his more than 50 years of service to College of the Ozarks, and to all of Southwest Missouri, Dr. Clark touched millions of people’s lives. His leadership will be remembered for generations to come. Those who knew him best know that his commitment and love of the College was second only to his dedication to his Lord and Savior, and to his family.

Our culture is quick to glorify the here and now, the “flash in the pan” celebrities, the “cause” of the day. By that measure, Clark stood apart. While he could no doubt have made a fortune in the for-profit sector, he devoted his considerable intellectual and business skills to the work of building a top-notch educational institution. He was a strong Christian who never hid nor apologized for his beliefs. He spent his entire life making life better for young people in the Ozark region, his family, his college, and his community. His love for others knew no social boundaries. We are in his debt, and remember him fondly.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive sessions the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 3:30 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 801. An act to amend title 38, United States Code, to improve programs of educational assistance, to expand programs of transition assistance and outreach to departing servicemembers, veterans, and dependents, to increase burial benefits, to provide for family coverage under Servicemembers’ Group Life Insurance, and for other purposes.

H.R. 811. An act to authorize the Secretary of Veterans Affairs to carry out construction projects for the purpose of improving, renovating, and updating patient care facilities at Department of Veterans Affairs medical centers.

At 7:03 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following concurrent resolution, in which it requests the concurrence of the Senate:


MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 801. An act to amend title 38, United States Code, to improve programs of educational assistance, to expand programs of transition assistance and outreach to departing servicemembers, veterans, and dependents, to increase burial benefits, to provide for family coverage under Servicemembers’ Group Life Insurance, and for other purposes; to the Committee on Veterans Affairs.

H.R. 811. An act to authorize the Secretary of Veterans Affairs to carry out construction projects for the purpose of improving, renovating, and updating patient care facilities at Department of Veterans Affairs medical centers; to the Committee on Veterans Affairs.

The following concurrent resolution was read, and referred as indicated:

H.Con. Res. 83. Concurrent resolution establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011; to the Committee on the Budget.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

From the Committee on Health, Education, Labor, and Pensions, without amendment:

S. 1: An original bill to extend programs and activities under the Elementary and Secondary Education Act of 1965 (Rept. No. 107-7).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. JEFFORDS:

S. 1. An original bill to extend programs and activities under the Elementary and Secondary Education Act of 1965; from the Committee on Health, Education, Labor, and Pensions; placed on the calendar.

By Mrs. LINCOLN (for herself and Mr. HUTCHINSON):

S. 638. A bill to direct the Secretary of Energy to establish a decommissioning pilot program to decommission and decontaminate the sodium-cooled fast breeder experimental test-site reactor located in northwest Arkansas; to the Committee on Energy and Natural Resources.

By Ms. SNOWE (for herself and Mr. MCCAIN):

S. 637. A bill to amend the Magnuson- Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.) to authorize the establishment of individual fishery quota systems; to the Committee on Commerce, Science, and Transportation.

By Mr. DOMENICI (for himself, Mr. LACAY, and Mr. BENTLEY):

S. 638. A bill to amend the Internal Revenue Code of 1986 to provide the same capital gains treatment for art and collectibles as for other investment property and to provide that a deduction equal to fair market value shall be allowed for charitable contributions of literary, musical, artistic, or scholarly compositions created by the donor; to the Committee on Finance.

By Mr. BYRD (for himself and Mr. ROCKEFELLER):

S. 639. A bill to extend the deadline for commencement of construction of certain hydroelectric projects in the State of West Virginia; to the Committee on Energy and Natural Resources.

By Mr. THOMPSON (for himself, Mrs. LINCOLN, Mr. NICKLES, and Mr. MURKOWSKI):

S. 640. A bill to amend the Internal Revenue Code of 1986 to include wireless telecommunications equipment in the definition of qualified technological equipment for purposes of determining the depreciation treatment of such equipment; to the Committee on Finance.

By Mr. TORRICELLI:

S. 641. A bill to amend section 829 of title 18, United States Code, relating to explosive materials; to the Committee on the Judiciary.

By Mr. TORRICELLI:

S. 642. A bill to amend part Q of title I of the Omnibus Crime Control and Safe Streets Act of 1968 to provide assistance for unincorporated neighborhood watch programs; to the Committee on the Judiciary.

By Mr. BAUCUS (for himself, Mr. KERRY, Ms. LANDRIEU, Mr. INOUYE, Mr. Lindsey, Mr. SCHUMER, Mr. LEAHY, Mr. WYDEN, Mr. BINGAMAN, and Mr. LIEBERMAN):
S. 643. A bill to implement the agreement establishing a United States-Jordan free trade area; to the Committee on Finance.

By Mr. SESSIONS (for himself, Mr. CRAMM, Mr. Kyl, Mr. Inhofe, Mr. SHELBY, Mr. SMITH of New Hampshire, Mr. CRAPO, Mr. HAGEL, Mr. HELMS, and Mr. FITZGERALD):

S.J. Res. 12. A joint resolution proposing an amendment to the Constitution of the United States to require two-thirds majorities for bills increasing taxes; to the Committee on the Judiciary.

By Mr. SMITH of New Hampshire:

S.J. Res. 12. A joint resolution granting the consent of Congress to the International Emergency Management Assistance Memorandum of Understanding; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 36

At the request of Mr. INOUYE, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 36, a bill to amend title 10, United States Code, to permit former members of the Armed Forces who have a service-connected disability rated as total to travel on military aircraft in the same manner and to the same extent as retired members of the Armed Forces are entitled to travel on such aircraft.

S. 128

At the request of Mr. JOHNSON, the name of the Senator from Texas (Mrs. HUTCHINSON) was added as a cosponsor of S. 128, a bill to amend the Federal Deposit Insurance Act to require periodic cost of living adjustments to the maximum amount of deposit insurance available under that Act, and for other purposes.

S. 148

At the request of Mr. CRAIG, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 148, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

S. 170

At the request of Mr. REED, the names of the Senator from Montana (Mr. BURNS) and the Senator from Wyoming (Mr. THOMAS) were added as cosponsors of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 237

At the request of Mr. HUTCHINSON, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 237, a bill to amend the Internal Revenue Code of 1986 to repeal the 1993 income tax increase on Social Security benefits.

S. 271

At the request of Mrs. FEINSTEIN, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 271, a bill to amend title 5, United States Code, to provide that the mandatory separation age for Federal firefighters be made the same as the age that applies with respect to Federal law enforcement officers.

S. 312

At the request of Mr. GRASSLEY, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 312, a bill to amend the Internal Revenue Code of 1986 to provide tax relief for farmers and fishermen, and for other purposes.

S. 319

At the request of Mr. MCCAIN, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 319, a bill to amend title 49, United States Code, to ensure that air carriers meet their obligations under the Airline Customer Service Agreement, and provide improved passenger service in order to meet public convenience and necessity.

S. 321

At the request of Mr. GRASSLEY, the name of the Senator from Mississippi (Mr. BOND) was added as a cosponsor of S. 321, a bill to amend title XIX of the Social Security Act to provide families of disabled children with the opportunity to purchase coverage under the medicaid program for such children, and for other purposes.

S. 325

At the request of Mr. FIRST, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 325, a bill to establish a congressional commemorative medal for organ donors and their families.

S. 327

At the request of Mr. REED, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 327, a bill to amend the Elementary and Secondary Education Act of 1965 to provide up-to-date school library media resources and well-trained, professionally certified school library media specialists for elementary schools and secondary schools, and for other purposes.

S. 338

At the request of Mr. ENVISION, the name of the Senator from Colorado (Mr. CAMERON) was added as a cosponsor of S. 338, a bill to protect amateur athletics and combat illegal sports gambling.

S. 345

At the request of Mr. ALLARD, the names of the Senator from Minnesota (Mr. WELLSTONE) and the Senator from North Dakota (Mr. CONRAD) were added as cosponsors of S. 345, a bill to amend the Animal Welfare Act to strike the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 403

At the request of Mr. COCHRAN, the names of the Senator from Washington (Mrs. MURRAY) and the Senator from Georgia (Mr. CLELAND) were added as cosponsors of S. 403, a bill to improve the National Writing Project.

S. 446

At the request of Mr. CRAPO, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 446, a bill to preserve the authority of States over water within their boundaries, to delegate to States the authority of Congress to regulate water, and for other purposes.

S. 447

At the request of Mr. CRAPO, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 447, a bill to subject the United States to imposition of fees and costs in proceedings relating to State water rights adjudications.

S. 452

At the request of Mr. MURKOWSKI, the name of the Senator from Alaska (Mr. SHELBY) was added as a cosponsor of S. 452, a bill to amend title XVIII of the Social Security Act to ensure that the Secretary of Health and Human Services provides appropriate guidance to physicians, providers of services, and insurance companies that are attempting to properly submit claims under the medicare program to ensure that the Secretary does not target inadvertent billing errors.

S. 486

At the request of Mr. LEAHY, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 486, a bill to reduce the risk that innocent persons may be executed, and for other purposes.

S. 500

At the request of Mr. BURNS, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 500, a bill to amend the Communications Act of 1934 in order to require the Federal Communications Commission to fulfill the sufficient universal service support requirements for high cost areas, and for other purposes.

S. 549

At the request of Mr. CRAPO, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 549, a bill to ensure the availability of spectrum to amateur radio operators.

S. 611

At the request of Ms. MIKULSKI, the name of the Senator from Louisiana (Mr. BREAUX) was added as a cosponsor of S. 611, a bill to amend title II of the Social Security Act to provide that the reduction in social security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds $1,200, adjusted for inflation.

S. 635

At the request of Mr. DODD, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of...
S. 635, a bill to reinstate a standard for arsenic in drinking water.

S. CON. RES. 17
At the request of Mr. SARRANES, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. Con. Res. 17, a concurrence resolution of the Senate in the concurrence of the House in the Senate's approval of H. Con. Res. 17, a concurrent resolution of the House of Representatives in the concurrent approval of S. Con. Res. 17. The name of the Senator from Vermont (Mr. JEFFORDS), and the names of Mr. Domenici, the Senator from New Mexico, and Mr. Kennedy, the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. Res. 16, a resolution designating August 16, 2001, as “National Airborne Day.”

S. RES. 16
At the request of Mr. THURMOND, the names of the Senator from Illinois (Mr. FITZGERALD), the Senator from Michigan (Mr. LEVIN), the Senator from California (Mr. BOXER), the Senator from Wisconsin (Mr. ENZI), and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. Res. 16, a resolution designating August 16, 2001, as “National Airborne Day.”

S. RES. 41
At the request of Mr. SHELDY, the names of the Senator from New Mexico (Mr. DOMENICI), the Senator from Vermont (Mr. JEFFORDS), and the Senator from Colorado (Mr. CAMPELL) were added as cosponsors of S. Res. 41, a resolution designating April 4, 2001, as “National Murder Awareness Day.”

S. RES. 44
At the request of Mr. COCHRAN, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. Res. 44, a resolution designating each of March 2001, and March 2002, as “Arts Education Month.”

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS—MARCH 27, 2001
By Mr. DODD:
S. 635. A bill to reinstate a standard for arsenic in drinking water; to the Committee on Environment and Public Works.

Mr. DODD. Mr. President, I ask unanimous consent to print the text of the bill be printed in the Record.
There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 635

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.
This Act may be cited as the “Arsenic Standard Reinstatement Act”.

SEC. 2. FINDINGS.
Congress finds that—
(1) in 1996, Congress amended the Safe Drinking Water Act (42 U.S.C. 300f et seq.) to require the Administrator of the Environmental Protection Agency to revise the standard for arsenic in drinking water;
(2) after conducting scientific and economic analyses, the Administrator, on January 22, 2001, promulgated a final rule to reduce the permissible level of arsenic to 10 parts per billion (.01 milligrams per liter) to 10 parts per billion (.01 milligrams per liter);
(3) the new standard would provide additional protection against cancer and other health problems for 13,000,000 people;
(4) the National Academy of Sciences has determined that drinking water containing 50 parts per billion of arsenic “could easily” result in a 1-in-100 risk of cancer;
(5) 50 parts per billion of arsenic causes a cancer risk at the level of 1-in-10,000; and
(6) any cancer risk caused by any carcinogen that the Environmental Protection Agency permits to be present in food;
(7) arsenic in drinking water is the standard used by the European Union, Japan, and the World Health Organization;
(8) public water systems may apply for financial assistance through the drinking water State revolving loan fund under section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12);
(9) since 1996, the revolving loan fund program has made $3,600,000,000 available to assist public water systems with projects to improve infrastructure; and
(10) on March 20, 2001, Administrator of the Environmental Protection Agency proposed to withdraw the pending arsenic standard that was promulgated on January 22, 2001, and due to take effect on March 23, 2001.

SEC. 3. REINSTATEMENT OF FINAL RULE.
(a) In General.—On and after the date of enactment of this Act, the final rule promulgated by the Administrator of the Environmental Protection Agency entitled “Arsenic and Clarifications to Compliance and New Source Contaminants Monitoring” (66 Fed. Reg. 6976 (January 22, 2001)), and the amendments to parts 9, 141, and 142 of title 40, Code of Federal Regulations, made by that rule, shall have full effect.

(b) Maximum Contaminant Level.—The maximum contaminant level for arsenic in drinking water of .01 milligrams per liter established by the final rule described in subsection (a) shall not be subject to revision except by Act of Congress.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS—MARCH 28, 2001
By Ms. SNOWE (for herself and Mr. MCCAIN):
S. 637. A bill to amend the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.) to authorize the establishment of individual fishery quota systems; to the Committee on Commerce, Science, and Transportation.

Ms. SNOWE. Mr. President, I rise today, together with Senator MCCAIN, to introduce the Individual Fishing Quota Act of 2001 which will address one of the most complex policy questions in fisheries management. Individual fishing quotas, IFQs. This bill will amend the Magnuson-Stevens Fishery Conservation and Management Act to authorize the establishment of new individual quota systems after the existing moratorium expires. This legislation will in no way whatsoever force IFQs upon any regional management council. This is not a mandate to use IFQs. Rather, it is intended to provide the councils with an additional conservation and management tool and fill the existing void.

IFQ programs can drastically change the face of fishing communities and the fundamental principles of conservation and management. Therefore, this legislation needs to be developed in a careful and meaningful manner. Accordingly, introduction of this bill is intended to begin the dialogue on the possibility of new IFQ programs. I fully anticipate that we will hear from many stakeholders to help the Subcommittee on Oceans and Fisheries shape and reshape this bill as necessary. I look forward to participation by all impacted groups as we move this bill through the legislative process.

The IFQ Act of 2001 sets conditions under which fishery management plans, FMPs, or plan amendments may establish a new individual fishing quota system. The bill ensures that any council which establishes new IFQs will promote sustainable management of the fishery; require fair and equitable allocation of individual quotas; minimize negative social and economic impacts on local coastal communities; ensure adequate enforcement of the system; and take into account present participation and historical fishing practices of the relevant fishery. Additionally, the bill requires the Secretary of Commerce to conduct hearings to ensure that those most affected by IFQs will have the opportunity to formally approve both the initiation and adoption of any new individual fishing quota program.

This bill authorizes the potential allocation of individual quotas to fishing vessel owners, fisherman and crew members who are citizens of the United States. The legislation does not allow, however, individual quotas to be sold, transferred or leased. In addition, participation in the fishery is required for a person to hold quota. Acknowledging the possibility that undue hardship may ensure, the bill allows for the suspension of the transferability requirements by the Secretary on an individual case-by-case basis. Moreover, this bill permits councils to allocate quota shares to entry-level fishermen, small vessel owners, or crew members who may not otherwise be eligible for individual quotas.

In 1996, Congress reauthorized the Magnuson-Stevens Act through enactment of the Sustainable Fisheries Act, SFA. The SFA contained the most substantial improvements to fisheries conservation since the original passage of the Magnuson-Stevens Act in 1976. More specifically, the SFA included a fishery conservation and management plan and the IFQ Act of 2001 will provide fishermen and fisheries managers time to prepare for the possibility of using IFQs as a management option. This legislation will in no way whatsoever force IFQs upon any regional management council. This is not a mandate to use IFQs.
As a result, the NAS issued a report which contained a number of recommendations to Congress addressing the social, economic, and biological aspects of IFQ programs. The first recommendation was for Congress to lift the existing moratorium on new IFQ programs, authorize the councils to design and implement new IFQs. The IFQ Act of 2001 specifically incorporates certain recommendations of the NAS report and provides councils with the flexibility to adopt additional NAS or other recommendations. Mr. President, as with other components of fisheries conservation and management, there is no “one-size-fits-all” solution to IFQ programs. Therefore, this bill sets certain conditions under which IFQs may be developed, but at the same time, it clearly provides the regional councils and the affected fishermen with the ability to make any new IFQ program to fit the needs of the fishery, if such a program is desired.

Over the past one and a half years, the Subcommittee on Oceans and Fisheries traveled across the country and held six hearings on the reauthorization of the Magnuson-Stevens Act. We began the process in Washington, DC, and then visited fishing communities in Maine, Louisiana, Alaska, Washington, and Massachusetts. During the course of those hearings, we heard official testimony from over 70 witnesses and many viewpoints from over 200 more fishermen during open microphone sessions at each field hearing. The Subcommittee heard the comments, views and recommendations of federal and state officials, regional council chairmen and members, other fisheries managers, commercial and recreational fishermen, members of the conservation community, and many others interested in these important issues. Additionally, the 26th annual Maine Fishermen’s Forum held a very successful event and workshop on March 1, 2001. The IFQ Act of 2001 incorporates many of the suggestions we heard from those men and women who fish for a living and those who are most affected by the law and its regulations.

Unfortunately successful fisheries conservation and management seems to be the exception and not the rule. The decisions that fishermen, regional councils and the Department of Commerce have made in the past and today, I intend to resolve this issue after appropriate debate and consideration by the Commerce Committee and the U.S. Senate. I look forward to and expect continued interest from those Senators who have expressed interest in this issue in the past and those who may be new to the debate.

I ask unanimous consent that the test of the bill be printed in the RECORD.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “IFQ Act of 2001”.

SEC. 2. INDIVIDUAL QUOTA PROGRAMS.

(a) AUTHORITY TO ESTABLISH INDIVIDUAL QUOTA SYSTEMS.—Section 305 of the Magnuson-Stevens Act (16 U.S.C. 1853) is amended by adding at the end the following:

(c) SPECIAL PROVISIONS FOR INDIVIDUAL QUOTA SYSTEMS.—

(1) CONDITIONS.—A fishery management plan which establishes an individual quota system for a fishery after September 30, 2002,

(A) shall provide for administration of the system by the Secretary in accordance with the terms of the plan;

(B) shall not create, or be construed to create, any right, title, or interest in or to any fish before the fish is harvested;

(C) shall include provisions which establish procedures and requirements for each Council having authority over the fishery, for—

(i) reviewing and revising the terms of the plan that establish the system; and

(ii) renewing, reallocating, and reissuing individual quotas if determined appropriate by each Council;

(D) shall include provisions to—

(i) promote sustainable management of the fishery;

(ii) provide for fair and equitable allocation of individual quotas under the system;

(iii) minimize negative social and economic impacts of the system on local coastal communities;

(iv) ensure adequate enforcement of the system, including the use of observers where appropriate at a level of coverage that should yield statistically significant results; and

(v) take into account present participation and historical fishing practices, in the fishery, and

(E) include provisions that prevent any person or entity from acquiring an excessive share of individual quotas issued for a fishery.

(2) PLAN CHARACTERISTICS.—An individual quota issued under an individual quota system established by a fishery management plan—

(A) shall be considered a grant, to the individual who is not a citizen of the United States having authority over the fishery, for which the individual quota was held an individual quota system for a fishery may include provisions that—

(A) allocate individual quotas under the system among categories of vessels; and

(B) provide a portion of the annual harvest in the fishery for entry-level fishermen, small vessel owners, or crewmembers who do not own or control fishing vessels; and

(C) shall require that if any person that holds an individual quota share under the system for a fishery may authorize individual quotas to be held by or issued under the system to fishing vessel owners, fishermen, and crew members.

(3) ELIGIBLE HOLDERS.

An individual who is not a citizen of the United States does not hold an individual quota share under the system may be new to the debate.

(4) PERMITTED PROVISIONS.

Any fishery management plan that establishes an individual quota system for a fishery may include provisions that—

(A) allocate individual quotas under the system among categories of vessels; and

(B) provide a portion of the annual harvest in the fishery for entry-level fishermen, small vessel owners, or crewmembers who do not own or control fishing vessels; and

(C) shall require that if any person that holds an individual quota share under the fishery management plan for which the individual quota was held an individual quota system for a fishery may include provisions that—

(i) the Council which has authority over the fishery for which the system is established, through a fishery management plan or amendment; or

(ii) the Secretary, in the case of any individual quota system established by a fishery management plan developed by the Secretary.

(5) EFFECT ON OTHER AUTHORITY.—This paragraph does not diminish the authority of the Secretary under any other provision of this Act.

(6) REQUIRED PROVISIONS; REALLOCATIONS.—Any individual quota system established for a fishery after the date of enactment of the IFQ Act of 2001—

(A) shall not allow individual quota shares under the system to be sold, transferred, or leased;

(B) shall prohibit a person from holding an individual quota share under the system unless the person participates in the fishery for which the individual quota share is issued; and

(C) shall require that if any person that holds an individual quota share under the system does not engage in fishing under the individual quota share for 3 or more years in any period of 5 consecutive years, the individual quota share shall revert to the Secretary and shall be issued to the system to qualified participants in the fishery in a fair and equitable manner.

(7) EXCEPTIONS.—

The Secretary may suspend the applicability of paragraph (6) for individuals on a case-by-case basis due to...
death, disablement, undue hardship, retirement, or in any case in which fishing is prohibited by the Secretary or the Council.

(B) TRANSFER TO FAMILY MEMBERS.—Notwithstanding paragraph (6)(A), the Secretary may permit the transfer of an individual fishing quota, on a case-by-case basis, from an individual to a member of that individual’s immediate family other than a spouse, in accordance with the requirements in subparagraph (A) through a simple and expedient process.

(8) DEFINITIONS.—In this subsection:

(A) INDIVIDUAL QUOTA SYSTEM.—The term ‘individual quota system’ means a system that limits access to a fishery in order to achieve optimum yield, through the allocation of individual quotas.

(B) INDIVIDUAL QUOTA.—The term ‘individual quota’ means a grant of permission to harvest a quantity of fish in a fishery, during each fishing season for which the permission is granted, equal to a stated percentage of the total allowable catch for the fishery.

(b) APPROVAL OF FISHERY MANAGEMENT PLANS ESTABLISHING INDIVIDUAL QUOTA SYSTEMS.—Section 304 of that Act (16 U.S.C. 1854) is further amended by adding after subsection (h) the following:

(1) A Council may prepare and submit a fishery management plan, plan amendment, or regulation that creates an individual fishing quota system to the Secretary if both the preparation and the submission of such plan, amendment or regulation are approved in separate referenda conducted under paragraph (2).

(2) The Secretary, at the request of a Council, shall conduct the referenda described in paragraph (1). Each referendum shall be conducted by a council with a two-thirds majority of the votes cast by eligible permit holders. The Secretary shall develop guidelines to determine procedures and eligibility requirements for conducting such referenda in a fair and equitable manner.

(1) ACTION ON LIMITED ACCESS SYSTEMS.—

(2) Within 1 year after receipt of recommendations from the review panel established under paragraph (3), the Secretary shall issue regulations to establish the requirements for creating an ‘individual quota system’ unless the plan complies with section 306(e).

(3) Within 1 year after receipt of recommendations from the review panel established under paragraph (3), the Secretary shall issue regulations to establish the requirements for creating an ‘individual quota system’ unless the plan complies with section 306(e).

(4) PROVIDE FOR APPROPRIATE PENALTIES FOR VIOLATIONS OF INDIVIDUAL QUOTA SYSTEMS, INCLUDING THE REVOCATION OF INDIVIDUAL QUOTAS FOR SUCH VIOLATIONS;

(5) INCLUDE RECOMMENDATIONS FOR POTENTIAL MANAGEMENT OPTIONS RELATED TO INDIVIDUAL QUOTAS, INCLUDING THE USE OF LEASES OR AUCTIONS BY THE FEDERAL GOVERNMENT IN THE ESTABLISHMENT OR ALLOCATION OF INDIVIDUAL QUOTAS; AND

(E) ESTABLISH A CENTRAL LIEN REGISTRY SYSTEM FOR THE IDENTIFICATION, PERFECTION, AND DETERMINATION OF PRIORITIES, AND CONJUDICIAL FORECLOSURE OF ENCUMBRANCES, ON INDIVIDUAL QUOTAS.

(3)(A) Not later than 6 months after the date of the enactment of the IFQ Act of 2001, the Secretary shall establish a review panel to evaluate fishery management plans in effect under this Act that establish an ‘individual quota system’ for limiting access to a fishery, including individual quota systems, and other limited access systems, with particular attention to:

(i) the success of the systems in conserving and managing fisheries;

(ii) the costs of implementing and enforcing the systems;

(iii) the economic effects of the systems on local communities; and

(iv) the use of auctions in the establishment or allocation of individual quota shares.

(4) The review panel shall consist of:

(i) the Secretary or a designee of the Secretary;

(ii) the Commandant of the Coast Guard;

(iii) a representative of each Council, selected by the Council; and

(iv) 5 individuals with knowledge and experience in fisheries management.

(C) BASED ON THE EVALUATION REQUIRED UNDER PARAGRAPH (A), THE REVIEW PANEL SHALL, BY SEPTEMBER 30, 2003:

(i) SUBMIT COMMENTS TO THE COUNCILS AND THE SECRETARY WITH RESPECT TO THE REVISION OF INDIVIDUAL QUOTA SYSTEMS THAT WERE ESTABLISHED PRIOR TO THE DATE OF THE ENACTMENT OF THE IFQ ACT OF 2001;

(ii) SUBMIT RECOMMENDATIONS TO THE SECRETARY FOR THE DEVELOPMENT OF THE REGULATIONS REQUIRED UNDER PARAGRAPH (2).

By Mr. DOMENICI (for himself, Mr. LEAHY, and Mr. BENNET):

S. 638. A bill to amend the Internal Revenue Code of 1986 to provide the same capital gain treatment for art and collectibles as for other investment property and to provide that a deduction equal to fair market value shall be allowed for charitable contributions of literary, musical, artistic, or scholarly compositions created by the donor; to the Committee on Finance.

Mr. DOMENICI. Mr. President, the bill I am introducing today is designed to restore some internal consistency to the Tax Code as it applies to art and artists.

No one has ever said that the Tax Code is fair even though the art market may be worth hundreds or even thousands of dollars. The tax treatment is a disincetive and a blatant unfairness.

If a person invests in stocks, or bonds, holds the asset for the requisite period of time, and sells at a gain, the tax treatment is long term capital gains tax rate is 20 percent. 18 percent if the asset is held for five or more years. However, if the same person invests in art or collects the top rate is hiked up to 28 percent.

Art for art’s sake should not incur an additional 40 percent tax bill simply for revenue’s sake. That is a big impact on the pocketbook of the beholder.

Art and collectibles are alternatives to financial instruments as an investment choice. To create a tax disadvantage with respect to one investment compared to another creates an artificial market and may lead to poor investment allocations. It also adversely impacts those who make their livelihood in the cultural sectors of the economy.

Santa Fe, NM, is the third largest art market in the country. We have a diverse colony of artists, collectors and gallery owners. We have fabulous Native American rug weavers, potters and carvers. Creative giants like Georgia O’Keeffe, Maria Martinez, E.L. Blumenstein, Allan Houser, R.C. Gorman, and Glenna Goodacre have all chosen New Mexico as their home and art artists.

John Nieto, Wilson Hurley, Clark Hulings, Verl Goodnight, Bill Acheff, Susan Rothenberg, Bruce Nauman, Agnes Martin, Doug Hyde, Margaret Nez, Dan Ostermiller are additional examples of living artists creating art in New Mexico.

Art, antiques and collectibles are a $12 to $20 billion annual industry nationwide. In New Mexico, it has been estimated that art and collectible sales range between $500 million and $1 billion a year.

Economists have always been interested in the economics of the arts. Adam Smith was a well-known economist. He was also a serious, but little-known essayist on painting, dancing and poetry. Keynes was a passionate devotee of painting.

Even the artistically inclined economists found it difficult to define art within the context of economic theory.

When asked to define Jazz, Louis Armstrong replied: “If you gotta ask, you ain’t never going to know.” A similar conundrum has challenged Galbraith and other economists who have grappled with the definitional issues associated with bringing art within the economic calculus.

Original art objects are, as a commodity group, characterized by a set of attributes:

Every unit of output is differentiated from every other unit of output.

Collectibles can be copied but not reproduced.

The cultural capital of the nation has significant elements of public good.
Because art works can be resold, and their prices may rise over time, they have the characteristics of financial assets, and as such may be sought as a hedge against inflation, as a store of wealth or as a source of speculative gains.

As chairman of the Budget Committee I pride myself on understanding economics, so I reviewed the literature on "cultural economics" to see how the markets have treated the muse.

Nutileists have analyzed rates of return on works of art—some studies going back as far as 1635. The more recent the study the more favorable art investments compare with the stock market.

New Mexico is not only the third largest art market but it is also the home of a unique company that manages the Metropolitan Fine Arts fund which chart the price performance of various categories of collectibles over the past five years. Recently this firm, Lyons and Hannover, compared the S&P 500 with different categories of fine art and collectibles. Had a person invested in American impressionists like Cassatt, Hassam, or Sargent he would have beat the S&P. An investment in 20th century expressionists like Klee or Nolde did not out perform the S&P. Of the other 16 categories most did almost as well as the S&P 500.

Furniture, ceramics, cars, photography, wine and weapons were also worthwhile investments during the last decade. Lyons and Hannover are not the only ones putting theory into practice. Citigroup has created in essence an art mutual fund. Deutchesche Bank recently launched its own art fund and Netarts also launched its museum fund. Deutsche Bank recently launched its own art fund and others are raising money for an "art investment bank." Not to be outdone by the "Wall Street suits" artist Ben McNeill has gone straight to the public. He minted 800 shares in his "Art Shares" project at $6 each. Each can be redeemed at 200% of cost in 2004. But buyers think they are worth more. They've traded on his web site for as high as $43.

William Goetzmann when he was at the Columbia Business School constructed an art index and concluded that painting price movements and stock market fluctuations are correlated. I conclude that with art, as with stocks, past performance is no guarantee of future returns but the gains could be taxed the same.

In 1990, the editor of Art and Auction asked the question: "Is there an 'efficient' art market?"

A well known art dealer answered: "Definitely not. That's one of the things that make the market so interesting."

For everyone who has been watching world financial markets lately, the art market may be a welcome distraction.

What do people invest in art and collectibles?

Art and collectibles are something you can appreciate even if the investment doesn't appreciate.

Art is less volatile. If bouncing bond prices drive you berserk and spiraling stock prices scare you silly, art may be the right investment for you.

Because art and collectibles are investments, the long term capital gains tax treatment should be the same as for stocks and bonds. This bill would accomplish that.

Artists will benefit. Gallery owners will benefit. Collectors will benefit. And museums come out, too. About 90 percent of what winds up in museums like the New York's Metropolitan Museum of Art comes from collectors.

Collecting isn't just for the hotty toity. It seems that everyone collects something. Some collections are better investments than others. Some collections are just bizarre. The Internet makes collecting big business.

The flea market fanatics are also aware. People collect the darndest things. Books, duck decoys, Audubon prints, chai pets, snowglobes, thimbles, handcuffs, spectacles, baseball cards, and caps, guns and dolls.

This bill would be called the "Fine art, furniture, figurines, coins and stamps, china and pottery, silver, cast iron and brass wares, beanie babies, rugs, quilts, and other textiles, architectural columns, glassware, jewelry, lamps, military memorabilia, toys, dolls, trains, entertainment memorabilia, political memorabilia, books, maps, antique hardware, clocks and watches" Capital Gains Parity Act and I still wouldn't have accurately captured the full scope of the bill.

For most of these collections, capital gains isn't really an issue, but you never know. Antique Roadshow is one of the most popular shows on TV. Every week we see the women who bought the card table at a yard sale for $25. It turned out to be the work of a Boston cabinet maker circa 1797. It later sold at Sotheby's for $490,000.

Like the women on Antique Roadshow, you could be creating a sizeable taxable asset if you decide to sell your art or collectible collection. You may find that your collecting passion has created a tax predicament—to phrase it politely. Art and collectibles are tangible assets. When you sell them, capital gains tax is due on any appreciation over your purchase price.

The bill provides capital gains tax protection. If you do not have the top capital gains rate from 28 percent to 20 percent, your capital gains rate from 28 percent to 20 percent, 16 percent if the asset has been held for five or more years.

The second area where people similarly situated are not treated similarly in the tax code is in charitable contributions. When someone is asked to make a charitable contribution to a museum or to a fund raising auction it shouldn't, but under current law does, matter whether you are an artist or not.

Under current law an artist/creator can only take a deduction equal to the cost of the art supplies.

The bill I am introducing with Senators LEAHY and BENNETT will allow a fair market deduction for the artist. It includes certain safeguards to keep the artist from "painting himself a tax deduction."

The bill applies to literary, musical, artistic, and scholarly compositions if the work was created at least 18 months before the donation was made, has been appraised, and is related to the purpose or function of the charitable organization receiving the donation.

As with other charitable contributions it is limited to 50 percent of adjusted gross income, AGI. If it is a capital gain, there is a 30 percent of AGI limit.

I believe these safeguards bring fairness back into the code and protect the Treasury against any potential abuse.

The revenue estimate for the capital gains provision is $2.3 billion over ten years and the estimate for the charitable deduction is approximately $48 million over ten years.

I hope my colleagues will help me put the internally consistent into the Internal Revenue Code for art's sake.

I ask unanimous consent the text of the bill be printed in the RECORD.

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

S. 638

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Art and Collectibles Capital Gains Tax Treatment Parity Act."

SEC. 2. CAPITAL GAINS TREATMENT FOR ART AND COLLECTIBLES.

(a) In General.—Section 1(h) of the Internal Revenue Code of 1986 (relating to maximum capital gains rate) is amended by striking paragraphs (5) and (6) and inserting the following new paragraphs:

"(5) 28 PERCENT RATE GAIN.—For purposes of this subsection, the term '28-percent rate gain' means the excess (if any) of—

"(A) the section 1221(b)(1)(B) gain, over

"(B) the sum of—

"(i) the net short-term capital loss, and

"(ii) the amount of long-term capital loss carried under section 1221(b)(1)(B) to the taxable year.

"(b) CONFORMING AMENDMENTS.—

(1) Section 1(h)(9) of the Internal Revenue Code of 1986 is amended by striking "collectibles gain, gain described in paragraph (7)(A)(i)" and inserting "gain described in paragraph (7)(A)(ii)". Subsection (e) of section 1(h) of such Code is amended by redesignating paragraphs (12) and (13) as paragraphs (12) and (13), respectively.

(2) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 3. CHARITABLE CONTRIBUTIONS OF CERTAIN ITEMS CREATED BY THE TAX-PAYER.

(a) In General.—Subsection (e) of section 170 of the Internal Revenue Code of 1986 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following new paragraph:

"(7) SPECIAL RULE FOR CERTAIN CONTRIBUTIONS OF LITERARY, MUSICAL, OR ARTISTIC COMPOSITIONS.—

"
contribution, the tangible literary, musical, artistic, or scholarly composition, or similar property and the copyright on such work shall be treated as separate properties for purposes of this paragraph and subsection (f)(3)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after the enactment of this Act in taxable years ending after such date.

By Mr. TORRICELLI: S. 641. A bill to amend section 482 of title 18, United States Code, relating to explosive materials; to the Committee on the Judiciary.

Mr. TORRICELLI. Mr. President, I rise today to introduce the "Explosives Protection Act." I do this in memory of the tragic bombing of the federal building in Oklahoma City, because I hope that this bill will, in some small way, prevent future bombings—whether by terrorists of symbolic targets, malcontents of random ones, or even spouses involved in marital disputes.

This bill, while not directly related to this particular Oklahoma City, is a first step towards protecting the American people from those who would use explosives to do them harm.

Not many people realize just how few restrictions on the use and sale of explosives really exist. While we have increasingly restricted the number of people who can obtain and use a firearm, we have been lax in extending these prohibitions to explosives.

For instance, we prohibit illegal aliens from obtaining a gun, we allow them to obtain explosives without restriction. And this same divergence applies to those who have been dishonorably discharged from the armed forces, who have renounced U.S. citizenship, people who have acted in such a way as to have restrained orders issued against them, and those with domestic violence convictions. Each of these categories of persons are prohibited from obtaining firearms, but for no such prohibition on obtaining explosive material.

Congress has already made the determination that certain members of society should not have access to firearms, and the same logic clearly applies to dangerous and destructive explosive materials, materials which can result in an equal or even greater loss of life. It is time to bring the explosives law into line with gun laws, and this is all my bill does. Specifically, the bill would: (i) extend the list of persons barred from purchasing explosives so that it matched that of people barred from purchasing firearms;

This is a simple bill meant only to correct longstanding gaps and loopholes in current law. I urge my colleagues to support the bill, and I hope we can quickly move to get this passed and protect Americans from future acts of explosive destruction. I ask unanimous consent that the text of the bill be printed in the RECORD.

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

SEC. 2. PROHIBITIONS RELATING TO EXPLOSIVE MATERIALS.

(a) PROHIBITION OF SALE, DELIVERY, OR TRANSFER OF EXPLOSIVE MATERIALS TO CERTAIN INDIVIDUALS.—Section 842 of title 18, United States Code, is amended by striking subsection (d) and inserting the following:

"(d) PROHIBITION OF SALE, DELIVERY, OR TRANSFER OF EXPLOSIVE MATERIALS TO CERTAIN INDIVIDUALS.—It shall be unlawful for any licensee to knowingly sell, deliver, or transfer any explosive materials to any individual who—"

"(1) is less than 21 years of age;

"(2) is under indictment for, or has been convicted in any court of, a crime punishable by imprisonment for a term exceeding 1 year;

"(3) is a fugitive from justice;

"(4) is an unlawful user of or addicted to any controlled substance (as defined in section 802 of the Comprehensive Drug Abuse Prevention and Control Act of 1970); and

"(5) has been adjudicated as a mental defective who has been committed to any mental institution;"

(b) PROHIBITION OF SALE, DELIVERY, OR TRANSFER OF EXPLOSIVE MATERIALS TO CERTAIN INDIVIDUALS.—Section 102 of the Controlled Substances Act (21 U.S.C. 802).

"(a) PROHIBITION OF SALE, DELIVERY, OR TRANSFER OF EXPLOSIVE MATERIALS TO CERTAIN INDIVIDUALS.—It shall be unlawful for any licensee to knowingly sell, deliver, or transfer any explosive materials to any individual who—"

"(1) is under indictment for, or has been convicted in any court of, a crime punishable by imprisonment for a term exceeding 1 year;

"(2) is under indictment for, or has been convicted in any court of, a crime punishable by imprisonment for a term exceeding 1 year;"
“(3) is a fugitive from justice;
(4) is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));
(5) has been adjudicated as a mental defective or who has been committed to a mental institution;
(6) being an alien—
(A) is illegally or unlawfully in the United States; or
(B) except as provided in section 845(d), has been admitted to the United States under a nonimmigrant visa (as that term is defined in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)));
(7) has been discharged from the Armed Forces under dishonorable conditions;
(8) being an alien who has been lawfully admitted to the United States for permanent residence in accordance with section 802 of title 42, U.S.C., but has been denied admission for a period of at least one year because the alien's contract of employment with an employer in the United States has terminated and the alien is no longer employed by the employer;
(9) is in an immigration detention facility or prison in the United States;
(10) is an alien who has been lawfully admitted to the United States under a nonimmigrant visa and who is not described in paragraph (2), may receive a waiver from the immigration officer of section 8(a)(5)(B) of section 842, as applicable, and certifying that the petitioner would not otherwise be prohibited from engaging in that activity under subsection (d) or (i) of section 842, as applicable.

By Mr. TORRICELLI:
S. 642. A bill to amend part Q of title I of the Omnibus Crime Control and Safe Streets Act of 1968 to provide assistance for unincorporated neighborhood watch programs; to the Committee on the Judiciary.

Mr. TORRICELLI. Mr. President, I rise today to introduce the “Neighborhood Watch Partnership Act.” This bill will broaden the eligibility of groups that may apply for essential funding for neighborhood watch programs.

Communities across the country are finding sensible ways to solve local problems. Through partnerships with local police, neighborhood watch groups are having a decisive impact on crime. There are almost 20,000 such neighborhood watch groups creating innovative programs that promote community involvement in crime prevention techniques. They empower community members and organize them against rape, burglary, and all forms of crime on the street. They forge bonds between law enforcement and the communities they serve.

Unfortunately, many communities find it difficult to afford the often expensive equipment such as cellphones and CBs needed to start a neighborhood watch organization. While the COPS program within the Department of Justice provides funding for some neighborhood watch groups, an organization must incorporate to benefit from the current program. There are nearly 20,000 groups incorporating for the sake of eligibility.

The time has come to make a clear commitment to these groups. That is why I am introducing a bill to extend COPS funding to unincorporated neighborhood watch organizations. The bill would provide grants of up to $1,000 to these groups. The bill would either provide funds to the local police chief or sheriff must approve grant requests by unincorporated watch groups. We would impose the same requirement on unincorporated groups, thus providing accountability for the disbursement of funds.

Neighborhood watch organizations provide an invaluable service. By extending the partnership between community policing and watch groups organizations, we will boldly encourage small and large communities to preserve and create crime prevention tools. We should act now, Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 642
Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. ASSISTANCE FOR UNINCORPORATED NEIGHBORHOOD WATCH PROGRAMS.

(a) SHORT TITLE.—This Act may be cited as the “Neighborhood Watch Partnership Act of 2001.

(b) IN GENERAL.—Section 170(d)(1)(A) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796dd(d)(1)) is amended—

(1) in paragraph (10), by striking “and” at the end;
(2) in paragraph (11), by striking the period at the end and inserting “and”;
(3) by adding at the end the following:

“(12) provide assistance to unincorporated neighborhood watch organizations approved by the appropriate local police or sheriff’s department, in an amount equal to not more than $10,000 per organization, for the purchase of citizen band radios, street signs, magnetic signs, flashlights, and other equipment relating to neighborhood watch patrols.”

(c) AUTHORIZATION OF APPROPRIATIONS.—


(1) in subparagraph (A), by striking clause (vi) and inserting the following:

“(vi) $202,625,000 for fiscal year 2002.”;

(2) in subparagraph (B) by inserting after “(vi)” the following: “Of amounts made available to carry out part Q in each fiscal year $14,625,000 shall be used to carry out section 170(d)(12).”

By Mr. BAUCUS (for himself, Mr. KERRY, Ms. LANDRIEU, Mr. INOUYE, Mr. TORRICELLI, Mr. DASCHLE, Mr. LEAHY, Mr. WYDEN, Mr. BINGAMAN, and Mr. LIEBERMAN):
S. 643. A bill to implement the agreement establishing a United States-Jordan free trade area; to the Committee on Finance.

Mr. BAUCUS. Mr. President, I rise today to introduce legislation to implement the United States-Jordan Free Trade Agreement.

I introduce this legislation on behalf of myself and Senators KERRY, LANDRIEU, INOUYE, TORRICELLI, DASCHLE, LEAHY, BINGAMAN, WYDEN, and LIEBERMAN.

The United States-Jordan FTA was signed on October 26, 2000 and formally submitted to Congress on January 6.

For a variety of reasons, it is one of the most significant trade achievements in recent years. Simply put, the United States-Jordan FTA is a strong trade agreement. It eliminates barriers to trade on goods and services across the board.

The agreement is very much on a par with the PTA with Canada and Mexico; the specific provisions of the agreement mirror the United States-Israel FTA and the related understanding with the Palestinian Authority.
Although the volume of trade involved is not likely to have much impact on the United States, it should be a significant boon to Jordan—and that does benefit the United States.

Jordan has become one of the United States’ best allies in the Middle East. Demonstrating much of Israel’s cooperation and leadership, Jordan has made peace with Israel and cooperated with the United States on a number of diplomatic fronts.

As the majority leader Senator LOTT wrote in a letter to the President on March 8 urging approval of the agreement:

Jordan has been a reliable partner of the United States and has played an important role in America’s efforts to achieve a lasting peace in the Middle East. The United States-Jordan Free Trade Agreement is an important and timely symbol of this critical relationship.

I strongly agree with Senator LOTT. I am normally skeptical of using geopolitical rationales to change U.S. trade policy, but in this case the right geopolitical outcome is also the right trade policy outcome.

Most of the controversy surrounding the United States-Jordan FTA focuses on provisions of the agreement regarding the environment and labor.

Without question, these are significant provisions. They address labor rights and environmental issues in the core of the agreement and make the issues subject to dispute settlement like all other provisions of the agreement.

That said, the provisions simply obligate both countries to enforce their current labor and environmental laws and not weaken their laws with the aim of distorting trade.

Any objective reading of the provisions makes it clear that critics’ fears of private parties litigating under these provisions of the agreement or attacking U.S. environmental laws are simply unfounded.

The agreement clearly is a government-to-government agreement; private parties cannot trigger dispute settlement proceedings. I believe there is little chance of the United States actually weakening its environmental laws, but it is certainly not going to take such a step with the aim of distorting trade with Jordan.

Given Jordan’s strong position on labor rights and environmental issues and the consultative process of the dispute settlement in the agreement, it is quite unlikely these provisions will ever result in the imposition of trade sanctions—the stated fear of the critics.

In fact, in the decade and a half it has been in place, the United States-Israel FTA dispute settlement procedures, the model for the Jordan FTA, have only been invoked once and, even in that case, sanctions were never imposed.

I suspect the real fear of critics is that the Jordan agreement will set a precedent for inclusion of labor and environmental provisions in future trade agreements. I understand that. That precedent, however, has already been set. Both the world trading system—now represented by the World Trade Organization—and the North American Free Trade Agreement, NAFTA, addressed labor and environmental issues.

In my opinion, all future trade agreements must meaningfully address labor and environmental issues to win congressional approval.

Further, the United States-Jordan FTA has already been negotiated, and it has been signed. Even if it was not ultimately approved by the Congress, the precedent has already been set with an approved and signed agreement. The bell cannot be unrung.

There is a more serious precedent at stake.

When President Clinton took office in 1993, I urged him to support the NAFTA agreement struck by his predecessor in the White House without renegotiation. I did this not because the NAFTA was a perfect agreement, it was not. It certainly needed improvement. But certainly there were certain areas where improvement was possible.

I supported it, and I told the President so because it is vital for there to be continuity in trade policy, I might add, also in foreign policy. Reopening negotiations on an agreement that is already signed to address what can only be called a partisan concern threatens the credibility of U.S. trade policy.

Scuttling or renegotiating the United States-Jordan FTA also sets a precedent for any new administration to undo the agreements negotiated by its predecessor. This would destroy any possibility of bipartisan trade policy and discourage our trading partners from negotiating seriously with the United States. We simply cannot afford to allow this kind of partisan chicanery to overwhelm good trade policy.

I introduce this implementing legislation for the United States-Jordan FTA in the hopes it can be rapidly passed and signed into law.

This is a good agreement. The United States-Jordan FTA advances U.S. trade policy as well as Middle East policy. It has wide support from labor and environmental groups, as well as from business leaders. The United States-Jordan FTA can go far to build a consensus on trade policy. It is very important.

Aside from the concerns over the labor and environmental provisions which I have already addressed, no one has raised serious objections to this agreement.

With Jordan’s King Abdullah visiting the United States next week, the Congress and the administration should move together to approve the United States-Jordan FTA.

I ask unanimous consent to print the bill in the RECORD.

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

SEC. 1. SHORT TITLE; TABLE OF CONTENTS.

This Act may be cited as the “United States-Jordan Free Trade Area Implementation Act”.

SEC. 2. PURPOSES.

The purposes of this Act are—

(1) to implement the agreement between the United States and Jordan establishing a free trade area;

(2) to strengthen and develop the economic relations between the United States and Jordan for their mutual benefit; and

(3) to establish free trade between the 2 nations through the removal of trade barriers.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) AGREEMENT.—The term “Agreement” means the Agreement between the United States and the Hashemite Kingdom of Jordan on the Establishment of a Free Trade Area, entered into on October 24, 2000.

(2) HTS.—The term “HTS” means the Harmonized Tariff Schedule of the United States.

TITLE I—TARIFF MODIFICATIONS; RULES OF ORIGIN

SEC. 101. TARIFF MODIFICATIONS.

(a) TARIFF MODIFICATIONS PROVIDED FOR IN THE AGREEMENT.—The President may proclaim—

(1) such modifications or continuation of any duty,

(2) such continuation of duty-free or excise treatment, or

(3) such additional duties, as the President determines to be necessary or appropriate to carry out article 2.1 of the Agreement and the schedule of duty reductions with respect to Jordan set out in Annex 2.1 of the Agreement.

(b) OTHER TARIFF MODIFICATIONS.—The President may proclaim—

(1) such modifications or continuation of any duty,

(2) such continuation of duty-free or excise treatment, or

(3) such additional duties, as the President determines to be necessary or appropriate to maintain the general level of reciprocal and mutually advantageous concessions with respect to Jordan provided for by the Agreement.

SEC. 102. RULES OF ORIGIN.

(a) IN GENERAL.—

(1) ELIGIBLE ARTICLES.—(A) IN GENERAL.—The reduction or elimination of any duty imposed on any article by the United States provided for in the Agreement shall apply only if—

(i) that article is imported directly from Jordan into the customs territory of the United States; and

(ii) that article—

(I) is wholly the growth, product, or manufacture of Jordan; or

(II) is a new or different article of commerce that has been grown, produced, or manufactured in Jordan and meets the requirements of subparagraph (B).

(B) REQUIREMENTS.—(I) GENERAL RULE.—The requirements of this subparagraph are that with respect to an article described in subparagraph (A)(i)(II), the sum of—

(I) the cost or value of the materials produced in Jordan, plus

(II) the direct costs of processing operations performed in Jordan, is not less than 35 percent of the appraised value of such article at the time it is entered.
(ii) MATERIALS PRODUCED IN UNITED STATES.—If the cost or value of materials produced in the customs territory of the United States is included with respect to an article to which this section applies, the amount of such cost or value shall be included in the entries for the purposes of this subpart, unless permitted by the Commission.

(b) DIRECT COSTS OF PROCESSING OPERATIONS.—

(1) IN GENERAL.—As used in this section, the term ‘direct costs of processing operations’ includes, but is not limited to—

(A) all actual labor costs involved in the growth, production, manufacture, or assembly of the merchandise or any component or parts thereof; and

(B) general expenses of doing business such as advertising, salesmen’s salaries, casualty and liability insurance, general expenses of doing business, and depreciation on machinery and equipment which are allocable to the specific merchandise.

(2) EXCLUDED COSTS.—The term ‘direct costs of processing operations’ does not include costs which are not directly attributable to the merchandise concerned, or are not costs of manufacturing the product, such as—

(A) profit; and

(B) general expenses of doing business which are either not allocable to the specific merchandise or are not related to the growth, production, manufacture, or assembly of the merchandise, such as administrative salaries, casualty and liability insurance, advertising, and salesmen’s salaries, commissions, or expenses.

(c) TEXTILE AND APPAREL ARTICLES.—

(1) IN GENERAL.—A textile or apparel article imported directly from Jordan into the customs territory of the United States shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) only if—

(A) such article is wholly obtained or produced in Jordan;

(B) the article is a yarn, thread, twine, cordage, rope, cable, or braiding; and—

(i) the constituent staple fibers are spun in Jordan, or

(ii) the continuous filament is extruded in Jordan;

(C) the article is a fabric, including a fabric classified under chapter 59 of the HTS, and the constituent fibers, filaments, or yarns are woven, knitted, needled, tufted, felted, or otherwise transformed into other fabric-making process in Jordan; or

(D) the article is any other textile or apparel article that is wholly assembled in Jordan.

(2) SPECIAL RULES.—(A) Notwithstanding paragraph (1)(D), except as provided in subparagraphs (C) and (D) of this paragraph, a textile or apparel article which is knit-to-shape in Jordan shall be considered to meet the requirements of paragraph (1)(A) of subsection (a). (C) Notwithstanding paragraph (1)(D), a good classified under heading 6117.10, 6123.00, 6214.00, 6222.00, 6228.90, 6302.50, 6309.10, 6309.90, 6312.99, 6314.00, 6319.00, 6321.00, 6325.99, 6326.00, 6331.99, 6332.90, 6348.90, or 6359.90, shall be considered to meet the requirements of paragraph (1)(A) of subsection (a): 5609, 5807, 5811, 6209.20.50.40, 6213, 6214, 6301, 6302, 6304, 6305, 6306, 6307.10, 6307.90, 6308, and 9404.90.

(B) Notwithstanding paragraph (1)(D) and except as provided in subparagraphs (C) and (D) of this paragraph, a textile or apparel article which is knit-to-shape in Jordan shall be considered to meet the requirements of paragraph (1)(A) of subsection (a). (a) Notwithstanding paragraph (1)(D), a good classified under heading 6117.10, 6123.00, 6214.00, 6222.00, 6228.90, 6302.50, 6309.10, 6309.90, 6312.99, 6314.00, 6319.00, 6321.00, 6325.99, 6326.00, 6331.99, 6332.90, 6348.90, or 6359.90, shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the fabric in the good is both dyed and printed in Jordan, and such dyeing and printing is accompanied by 2 or more of the following finishing operations: bonding, shrinking, fulling, nappling, decating, permanent stiffening, weighting, permanent embossing, or moiring.

(D) Notwithstanding paragraph (1)(C), a fabric classified under the HTS as of silk, cotton, man-made fiber, or vegetable fiber shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the fabric is the same weight as the fabric in the good that is classified under one of the following headings or subheadings of the HTS, except for a good classified under any such heading as of cotton or of wool or consisting of fibers blends containing 16 percent or more by weight of cotton, shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the fabric in the good is both dyed and printed in Jordan, and such dyeing and printing is accompanied by 2 or more of the following finishing operations: bonding, shrinking, fulling, nappling, decating, permanent stiffening, weighting, permanent embossing, or moiring.

(2) EXCLUSIONS.—

(a) PRODUCTION.—The term ‘production’ includes, but is not limited to—

(A) all actual labor costs involved in the growth, production, manufacture, or assembly of the merchandise, or any component or parts thereof, including fringe benefits, on-the-job training, and the cost of engineering, supervisory, quality control, and similar personnel; and

(B) general expenses of doing business which are allocable to the specific merchandise.

(b) QUALIFIED EXCLUSION.—If it is wholly the growth, production, manufacture, or assembly of the merchandise, or is not related to the growth, production, manufacture, or assembly of the merchandise, such as administrative salaries, casualty and liability insurance, advertising, and salesmen’s salaries, commissions, or expenses.

(c) TEXTILE AND APPAREL ARTICLES.—

(1) IN GENERAL.—A textile or apparel article imported directly from Jordan into the customs territory of the United States shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) only if—

(A) the article is wholly obtained or produced in Jordan;

(B) the article is a yarn, thread, twine, cordage, rope, cable, or braiding; and—

(i) the constituent staple fibers are spun in Jordan, or

(ii) the continuous filament is extruded in Jordan;

(C) the article is a fabric, including a fabric classified under chapter 59 of the HTS, and the constituent fibers, filaments, or yarns are woven, knitted, needled, tufted, felted, or otherwise transformed into other fabric-making process in Jordan; or

(D) the article is any other textile or apparel article that is wholly assembled in Jordan.

(2) SPECIAL RULES.—(A) Notwithstanding paragraph (1)(D), except as provided in subparagraphs (C) and (D) of this paragraph, a textile or apparel article which is knit-to-shape in Jordan shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the good—

(A) the most important assembly or manufacturing process occurs  in Jordan; or

(B) the applicability of paragraph (1)(A) of subsection (a) cannot be determined under subparagraph (A), the last important assembly or manufacturing occurs in Jordan.

(3) EXCLUSION.—A good shall not be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the good—

(1) is imported into Jordan, and, at the time of importation, would be classified under heading—

(a) 5609, 5807, 5811, 6209.20.50.40, 6213, 6214, 6301, 6302, 6304, 6305, 6306, 6307.10, 6307.90, 6308, and 9404.90.

(b) Notwithstanding paragraph (1)(D) and except as provided in subparagraphs (C) and (D) of this paragraph, a textile or apparel article which is knit-to-shape in Jordan shall be considered to meet the requirements of paragraph (1)(A) of subsection (a).

(c) Notwithstanding paragraph (1)(D), a good classified under heading 6117.10, 6123.00, 6214.00, 6222.00, 6228.90, 6302.50, 6309.10, 6309.90, 6312.99, 6314.00, 6319.00, 6321.00, 6325.99, 6326.00, 6331.99, 6332.90, 6348.90, or 6359.90, shall be considered to meet the requirements of paragraph (1)(A) of subsection (a): 5609, 5807, 5811, 6209.20.50.40, 6213, 6214, 6301, 6302,
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RING IMMEDIATELY BEFORE THE DATE ON WHICH ARTICLE FOR THE CORRESPONDING SEASON OCCURS, THE RATE OF DUTY IMPOSED UNDER THE HTS ON THE ARTICLE ENTERS INTO FORCE; OR

(b) RATE OF DUTY RESULTING FROM THE ELIMINATION OF THE LESSER OF THE INITIAL ANNUAL DUTY RATES ON IMPORTS ENTRING DURING THE FIRST THREE MONTHS OF THE CORRESPONDING SEASON OR THE INITIAL DUTY RATES ON IMPORTS ENTERING IN THE THREE MONTHS IMMEDIATELY FOLLOWING THE BEGINNING OF THE IMPORT RELIEF ACTION, AS APPLICABLE, TERMINATE 1 YEAR AFTER THE INITIATION OF THE IMPORT RELIEF ACTION UNDER SECTION 211; AND

(2) THE TARIFF TREATMENT FOR THAT ARTICLE AFTER DECEMBER 31 OF THE YEAR IN WHICH TERMINATION OCCURS SHALL BE, AT THE DISCRETION OF THE PRESIDENT, EITHER —

(a) THE RATE OF DUTY CONFORMING TO THE APPLICABLE RATE SET OUT IN THE UNITED STATES SCHEDULE TO ANNEX 2.1; OR

(2) MAY CHALLENGE, IN ANY ACTION BROUGHT UNDER ANY PROVISION OF LAW, ANY ACTION OR INACTION OF ANY PERSON OR CIRCUMSTANCE THAT IS INCONSISTENT WITH THE AGREEMENT, EXCEPT IN AN ACTION BROUGHT BY THE UNITED STATES FOR THE PURPOSE OF DECLARING SUCH LAW OR APPLICATION INVALID.

(b) RELATIONSHIP OF AGREEMENT TO STATE LAW.

(1) LEGAL CHALLENGE. — NO PROVISION OF THE AGREEMENT, NOR THE APPLICATION OF ANY PROVISION OF THE AGREEMENT TO ANY PERSON, SHALL HAVE EFFECT UNLESS IT IS CONSISTENT WITH THE LAW OF THE UNITED STATES.

(c) EFFECT OF AGREEMENT WITH RESPECT TO PRIVATE REMEDIES. — NO PERSON OTHER THAN THE UNITED STATES MAY CHALLENGE ANY ACTION OR INACTION OF THE GOVERNMENT OF THE UNITED STATES UNDER THE AGREEMENT.

SECTION 420. AUTHORIZATION OF APPROPRIATIONS.

THERE are authorized to be appropriated for each fiscal year after fiscal year 2001 to the Department of Commerce not more than $100,000 for the payment of the United States share of the expenses incurred in dispute settlement proceedings under article 17 of the Agreement.

SECTION 403. IMPLEMENTING REGULATIONS.

AFTER THE DATE OF ENACTMENT OF THIS ACT —

(1) THE PRESIDENT MAY PROCLAIM SUCH ACTIONS, AND

(2) OTHER APPROPRIATE OFFICERS OF THE UNITED STATES MAY ISSUE SUCH REGULATIONS, AS MAY BE NECESSARY TO ENSURE THAT ANY PROVISION OF THE AGREEMENT OR AMENDMENT MADE BY THIS ACT THAT TAKES EFFECT ON THE DATE THE AGREEMENT ENTERS INTO FORCE IS PROPERLY IMPLEMENTED ON SUCH DATE, BUT NO SUCH PROCLAMATION OR REGULATION MAY HAVE AN EFFECTIVE DATE EARLIER THAN THE DATE THE AGREEMENT ENTERS INTO FORCE.

SECTION 404. EFFECTIVE DATES; EFFECT OF TERMINATION.

(a) EFFECTIVE DATES. — ASPECT OF EFFECTIVE DATES AS APPLYING TO THE DUTY OR ACTIONS OF THE GOVERNMENT OF THE UNITED STATES DURING THE ENFORCEMENT PERIOD.

(b) EXCEPTIONS. — SECTIONS 1 THROUGH 3 AND THIS TITLE TAKE EFFECT ON THE DATE OF THE ENACTMENT OF THIS ACT.
S.J. RES. 11
Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within 7 years after the date of its submission for ratification:

"SECTION 1. Any bill to levy a new tax or increase the rate or base of any tax may pass only by a two-thirds majority of the whole number of each House, which becomes law. Any provision of law which would, standing alone, be subject to section 1 but for this section and which becomes law pursuant to such a waiver shall be effective for not longer than 2 years.

"SECTION 3. All votes taken by the House of Representatives or the Senate under this article shall be subject to section 1 and the names of persons voting for and against shall be entered on the Journal of each House respectively."

By Mr. SMITH of New Hampshire:
S.J. Res. 12. A joint resolution granting the consent of Congress to the International Emergency Management Assistance Memorandum of Understanding; to the Committee on Judiciary.

Mr. SMITH of New Hampshire. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S.J. Res. 11
Resolved by the Senate and House of Representatives of the United States of America in Congress assembled. SECTION 1. CONGRESSIONAL CONSENT. Congress consents to the International Emergency Management Assistance Memorandum of Understanding entered into between the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut and the Provinces of Quebec, New Brunswick, Prince Edward Island, Nova Scotia and Newfoundland. The compact is substantially designed and intended to:

"Article I—International Emergency Management Assistance Memorandum of Understanding and Authorities"

"The International Emergency Management Assistance Memorandum of Understanding, hereinafter referred to as the 'compact,' is made and entered into by and among the jurisdictions listed herein for the purpose of forming and creating a mechanism to facilitate, coordinate, and direct emergency assistance and relief. The compact also provides for the possibility of mutual assistance among the jurisdictions entering into this compact in managing any emergency or disaster when the affected jurisdiction or jurisdictions ask for assistance, whether arising from natural disaster, technological hazard, manmade disaster or civil emergency aspects of resource shortfalls; it may exceed the capabilities of a party jurisdiction.

"This compact also provides for the process of planning mechanisms among the agencies responsible for any mutual cooperation, including, if need be, emergency-related exercises, testing, or other training activities using equipment and personnel simulating presence of any actual occurring and receiving of aid by party jurisdictions or subdivisions of party jurisdictions during emergencies, with such activities related to actual declared emergency periods. Mutual assistance in this compact may include the use of emergency forces by mutual agreement among party jurisdictions."

"Article II—General Implementation"

"Each party jurisdiction entering into this compact recognizes that many emergencies may exceed the capabilities of a party jurisdiction and that intergovernmental cooperation is essential in such circumstances. Each jurisdiction further recognizes that there will be emergencies of immediate importance that require swift and effective action on the part of both jurisdictions, such as aiding emergency preparedness efforts, to prevent disaster, and such agencies, and transferring of limited resources to areas where emergencies exist.

"The prompt, full, and effective utilization of resources of the participating jurisdictions, including any resources on hand or available from any other source that are essential to the safety, care, and welfare of the people in the event of any emergency or disaster shall be the underlying principle on which all articles of this compact are understood.

"On behalf of the party jurisdictions participating in the compact, the legally designated official who is assigned responsibility for emergency management is responsible for formulation of the appropriate interjurisdictional memorandum of understanding and procedures necessary to implement this compact, and for recommendations to the jurisdiction concerned with respect to the amendment of any statutes, regulations, or ordinances required for that purpose."

"Article III—Party Jurisdiction Responsibilities"

"The compacts shall formulate plans and programs. It is the responsibility of each party jurisdiction to formulate procedural plans and programs for inter-jurisdictional cooperation in the fulfillment of the responsibilities listed in this section. In formulating and implementing such plans and programs the party jurisdictions, to the extent practical, shall—

(1) review individually party jurisdictional analyses that are available and, to the extent reasonably possible, determine all those potential emergencies the party jurisdictions might jointly suffer, whether due to natural disaster, technological hazard, manmade disaster or emergency aspects of resource shortfalls;

(2) develop inter-jurisdictional procedures to fill any identified gaps and to resolve any identified inconsistencies or overlaps in existing plans or programs; and

(3) develop inter-jurisdictional procedures to fill any identified gaps and to resolve any identified inconsistencies or overlaps in existing plans or programs; and

(4) assist in warning communities adjacent to or crossing jurisdictional boundaries;"
“(5) protect and ensure delivery of services, medicines, water, food, energy and fuel, search and rescue, and critical lifeline equipment, services and resources, both human and material to the extent authorized by law;

“(6) inventory and agree upon procedures for the inter-jurisdictional loan and delivery of mutual resources, together with procedures for reimbursement or forgiveness; and

“(7) provide, to the extent authorized by law, the suspension of any statutes or ordinances, over which the province or state has jurisdiction, that impede the implementation of the responsibilities described in this subsection.

“(b) REQUEST ASSISTANCE.—The authorized representative of a party jurisdiction may request assistance of another party jurisdiction by contacting the authorized representative of that jurisdiction. These provisions only apply to requests for assistance made by and to authorized representatives. Requests may be verbal or in writing. If verbal, the request must be confirmed in writing within 15 days of the verbal request. Requests must provide the following information:

“(1) A description of the emergency service function for which assistance is needed and of the mission or missions, including but not limited to, firefighting, emergency medical, transportation, communications, public works and engineering, building inspection, planning and information assistance, mass care, food, water, energy and fuel, and of other services and resources needed and a reasonable estimate of the length of time they will be needed.

“(2) The specific place and time for staging of the assisting party’s response and a point of contact for the requesting party.

“(c) CONSULTATION AMONG PARTY JURISDICTION OFFICIALS.—There shall be frequent consultation among the party jurisdiction officials who have assigned emergency management responsibilities, such officials collectively known hereafter as the International Emergency Management Group, and other appropriate representatives of the party jurisdictions with free exchange of information, plans, and resource records relating to emergency capabilities to the extent authorized by law.

“Article IV—Limitation

“Any party jurisdiction requested to render mutual aid or conduct exercises and training drills shall undertake to respond as soon as possible, except that it is understood that the jurisdiction rendering rendering aid may withhold or recall resources to the extent necessary to provide reasonable protection for that jurisdiction. Each party jurisdiction shall afford to the personnel of the emergency forces of any party jurisdiction, while under the command and control of its jurisdictional units under the terms and conditions of this compact and under the operational control of an officer of the requesting party, the same rights, privileges, and immunities as are afforded similar or like forces of the jurisdiction in which they are performing emergency services. Emergency forces under the command and control of their regular leaders, but the organizational units come under the operational control of the emergency service authorities of the party jurisdiction from which the resources are being received, unless otherwise directed. These conditions may be activated, as needed, by the jurisdiction that is to receive assistance or upon commencement of exercises or training aid and continuing as long as the exercises or drills for mutual aid are in progress, the emergency or disaster remains in effect or loaned resources remain in the receiving jurisdiction or jurisdictions, whichever is longer. The receiving jurisdiction is responsible for informing the assisting party on the types of the specific mutual aid, when services will no longer be required.

“Article V—Licenses and Permits

“Whenever a person holds a license, certificate, or registration in the party jurisdiction, the party jurisdiction to the compact evidencing the meeting of qualifications for professional, mechanical, or other skills, and when such assistance is requested by the receiving party jurisdiction, such person is deemed to be licensed, certified, or permitted by the jurisdiction requesting assistance to render aid involving such professional, mechanical, or other skills, subject to such limitations and conditions as the requesting jurisdiction prescribes by Executive order or otherwise.

“Article VI—Liability

“Any person or entity of a party jurisdiction rendering aid in another jurisdiction pursuant to this compact are considered agents of the requesting jurisdiction for tort liability and immunity purposes. Any person or entity of a party jurisdiction rendering aid in another jurisdiction pursuant to this compact are not liable on account of any act or omission in good faith with the part of such forces while so engaged or on account of the maintenance or use of any equipment or supplies in connection therewith. Good faith in this article does not include misconduct, gross negligence, or recklessness.

“Article VII—Supplementary Agreements

“Because it is probable that the pattern and detail of the machinery for mutual aid among 2 or more jurisdictions may differ from the assistance that are party to this compact, this compact contains elements of a broad base common to all jurisdictions, and nothing in this compact precludes any jurisdiction from entering into supplementary agreements with another jurisdiction or affects any other agreements already in force among jurisdictions. Supplementary agreements may include, but are not limited to, provisions for evacuation and reception of injured and other persons and the exchange of medical, fire, public utility, reconnaissance, supply, and communications personnel, equipment, and supplies.

“Article VIII—Workers’ Compensation and Death Benefits

“Each party jurisdiction shall provide, in accordance with its own laws, for the payment of workers’ compensation and death benefits to injured members of the emergency forces of that jurisdiction and to representatives of deceased members of those forces if the members sustain injuries or are killed while rendering aid pursuant to this compact, in the same manner and on the same terms as if the injury or death were sustained within their own jurisdiction.

“Article IX—Reimbursement

“Any party jurisdiction rendering aid in another jurisdiction pursuant to this compact shall, if requested, be reimbursed by the party jurisdiction receiving such aid for any loss or damage to, or expense incurred in, providing the aid or in connection with the provision of any service in answering a request for aid and for the costs incurred in connection with those requests. An aiding party jurisdiction may be reimbursed in part or in full for any such loss, damage, expense, or other cost or may loan such equipment or service to the receiving party jurisdiction without reimbursement. Any or more party jurisdiction may enter into supplementary agreements establishing a different allocation of costs among those jurisdictions. Expenses under article VIII are not reimbursable under this section.

“Article X—Evacuation

“Each party jurisdiction shall initiate a program to prepare and to facilitate the movement of and reception of evacuees into its territory or across its territory, according to its capabilities and powers. Any party jurisdiction whose territory the evacuees came shall assume the ultimate responsibility for the support of the evacuees, and after the termination of the emergency or disaster, for the repatriation of such evacuees.

“Article XI—Implementation

“(a) This compact is effective upon its execution or adoption by any 2 jurisdictions, and is effective as to any other jurisdiction upon its execution or adoption thereby; subject to approval or authorization by the United States Congress, if required, and subject to enactment of provincial or State legislation that may be required for the effectiveness of the Memorandum of Understanding.

“(b) Any party jurisdiction may withdraw from this compact, but the withdrawal does not take effect until 30 days after the governor or premier of the withdrawing jurisdiction has given notice of withdrawal to the governors or premiers of all other party jurisdictions. The action does not relieve the withdrawing jurisdiction from the compacts, agreements associated with this compact prior to the effective date of withdrawal.

“(c) Only authenticated copies of this compact in the French and English languages and of such supplementary agreements as may be entered into shall, at the time of their approval, be deposited with each of the party jurisdictions.

“Article XII—Severability

“This compact is construed to effectuate the purposes stated in Article I. If any provision of this compact is declared unconstitutional or the applicability of the compact to any person or circumstances is held invalid, the validity of the remainder of this compact and the applicability of the compact to other persons and circumstances are not affected.

“Article XIII—Consistency of Language

“The validity of the arrangements and agreements consented to in this compact shall not be affected by any insubstantial difference in form or language as adopted by the various States and provinces.

“Article XIV—Amendment

“This compact may be amended by agreement of the party jurisdictions.

“SEC. 2. INCONSISTENCY OF LANGUAGE.

“The validity of the arrangements consented to by this Act shall not be affected by any insubstantial difference in form or language as adopted by the States and provinces.

“SEC. 3. RIGHT TO ALTER, AMEND, OR REPEAL.

“The right to alter, amend, or repeal this Act is hereby expressly reserved.

AMENDMENTS SUBMITTED AND PROPOSED

SA 151. Mrs. FEINSTEIN (for herself, Mr. COCHRAN, and Mr. SCHUMER) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide participating candidates with an election advertising allowance, March 28, 2001.

SA 152. Mr. DEWINE (for himself, Mr. HATCH, Mr. HUTCHINSON, Mr. BROWNBACK, and Mr. ROBERTS) proposed an amendment to the bill S. 27, supra.

SA 153. Mr. SCHUMER proposed an amendment to the bill S. 27, supra.
section 101, is amended by adding at the end the following:

"(25) ELECTION CYCLES.—

(a) ELECTION CYCLE.—The term 'election cycle' means, with respect to a candidate, the period beginning on the day after the date of the previous general election for the specific office or seat that the candidate is seeking and ending on the date of the general election for that office or seat.

(b) HOUSE ELECTION CYCLE.—The term 'House election cycle' means, the period of time determined paragraph (A) for a candidate seeking election to a seat in the House of Representatives.

(c) SPECIAL RULES.—Section 315(a) of such Act (2 U.S.C. 441a(b)(1)) is amended by adding at the end the following:

"(9) For purposes of this subsection—

(A) if there are more than 2 elections in an election cycle for a specific Federal office, the limitation under paragraph (1)(A) shall be increased by $2,000, for the number of elections in excess of 2.

(B) if a candidate for President or Vice President is prohibited from receiving contributions with respect to the general election by reason under the Internal Revenue Code of 1986, the limitation under paragraph (1)(A) shall be increased by $2,000.

(1) CONFORMING AMENDMENT.—Paragraph (6) of section 315(a) of such Act (2 U.S.C. 441a(a)(6)) is amended to read as follows:

"(6) For purposes of paragraph (9), each election cycle with respect to any Federal election shall not exceed $30,000; or

(2) to all political committees for any House election cycle shall not exceed $30,000; or

(c) IN GENERAL.—Section 315(c)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)(1)), as amended by this Act, is amended to read as follows:

"(1) in paragraph (1)—

(A) by striking the second and third sentences; and

(B) by inserting "(A) before "At the beginning"; and

(c) by adding at the end the following:

"(2) Exceed in subparagraph (C), in any calendar year after 2002—

"(i) a limitation established by subsection (a)(1)(A), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A); and

(ii) each amount so increased shall remain in effect for the calendar year; and

(iii) if increased after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

(C) In the case of limitations under subsections (a)(1)(A) and (h), each amount increased under subparagraph (B) shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election; and

(2) in paragraph (2)(B), by striking "means the calendar year 1971" and inserting "mean the calendar year 1974; and

(ii) for purposes of subsections (a) and (h), calendar year 1971; and

(d) ELECTION CYCLE DEFINED.—Section 301 of such Act (2 U.S.C. 431), as amended by section

(2) ELECTED CLASSES OF CONGRESSIONAL RECORD — SENATE

S3065

March 28, 2001

SA 154. Mr. WARNER submitted an amendment intended to be proposed to the bill S. 27, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 151. Mrs. FEINSTEIN (for herself, Mr. COCHRAN, and Mr. SCHUMER) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

Strike all after the first word and insert the following:

104. CONTRIBUTION LIMITS APPLIED ON ELECTION CYCLE BASIS.—Section 315(a)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)(A)) is amended to read as follows:

"(A) to any candidate and the candidate's authorized political committees during the election cycle with respect to any Federal office which, in the aggregate, exceeds $4,000; or

(b) INDIVIDUAL AGGREGATE CONTRIBUTION LIMITS APPLIED ON ELECTION CYCLE BASIS.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)), as amended by this Act, is amended to read as follows:

"(3) The aggregate contributions an individual may make—

(A) to candidates or their authorized political committees for any House election cycle shall not exceed $30,000; or

(B) to all political committees for any House election cycle shall not exceed $35,000.

For purposes of this paragraph, if any contribution is made to a candidate for Federal office during a calendar year in the election cycle for the office and no election is held during that calendar year, the contribution shall be treated as made in the first succeeding calendar year in the cycle in which an election for the office is held.

(c) INDEXING OF CONTRIBUTION LIMITS.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences; and

(B) by inserting "(A) before "At the beginning"; and

(C) by adding at the end the following:

"(2) Exceed in subparagraph (C), in any calendar year after 2002—

"(i) a limitation established by subsection (a)(1)(A), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A); and

(ii) each amount so increased shall remain in effect for the calendar year; and

(iii) if increased after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

(C) In the case of limitations under subsections (a)(1)(A) and (h), each amount increased under subparagraph (B) shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election; and

(2) in paragraph (2)(B), by striking "means the calendar year 1971" and inserting "mean the calendar year 1974; and

(ii) for purposes of subsections (b) and (d), calendar year 1974; and

(ii) for purposes of subsections (a) and (h), calendar year 1971; and

(d) ELECTION CYCLE DEFINED.—Section 301 of such Act (2 U.S.C. 431), as amended by sec-

party the lowest charge of the station de-

scribed in paragraph (1) with respect to any independent expenditure (as defined in section 301 of the Federal Election Campaign Act of 1971)."

(b) FEDERAL ELECTION COMMISSION RULE-MAKING.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following:

"(4) If the limits on expenditures under paragraph (3) are held to be invalid by the Supreme Court of the United States, the Commission shall prescribe rules to ensure that each national committee of political party that submits a certification under section 315(d)(2)(B) of the Federal Election Campaign Act of 1934, and each State committee of that political party described in such section, complies with such certification."
SEC. 25B. CONTRIBUTIONS TO CONGRESSIONAL CANDIDATES.

(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year by the individual to any contribution only if the contribution is made by check or money order or if the application of the provisions and amendments to any person or circumstance, shall not be affected by the holding.

SEC. 305. ENCOURAGING SMALL CONTRIBUTIONS TO CONGRESSIONAL CANDIDATES.

(a) GENERAL RULE.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after the item described in section 25A the following:

"(c) DEFINITIONS.—In this section:

(1) CANDIDATE.—The term ‘candidate’ means a candidate in a primary, general, runoff, or special election seeking nomination for election to, or election to, the Senate or the House of Representatives.

(b) CONFORMING AMENDMENTS.—

(1) Section 642 of the Internal Revenue Code of 1986 (relating to special rules for credits and deductions of estates or trusts) is amended by adding at the end the following:

"(j) CREDIT FOR CERTAIN CONTRIBUTIONS NOT ABATED.—No credit or deduction shall be allowed the credit against tax provided by section 25B.

(2) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25A the following new item:

"(Sec. 25B. Contributions to congressional candidates."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

authority for committees to meet

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Wednesday, March 28, 2001, at 9:20 a.m., on the following:

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

COMMITTEE ON FINANCE

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet on Wednesday, March 28, 2001, to hear testimony on Preserving and Protecting Main Street, USA. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, March 28, 2001, at 10:00 a.m., to hold a hearing. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on Advocating for Patients: Health Information for Consumers during the session of the Senate on Wednesday, March 28, 2001, at 9:30 a.m.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Wednesday, March 28, 2001, at 10:30 a.m. in room 485 of the Russell Senate Office Building to conduct a hearing on S. 210, A Bill to authorize the integration and consolidation of alcohol and substance abuse programs and services provided by Indian tribal governments, and for other purposes; S. 214, a bill to elevate the position of Director of the Indian Health Service within the Department of Health and Human Services to Assistant Secretary for Indian Health, and for other purposes; and S. 535, the Native American Breast and Cervical Cancer Treatment Technical Amendment Act of 2001.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, March 28, 2001, at 2:00 p.m. to hold a closed hearing on intelligence matters.

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

Mr. THOMAS. Mr. President, I ask unanimous consent that the subcommittee on Personnel of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 28, 2001, at 9:30 a.m., in open session to receive testimony on Department of Defense policies pertaining to the Armed Forces Retirement Home.

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

APPOINTMENTS

Mr. THOMAS. Mr. President, I ask unanimous consent that the subcommittee on Personnel of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 28, 2001, at 9:30 a.m., in open session to receive testimony on Department of Defense policies pertaining to the Armed Forces Retirement Home.

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

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. DEWINE. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nomination reported by the Foreign Relations Committee: Calendar No. 23, Grant Green. I further ask unanimous consent that the nomination be confirmed, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate’s action, and the Senate then return to legislative session.

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

The nomination considered and confirmed is as follows:

DEPARTMENT OF STATE

Grant S. Green, Jr., of Virginia, to be an Under Secretary of State (Management).

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

ORDERS FOR THURSDAY, MARCH 29, 2001

Mr. DEWINE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Thursday, March 29. I further ask consent that on Thursday, immediately
following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of the DeWine amendment to S. 27, the campaign finance reform bill.

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

PROGRAM

Mr. DeWINE. Mr. President, for the information of all Senators, the Senate will resume consideration of the DeWine amendment regarding advocacy ads tomorrow morning. There will be up to 15 minutes of debate prior to a vote at 9:45 a.m. Following that vote, there will be up to 2 hours on a Harkin amendment on volunteer spending limits. Therefore, a second vote will occur before 12 noon on Thursday. Further amendments will be offered. Votes will occur throughout the day, and it is the intention of the managers and leaders to conclude this bill by tomorrow night. Therefore, votes could occur late into the evening tomorrow.

ADJOURNMENT UNTIL TOMORROW AT 9:30 A.M.

Mr. DeWINE. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:57 p.m., adjourned until Thursday, March 29, 2001, at 9:30 a.m.
HONORING LABOR LEADER CESAR CHAVEZ WITH A NATIONAL HOLIDAY

HON. CIRO D. RODRIGUEZ
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. RODRIGUEZ. Mr. Speaker, I rise today to commemorate the lasting contributions of a true American hero, Cesar Chavez. On April 23, 1952, Cesar Estrada Chavez ended his 66-year crusade against injustice in much the same way he began it—quietly and peacefully. More than 40,000 people participated in his funeral, honoring a hero who brought dignity to the voiceless men, women, and children laboring in America’s crop lands. Now, on the March 31st anniversary of his birth, Congress is slated to consider H. Con. Res. 3, the first step in establishing a permanent federal holiday to honor Cesar Chavez.

President Clinton posthumously awarded Cesar Chavez the Medal of Freedom in recognition of his outstanding contributions to American labor. Chavez was also inducted into the U.S. Labor Department’s Hall of Fame, the first Hispanic to be given this honor. This weekend, I will proudly take to the streets of San Antonio, Texas, with thousands of South Texans to honor Cesar Chavez and La Causa during San Antonio’s annual March for Justice.

Though awards and commemoration are important, Cesar Chavez did not seek out recognition for himself. Instead, he fought for what he called La Causa. For the millions of exploited and vulnerable farmworkers who, from dawn till dusk, plant, plow, and pick, La Causa was a tireless commitment to improving their plight, a recognition of the injustices they suffer.

His commitment transcended the hot, dusty fields. He was a husband, father, grandfather, labor organizer, community leader, and an icon for the ongoing struggle for equal rights and equal opportunity. Beyond agrarian America, he organized community voter registration drives, pushed for better working conditions, and stood up to those who would deny his fellow laborers their basic human rights. The migrant schools he worked so hard to establish are a testament to his exhaustive efforts and a rare opportunity for many of America’s laboring children to escape poverty.

Chavez rose from a fruit and vegetable pick-er to the head of the United Farm Workers of America (UFW). From the beginning, he worked to instill in the UFW the principals of non-violence practiced by Mahatma Gandhi and Dr. Martin Luther King, Jr. When the UFW began striking in the 1960s to protest the treatment of farm workers, the strikers took a pledge of non-violence. The 25 day fast Chavez conducted reaffirmed the UFW’s commitment to this principle.

For those of us who lived through this tumultuous era, we heard of the great odds Chavez faced as he led successful boycotts of grapes, wine, and lettuce in an attempt to pressure California growers to sign contracts with the UFW. Through his boycott, Chavez was able to forge a national support coalition of unions, church groups, students, minorities, and consumers. By the end of the boycott every-where knew the chant that unified all groups, “Sí se puede”—yes we can. It remains a chant of encouragement, pride and dignity. America has seen few leaders like Chavez. But his battle is not over. Those of us who continue his fight do so in order to give voices to the voiceless laborers, no matter where they work or who they are. To honor his memory, Congress should pass H. Con. Res. 3, another step in the ongoing struggle to make his birthday a national day of remembrance.

In his own words, “I am convinced that the true act of courage, the strongest act of humanity, is to sacrifice ourselves for others in a totally non-violent struggle for justice . . . to be human is to suffer for others . . . God help us be human.” Let us take these words and move forward in our continuous struggle for justice.

IN TRIBUTE TO MIKE ROTKIN

HON. SAM FARR
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. FARR of California. Mr. Speaker, I rise today to honor a public servant of the highest order, a man who has given over two decades of his life to the community. Mr. Speaker, Mike Rotkin of Santa Cruz, California, has recently celebrated the milestone of twenty-one years of public service, a most commendable celebration.

After living in Santa Cruz since 1969, when he came as a graduate student to the University of California, Mr. Rotkin decided to put his activism into action. He began his civic life in 1977, when he was first elected to the Santa Cruz City Council. Since that time, he has served on various city commissions, including his time as Chairperson for the Metropolitan Transit Commission. Mike was elected Mayor of Santa Cruz in 1981, and has served two other terms as Mayor since then.

Mr. Rotkin’s service extends beyond the role of politician. An active voice in the community, he regularly addresses city and national issues in letters to our local newspapers, and by enmeshing himself in a myriad of causes. His commitment to the community is demon-strated by his position as a Lecturer at the University of California, Santa Cruz, where he teaches and advises students on taking an active role in both the local and international realms. Indeed, many of his students have intervened in my offices.

In a time when a lifelong career in public service is looked down upon, and activism and interest in government is declining, it is refreshing to see individuals like Mike Rotkin. I applaud his efforts over the past twenty-one years to work with and for the people of Santa Cruz, and I join his colleagues in thanking him for his tireless efforts.

INTRODUCTION OF THE “CELLULAR TELECOMMUNICATIONS DEPRECIATION CLARIFICATION ACT”

HON. PHILIP M. CRANE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. CRANE. Mr. Speaker, I am pleased to join with Representative Neal and Ms. Johnson, Ms. Dunn, and Mr. Johnson of the Committee on Ways and Means in introducing the “Cellular Telecommunications Depreciation Clarification Act.” This legislation will amend the Internal Revenue Code to clarify that cellular telecommunications equipment is “qualified technological equipment” as defined in section 168(h)(2).

When an asset used in a trade or business or for the production of income has a useful life that extends beyond the taxable year, the costs of acquiring or producing the asset generally must be capitalized and recovered through depreciation or amortization deductions over the expected useful life of the property. The cost of most tangible depreciable property placed in service after 1986 is recovered on an accelerated basis using the modified accelerated cost recovery system, or MACRS. Under MACRS, assets are grouped into classes of personal property and real property, and each class is assigned a recovery period and depreciation method.

For MACRS property, the class lives and recovery periods for various assets are prescribed by a table published by the Internal Revenue Service found in Rev. Proc. 87–56, 1987–2 C.B. 674. This table lists various Asset Classes, along with their respective class lives and recovery periods. Rev. Proc. 87–56 does not specifically address the treatment of cellular assets, but rather addresses assets used in traditional wireline telephone communications.

These wireline class lives were created in 1977 and have remained basically unchanged since that time. In 1986, Congress added a category for computer-based telephone switching equipment, but there are no asset classes specifically for cellular communications equipment in Rev. Proc. 87–56. This is largely due to the fact that the commercial cellular industry was in its infancy in 1986 and 1987. Since the cellular industry was not specifically addressed in Rev. Proc. 87–56, the cellular industry has no clear, definitive guidance regarding the class lives and recovery periods of cellular assets. Therefore, the Internal Revenue Service and cellular companies have been left to resolve depreciation treatment on an ad hoc basis for these assets as the industry has rapidly progressed.

• This “bullet” symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.
The result is that both cellular telecommunications companies and the Internal Revenue Service are expending significant resources in auditing and settling disputes involving the depreciation of cellular telecommunications equipment. This process is obviously costly and inefficient for taxpayers and the Service, but it leaves affected companies with a great deal of uncertainty as to the tax treatment, and therefore expected after-tax return, that will result from the sales of telecommunications equipment. A standardized depreciation system for cellular telecommunications equipment would significantly reduce the excessive costs imposed by both industry and government through the audit and appeals process, and would eliminate an unnecessary degree of uncertainty that is slowing the expansion of our national telecommunications systems.

The Treasury Department’s “Report to the Congress on Depreciation Recovery Periods and Methods” tacitly acknowledges this point. In its discussion about how to treat assets used in newly-emerging industries, such as the cellular telecommunications industry, the report states:

[The IRS normally will attempt to identify those characteristics of the new activity that distinguish the characteristics of existing asset classes. However, this practice may eventually become questionable in a system where asset classes are seldom, if ever, reviewed and revised. The cellular phone industry, which did not exist when the current asset classes were defined, is a case in point. This industry’s assets differ in many respects from those used by wired telephone service, and may not fit well into the existing definitions for telephony-related classes.]

Rather than force cellular telecommunications equipment into wiredline telephony “transmission” or “distribution” classes, a better solution would clearly that cellular telecommunications equipment is “qualified technological equipment.” The Internal Revenue Code currently defines qualified technological equipment as any computer or peripheral equipment and any high technology telephone station equipment installed on a customer’s premises.

The cellular telecommunications industry has been one of the fastest growing industries in the United States since the mid-1980s, as evidenced by the following statistics:

The domestic subscriber population has grown from less than 350,000 in 1985 to 86 million by 1999, and is projected to grow to 175 million by 2007.

The industry directly provided 4,334 jobs in 1986, which grew to over 155,000 directly provided jobs and one million indirectly created jobs by 1999.

Capital expenditures on cellular assets exceeded $15 billion in 1999.

The rapid technological progress exhibited by the cellular telecommunications industry illustrates how the tax code needs to be flexible to adapt to future technologies and technological changes. Continued rapid advancement is on the horizon, including wireless fax, high-speed data, video capability, and a multitude of wireless internet services. It is impossible in 2001 to anticipate properly the new equipment that will support this growth even two years hence. I urge my colleagues to support this important clarification to the tax law.

IN HONOR OF MS. JAZMYN SMITH

HON. BENNIE G. THOMPSON
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. THOMPSON of Mississippi. Mr. Speaker, I rise today to pay tribute to a young Mississippi student from my district who has achieved national recognition for exemplary volunteer service in her community. Jazmyn Smith of Greenville, Mississippi has just been named one of my state’s top honorees in The 2001 Prudential Spirit of Community Awards program, an annual honor conferred on the most impressive student volunteers in each state, the District of Columbia, and Puerto Rico.

Ms. Smith is being recognized for the creation of a youth service club that gives teens a safe and healthy social outlet while providing valuable volunteer service to the community.

In light of numerous statistics that indicate Americans today are less involved in their communities than they once were, it’s vital that we encourage and support the kind of selfless contribution this young citizen has made. People of all ages need to think more about how we, as individual citizens, can work together at the local level to ensure the health and vitality of our towns and neighborhoods.

Young volunteers like Ms. Smith are inspiring examples to all of us, and are among our brightest hopes for a better tomorrow.

The program that brought this young role model to our attention—The Prudential Spirit of Community Awards—was created by The Prudential Insurance Company of America in partnership with the National Association of Secondary School Principals in 1995 to impress upon all youth volunteers that their contributions are critically important and highly valued, and to inspire other young people to follow their example. Over the past six years, the program has become the nation’s largest youth recognition effort based solely on community service, with nearly 100,000 youngsters participating since its inception.

Ms. Smith should be extremely proud to have been singled out from such a large group of dedicated volunteers. I heartily applaud Ms. Smith for her initiative in seeking to make her community a better place to live, and for the positive impact he has had on the lives of others. She has demonstrated a level of commitment and accomplishment that is truly extraordinary in today’s world, and deserves our sincere admiration and respect.

Her actions show that young Americans can—and do—play important roles in our communities, and that America’s community spirit continues to hold tremendous promise for the future.

Mr. Speaker, I ask that you join me in saluting a great young role model, Ms. Jazmyn Smith.

RETIRING DEPUTY ADMINISTRATOR OF THE DRUG ENFORCEMENT ADMINISTRATION

JULIO F. MERCADO

HON. BOB BARR
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. BARR of Georgia. Mr. Speaker, I have often said that one man can make a difference. And I will always hold on to that belief, because it goes to the very core of what America is all about. We are a free nation, fashioned out of the heroic efforts of men and women who never considered that failure was an option. Each one made a difference.

The recent retirement of Julio F. Mercado, the Deputy Administrator of the Drug Enforcement Administration, brings to a close a distinguished 28-year career in Law Enforcement. Julio Mercado served his country and he made a difference during the nearly three decades that he wore a badge and carried a gun.

Special Agent Mercado is one of those American patriots who has always made a difference. Born in Puerto Rico and growing up in the South Bronx of New York City he knew why law enforcement must be a community-based effort, better than anyone else. The enforcement of the rules and encouragement of community participation has been the hallmark of his career.

His concept of service to his country always transcended his own personal plans and desires; as you could ask his wife, Elizabeth, and his four children. His duty came first initially as a United States Marine, then as a dedicated lawman, and lastly, as a concerned and active citizen of this great nation. The men that served with him in the United States Marine Corps would have followed him anywhere—because he is a leader. The Police Officer of great courage, dedication and wisdom. These words came from a police
force that has suffered over 5,000 policemen killed in the past decade, fighting the war on drugs. They more than anyone else, captured the essence of what Julio F. Mercado has meant to international law enforcement. His name is spoken with great respect and warmth wherever honest cops gather. He is truly a ‘cop’s cop.’

I am proud to stand in the halls of the United States Congress to recognize Julio F. Mercado for his superb service to this great nation. He is a role model for young Americans. He grew up in D.E.A. and in New York, he grew with him. The success of this great law enforcement agency is the culmination of the efforts of men and women like Julio Mercado. His story is an outstanding example of how one man, who came from humble beginnings, can teach his country and his fellow man to truly make a difference. Our country owes him and his family, a great debt of gratitude.

JULIO F. MERCADO, DEPUTY ADMINISTRATOR, U.S. DEPARTMENT OF JUSTICE

Julio F. Mercado began his law enforcement career with the New York Police Department, assigned to the 47th Precinct, in 1973. During that period, he worked with DEA as a Task Force agent. Mr. Mercado’s employment with DEA commenced in 1979, with his assignment to the New York Field Division. During his tenure, he conducted nearly 700 undercover buys and had a 100% conviction rate. Mr. Mercado, who is fluent in the Spanish language, remained in New York until his assignment to San Juan, Puerto Rico, in 1984. He was promoted to Group Supervisor in 1987 and was transferred to the McAllen District Office, McAllen, Texas. Mr. Mercado received his first Headquarters assignment and served as Staff Coordinator of the Heroin Investigations Section until 1992. Next, he was assigned to the Special Operations Division, where he served as the Deputy Chief. In 1995, Mr. Mercado was promoted to Assistant Special Agent in Charge, Caribbean Division, San Juan, Puerto Rico. During this assignment, he became involved in many high-profile cases, as well as community drug education and prevention programs in Puerto Rico.

Mr. Mercado was selected as Special Agent in Charge, Dallas Field Division, Dallas, Texas, on February 21, 1997, and reported on February 24, 1997. On May 19, 1998, Mr. Mercado was named Acting Deputy Administrator of the DEA and was confirmed by the U.S. Senate as Deputy Administrator on June 29, 2000. He was sworn in on September 1, 2000.

Mr. Mercado is a member of the Greater Dallas Crime Commission; the Texas Police Chiefs Association; the International Association of Chiefs of Police; the League of United Latin American Citizens, and the Texas School Principals Association. He attended John Jay College in New York, with a major in Criminal Justice. Mr. Mercado and his wife, Elizabeth, have four children and four grandchildren.

HONORING MR. JOHN YOUNGER OF TENNESSEE, ON THE OCCASION OF HIS RETIREMENT

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. CLEMENT. Mr. Speaker, I rise today to honor Mr. John Younger of Nashville, Ten-
The American Federation of Government Employees, AFL-CIO, the largest federal employee union, has been vigilant in urging Congress to provide the needed redress to the injustices in the Federal Wage System. My legislation, the Federal Worker Pay Fairness Act of 2001, does so and is supported by AFGE.

First, the bill would guarantee wage grade workers an annual pay raise.

Unlike their white-collar co-workers, wage grade employees are not guaranteed any annual pay raise. The nationwide General Schedule (GS) and locality pay raise we in Congress approve every year are not given to federal employees in blue-collar occupations. It is unfair for the federal government to single out one segment of its workforce for impoverishment. A basic across the board pay adjustment each year is necessary to offset increases in their federal health care premiums as well as general increases in the cost of living. No employee of the U.S. government should see steady decreases in purchasing power from persistent wage stagnation.

Wage grade workers have seen their paychecks purchase less and less. For example, the bill would consolidate the areas surveyed for wage rates from the current 133 locality areas in the Federal Wage Schedule to the 32 localities that are determined by the Federal Salary Council used to set the pay for virtually every other federal employee under the Federal Employees Pay Comparability Act (FEPCA). These 32 regions are a more modern and accurate reflection of contemporary labor markets and commuting patterns by living the areas of data collection used to calculate wage schedules from 32 localities rather than 133 would yield considerable savings.

The legislation would also transfer responsibility for data collection from the lead agency, the Department of Defense, to the Bureau of Labor Statistics. This federal agency collects data used for other federal pay systems, most notably the GS white collar system. It already conducts data collection in the relevant localities, matching federal and non-federal jobs. While this change would impose new costs on the BLS, the consolidation of localities means that the cost of data collection to the government will go down overall.

Mr. Speaker, the single most important measure of a pay-setting system—for either white or blue-collar workers—is whether it allows workers to earn sufficient income to support a family in a decent fashion. Does it produce at least a stable standard of living? Does it hold out the hope that in good economic times, improvements in the standard of living are possible? Our current system does not.

The Federal Wage Worker Pay Fairness Act of 2001 would correct the fundamental errors in the current pay-setting system for federal blue-collar workers to ensure that they have a chance at a decent and stable standard of living. I urge my colleagues to support this legislation on behalf of our nation’s federal workforce.

Fourth, the legislation would simplify the data collection and administration of the Federal Wage Schedule.

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IN TRIBUTE TO JADE MANSFIELD

HON. SAM FARR
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. FARR of California. Mr. Speaker, I rise today to honor the life of Jade Allison Mansfield, a woman who lived a rich and service-filled life before suddenly passing away at the age of forty-one. Uniformly described as a pillar of the community, Jade’s drowning on February 19 is a very unfortunate loss to south Monterey County. Jade personified the best in civic spirit and ownership throughout south Monterey County for the many diverse causes she undertook in order to better her community.

Jade, a lifelong resident of Monterey County, was born in Salinas on December 9, 1959. She served for four years in the United States Air Force as a crew chief and aircraft mechanic for the F4 fighting jet. While managing a successful bakery in Paio Alto, Jade earned a degree in Political Science from California State University San Francisco and a Doctor of Jurisprudence Law from Monterey College of Law.

Upon completion of her law degree, Jade embarked on an impressive career of community service, volunteering her services to low-income senior citizens at a local non-profit legal services office. She eventually became Legal Service’s for Seniors’ full time attorney, assisting dozens of clients a year in her work to protect seniors against elder abuse and financial scams.

In addition to her work on behalf of the elderly, Jade ran a law practice assisting low-income clients in south Monterey County, providing much-needed legal assistance to those least able to obtain it. Prior to earning her law degree, she worked in the Monterey County government, helping those in need.

Her generosity of spirit and her commitment to her community are further demonstrated by the active role she undertook in her neighborhood, and the answering support she showed towards her grandmother. Jade worked hard in her role as President of her rural home owners association, and was tireless in ensuring that her neighbors had clean water and in providing other small services. She happily took on the responsibility of managing her grandmother’s affairs when her grandmother was no longer able to care for herself. In this service she donated many hours each week to visiting and caring for her grandmother.

Jade deeply touched the lives of those around her; her intelligence, wit, and absolute joy in life were truly remarkable. Her recommendation to assist others was manifest in all aspects of her life. Jade’s passing is a terrible loss throughout Monterey County, but especially to her friends and family, the local community, the elderly, and the countless others who knew or were assisted by her. Her energy, tenacity, and kindness will be deeply missed by all who knew her.

INTRODUCTION OF “THE INTERNATIONAL COMPETITIVENESS ACT”

HON. PHILIP M. CRANE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. CRANE. Mr. Speaker, today I am introducing the International Competitiveness Act, along with my colleagues Congresswoman JENNIFER DUNN, Congressman ADAM SMITH, and Congressman RICHARD HASTINGS. This legislation would eliminate an irrational provision in our tax code that reduces the amount of foreign capital flowing into the United States, and redirects some of the capital that flows in away from U.S.-based mutual funds toward foreign-based mutual funds.

Under present law, most kinds of interest income and short-term capital gains received directly by a foreign investor or received through a foreign mutual fund are not subject to the 30 percent withholding tax on investment income. However, interest income and short-term capital gains earned by a U.S. mutual fund on its holdings are recharacterized as dividend income when distributed to a foreign investor and is therefore subject to the withholding tax. Mutual funds are very popular tools for investors. Many foreign investors, like U.S. investors, prefer to rely on professional managers of mutual funds to put together an appropriate portfolio, rather than having to do the research themselves. However, a foreign investor looking to invest in the U.S. currently...
has two options. The first option is to pay a steep withholding tax on all income and short-term capital gains earnings from a U.S. mutual fund, or invest through a foreign mutual fund. Few foreign investors are willing to bear a 30 percent withholding tax, and so they either invest through the foreign mutual fund or forego investing in the United States. Either way, the real loser is the United States.

As Chairman of the Ways and Means Subcommittee on International Trade, I also look at this issue from a trade policy perspective. And this lends me to think that we have in this tax provision an artificial barrier to the free flow of trade in the form of financial services and to the free flow of capital. In this respect the current income tax clearly gives foreign mutual funds as competitive advantage with no compensatory advantage gained by any American interest whatsoever.

Mr. Speaker, I believe this legislation makes good sense as tax policy, trade policy, and economic policy, and I urge my colleagues to lend it their support.

IN HONOR OF MS. QUEENEICE GANISON

HON. BENNIE G. THOMPSON
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. THOMPSON of Mississippi. Mr. Speaker, I rise today to pay tribute to a young Mississippi student from my district who has been singled out from such a large group of dedicated volunteers. Heartily applaud Ms. Ganison for her initiative in seeking to make her community a better place to live, and for the positive impact she has had on the lives of others. She has demonstrated a level of commitment and accomplishment that is truly extraordinary in today's world, and deserves our utmost encouragement and respect.

Her actions show that young Americans can-and do-play important roles in our communities, and that America's community spirit continues to hold tremendous promise for the future.

Mr. Speaker, I ask that you join me in saluting a great young role model, Ms. Queeneice Ganison.

INTRODUCTION OF LEGISLATION SEEKING TO RESTORE THE UNITED STATES ASSAY COMMISSION

HON. STEVEN R. ROTHMAN
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. ROTHMAN. Mr. Speaker, I rise today to announce my introduction of a House Resolution designed to re-establish the creation of the United States Assay Commission, an American institution that was initiated in 1792.

The Assay Commission was authorized by the original Mint Act of April 2, 1792 and continued to meet each year (with the exception of 1815) until about 20 years ago, when it was finally abolished in 1980. During that time, it was the oldest continually operating committee in the federal government and brought in outside people to maintain oversight over the operations of the U.S. Mint.

Originally authorized as part of the nation's first Mint Act of April 2, 1792, the purpose of the Assay Commission was to examine the nation's coins on an annual basis and certify to the President, Congress, and the American people that gold and silver coins had the necessary purity, the proper weight, and necessary value.

Among the earliest members, statutorily, were Thomas Jefferson, James Madison, James Monroe, Alexander Hamilton, and even the Chief Justice of the Supreme Court. Starting about 140 years ago, some members of the general public were invited to participate, and at the time that the Coinage Act of 1873 was passed, it was codified that the President had the right to appoint members of the Assay Commission from the general public at large. That practice continued for more than a century, though after 1970 there were no longer silver coins to review.

By the time that the Assay Commission was abolished in the Carter Administration as part of the President's re-organization project, it no longer served any valid function because the U.S. Mint was no longer producing gold or silver coinage—whether of a circulating or of a commemorative nature.

Starting in 1982, the Mint began anew producing contemporary commemorative coinage from .900 fine silver. By 1984, gold commemorative coins for the Olympic games were issued since then the U.S. Mint has produced hundreds of millions of dollars worth of retail sales of gold, and silver commemorative coinage. Since 1986, the Mint began producing gold, silver and platinum bullion coins which are now widely traded all over the world.

Mr. Speaker, I recall that in the mid-1980's, lacking outside oversight, a problem was discovered in one of the Mint's bullion products. It appears, from the official Mint records, that as little as 3% of the .999 fine silver (weighing less than an ounce) did not have the proper fineness or weight in gold. Because of this, there was a serious marketing problem in the Far East, as confidence in this uniquely American product diminished.

Today, the United States Mint is a business that, were it in privately controlled hands, would constitute a Fortune-500 corporation. It has come to my attention that an informal, ad hoc group of former Presidential appointees, all former Assay Commissioners, have suggested that it is time for the Mint to have the oversight of the Annual Assay Commission. In fact, this distinguished group reiterated their concern this past summer at a reunion meeting held in the Assay Room of the Philadelphia Mint in conjunction with the American Numismatic Association's anniversary convention.

Service on the commission is essentially an honorary task, as the members of the committee have historically paid for all of their own expenses, including their transportation costs and overnight stay at Philadelphia’s Mint when necessary.

There are obviously minor costs associated with it, but each of these is quite capable of being covered by the Mint's rotating Enterprise fund.

Mr. Speaker, an article advocating the restoration of the annual Assay Commission written by Fair Lawn, New Jersey Mayor, David L. Ganz, appeared in Numismatic News, a weekly coin hobby periodical. I would ask that this article be reprinted, in full, in the CONGRESSIONAL RECORD.

In the course of two centuries of existence, more than a thousand individuals served on the annual Assay Commission. During the era when the Mint was active in promoting commemorative coinage, they constituted a group that only participated in their government first hand, but also thereafter served as goodwill ambassadors for the products of the United States Mint.

The Mint has dozens of products that it offers to collectors, and since the 50 state quarter program began, the ranks of those collecting coins has grown from three to five million Americans to more than 125 million people collecting state quarters. Some of those state quarters are made of coin silver, and having citizens retain some oversight over these coins not only keeps consumer confidence in the Mint's operations high, but affords the rare opportunity for citizens to regularly, and actively, participate in their government.

I urge my colleagues to help me re-authorize the Assay Commission by cosponsoring the legislation that I have introduced today.

[From the Numismatic News, Oct. 5, 1989]

TIME TO CONSIDER REVIVING THE ASSAY COMMISSION

(By David L. Ganz)

Let me set the stage. A quarter century ago this past February, Richard Nixon was in the final throes of his star-crossed Presidency, though no one yet suspected that Watergate was about to become his ultimate...
downfall and lead to probable impeachment. American coinage of 1974 was devoid of silver, and private gold ownership had been illegal since 1933, except for rare and unusual gold coins, and one before the Office of Domestic Gold & Silver Operations gave a rarely sought, seldom-granted license to acquire the particular specimen. As Washington, DC, was for a difficult blizzard storm, the White House press office was readying a press release that would surprise many for the number of Democrats and other non-sponsored items. In my own lifetime, the mint bosses were able to be listed—not the so-called Enemy’s List, but actually a designation to public service. The President had been trying to attract applicants, many of whom had written letters, sent resumes, asked political contacts for a personal boost, responded to background checks of all applicants, and a staff, followed up by security agencies interested in potential skeletons that could prove embarrassing to the White House if found in a presidential appointee. First inklings of what to transpire probably came to most individuals in the form of a telephone call on Friday, Feb. 8 from Washington, DC, to the phone number of Caesar Rodney. By that time, the oldest continually operating commission in the United States government.

First of the commissions, which were mandated by the original Coinage Act of April 2, 1792 were deemed so essential to the confidence of the public in the national money that section 18 of the legislation directed that the original inspectors were to include the chief Justice of the United States, the Attorney General of the United States. This was neither a casual request nor the Attorney General’s, but actually a designation to public service. The statute is explicit: that the original inspectors were to include the chief Justice of the United States, the Attorney General of the United States, and the Comptroller of the Currency, the Secretary of the Department of State, the Secretary and Comptroller of the Currency, the chief Justice of the United States, the Secretary of the Treasury, and the Attorney General of the United States. This was neither a usual request nor one that was considered so unimportant an aide could attend. The statute is explicit: this who's who “are hereby required to attend for that purpose”, meaning that in July of 1795, the chief Justice John Jay, Secretary of State Edmund Randolph, Treasury Secretary Alexander Hamilton, and Attorney General William Bradford may have gathered.

In the Jefferson Administration, consider this remarkable group of men: Chief Justice Marshall; Secretary of State (and future president) James Madison; Secretary of the Treasury Albert Gallatin, Attorney General Caesar Rodney might all have been there. In 1801, the statute had been amended to add the United States District Judge for Pennsylvania as an officer at the Annual Assay, and has been the time that the Act of June 21, 1837 was approved, the cabinet officials and the Chief Justice were omitted in favor of the U.S. District Court Judge from the Eastern District of Pennsylvania (the office being divided in half for judicial purposes), other governmental officials, and “such other persons as the President shall, from time to time, designate for that purpose, who shall meet as commissioners, for the performance of this duty, on the second Monday in February, annually. . . . .” Flash forward to 1794. The call comes from Washington. A trek begins to Philadelphia, where it has begun to snow. Dozens of people from all across the country come to serve on the Assay Commission, all traveling at their own expense.

Starting in the midst of the Truman Administration, a serious numismatist or two had been brought. Sometimes the government in some numismatic or related matter were similarly given the honor. Among the early appointees: Max Schwartz (1945), the New York attorney who later became ANA’s legal counsel; Ted Hammer (1947), John Jay Pitman (1947), Adm. William Greenwall and H. H. Shulman (1952). Some came by air (from California); others drove, I came by train, on Amtrak’s Metroliner, leaving from New Haven, Franconia, at an hour, and a half later at Philadelphia’s station by the same name. Those who came in February, 1974, gathered on Thursday evening, Feb. 7, at the Union bulletin board above the Holiday Inn Mall, and unlike years when there were only one or two hobbyists, this was a banner year. The press call on Friday, Feb. 8 and the welcome letter and school just three or four weeks before, I had to petition the Dean of the School to permit the attendance tape and honor the president’s appointed representative. My classmates, as we have referred to ourselves over the succeeding quarter century, included some then and future hobby luminaries: Don Bailey (former officer of Arizona Numismatic Association), John Barrett (member of several local clubs), Dr. Harold Bushey, Sam Butland (Washington Numismatic Society, ANA), Alexander Cohen (CSNNA, Secretary), David Cooper (CSNNS v.p.), George Crocker (S.C.N.A. president), Joe O’Hara (member of the ANA), Frank Santoro (A.3. governor), Ken Hallenbeck (past president, Indiana State Numismatic Assn.). Also: Dr. Robert Harris, Jerry Hildebrand (organizer of the World Coin Company); Barbara Hyde (TAMS Board member, sculptor,) Philip Keller (past president of the American Society for the Study of French Numismatics), Reva Eline (member of several upstate New York coin clubs), Stewart Koppel (past president, Aurora, Ill. Coin Club), Charles M. Leuener (Delaware County Coin Club), Capt. Gary Lewis (past president of Colorado-Wyoming Numismatic Association), Fred Mantei (past president) (Flushing Coin Club), Lt. Col. Melvin Muesler (member of many local and regional clubs), James L. Miller (COINage Magazine publisher), John Muroff (Philadelphia Coin Club member), and Harris Rusitzsky (Rochester Numismatic Association member). I was also a member (law student and former assistant editor, Numismatic News). This remarkable group of men and women, the White House and Mint joint announcement announced, were appointed by the President to form the 25 Commissioners, working in such varied fields as medicine, dentistry, law, engineering, forestry research and the military, share a common interest in coins and the science of numismatics.” Early in its history, and indeed, in the first half of the 20th century, the appointees were either professional numismatists, some of whom were members of the ANA in Congress, and to the coinage subcommittee in the House, and the larger Senate Banking Committee on the other, to the Commission, ending a practice of earlier administrations.

The study will focus on possible alternative methods of carrying out the functions of the Commission.” I prepared a memorandum for Davis at his request, answering several specific questions, careful to take no position on its continued validity. Earlier in the year, in a major law review article proposing a “Revision of the Minting & Coinage Laws of the United States” which was published in the Cleveland Law Review, I had essentially said that it was time for Congress to decide whether or not to continue the two-century-old commission. Davis asked if the Mint-coin Commission was essential. I replied “More aptly, the question is whether or not assaying of coins is essential. The answer is an unequivocal yes to that.” Indeed, that Mint regularly conducts assays of its coin products as a means of assuring quality. (The 1987 fowl-up was an administrative problem; the gold coins were assayed and found short, but the decision was made to circulate them anyway.) Davis also asked what the function of the Commission should be in the succeeding two years if it was continued. I suggested that the Commission be written in such a manner as to provide for compositional analysis of all subsidiary coinage plus the dollar coin.”

The die was already cast, however, and the Carter Administration (having already declined to name public members) simply let the Commission wither away until, in 1980, it expired with the passage of Public Law 96-390 (March 14, 1980). The irony is that only a short time later, the Mint was once again producing precious metal coinage. As the new millennium is on the verge of coming, and new coinage is being issued, matters of the new commissions (most of whom are members of the Old Time Assay Commission’s Society, OTACS for short), has talked about production of numismatic coinage, and the legal status of the commission. There are reasons why it could succeed, and some why it should. There are a number of

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reasons why the Essay Commission ought to be reconstituted, and any proposal to do so will require a legislative initiative in Congress. Toward that goal, I was asked by an ad hoc advocacy group to try my hand at it. If you’ve got an interest in the Essay Commission, perhaps you’d care to send a note to your Congressman or Senator (U.S. Capitol, Washington, DC 20510) with a copy of this article, and the draft legislation. You can encourage them to do the rest.

TRIBUTE TO KATHLEEN ROMIG OF ROYAL OAK, MI
HON. SANDER M. LEVIN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. LEVIN. Mr. Speaker, I rise to honor Kathleen Romig of Royal Oak, Michigan who has been selected as one of the 12 George J. Mitchell Scholars for 2001. Kathleen was identified in a nationwide competition organized by the United States-Ireland Alliance, a non-partisan, non-profit organization based in Washington, DC.

The scholarship is named in honor of Senator Mitchell’s contribution to the Northern Ireland peace process. Scholarships are awarded to individuals between the ages of 18 and 30 who have demonstrated intellectual distinction, leadership potential and commitment to community service.

I first met Kathleen in 1996 in my congressional office where she was introduced to public service and social action. She was one of our youngest interns, an eager learner, a fine writer, and a compassionate young woman.

Kathleen is a Michigan State University senior and the University’s first recipient of the George J. Mitchell Scholarship. During the one-year program, she will pursue a master’s degree in social policy at the University College in Cork. She will have formal courses of study, seminars and independent research in her thesis area of social policy.

In her application essay, Kathleen wrote:

There are alternative ways of viewing the problems of juvenile justice and alternative methods of solving it. Some of the most compelling are being discussed and tested in Ireland and Northern Ireland right now. One such alternative is restorative justice, a fascinating approach that seeks to balance the needs of offenders, victims and communities.

After graduation, Kathleen hopes to work in Washington, DC, and continue her interest in juvenile justice dealing with the plight of disadvantaged children.

Kathleen is also the recipient of the 2000-2001 Jeffrey Cole Excellence Award, the Walter and Pauline Adams Scholarship, the Gordon and Norma Geyer Public Policy Internship, and the Royal Oak Rotary Club and Oakland County MSU Alumni Association Scholarships. She is a member of the MSU Honors College, Phi Beta Kappa and a National Merit Scholar.

Mr. Speaker, I ask my colleagues to join me in congratulating Kathleen Romig, a exceptional young woman who has a passion for learning and a commitment to social justice. I wish her good health, happiness, and success as she embarks on new challenges as a George J. Mitchell Scholar.

75TH ANNIVERSARY OF THE FIRST PRESBYTERIAN CHURCH OF BALDWIN
HON. CAROLYN MCCARTHY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mrs. Mccarthy of New York. Mr. Speaker, the First Presbyterian Church of Baldwin on St. Luke’s Place will celebrate its 75th anniversary on Sunday, May 20, 2001. The church’s history and the congregation’s contributions to Baldwin and the Long Island community are remarkable and noteworthy.

A new church became a necessity in November 1923. A development of nearly 300 homes had been built north of the railroad, but the five churches in Baldwin were located south of the railroad. The expanding community recognized the need for a new church, and they began to use the Fire Department on Baldwin Avenue for Sunday School and church worship services. On May 14th, the church was recognized by the Brooklyn-Nassau Presbytery with a charter membership of fifty-nine people.

The congregation and church building went through many changes over the years. In 1928, the congregation held its first worship service in its own portable “building,” which had been moved from Queens to Baldwin. This became too crowded for the growing membership, and the cornerstone for a new church building was laid on November 30, 1930. The St. Luke’s Place building was completed in 1931. Although badly damaged by a fire in 1940, it remains the central structure of the church to this day.

By 1960, membership was nearing 900. An education building had been built 10 years earlier to accommodate the growing Sunday School. Many organized groups were founded for both adults and children, and church facilities were being used by community groups. A new sanctuary was added in 1961, and considerable renovations to the original building were made. A church member opened a full-time state licensed nursery school, now in the thirty-seventh year of its existence.

Today, the First Presbyterian Church of Baldwin at 717 Luke’s Place is a mini-complex of buildings that serves the community not only as a Christian congregation, but as a meeting place for many non-religious groups such as the Girl and Boy Scouts, and Alcoholics and Gamblers Anonymous. The nursery school provides pre-school education for seventy-five three and four year olds.

I congratulate the entire congregation, past and present, on their remarkable achievement and contribution to Long Island.

TRIBUTE TO AUSTIN “BUSTER” AND DELORES WORKING
HON. BILL LUTHER
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. LUTHER. Mr. Speaker, I would like to take the opportunity today to recognize Austin “Buster” Working and his wife Delores for their hard work and dedication on behalf of Minnesota’s veterans.

Buster and Delores were recently chosen to lead Pup Tent 11, the Honor Degree of the VFW and its Auxiliary. Their long years of proudly serving Minnesota’s veterans make them uniquely qualified to hold the important positions of Commander and President. They have continuously served our veterans with dedication and commitment. For example, during the past 20 years, Buster has organized over 18,000 hospital visits to Minnesota veterans. Delores has baked and delivered over 31,000 cookies to Minnesota Veterans homes. These tireless efforts, paired with enthusiastic selfless service and a willingness to invest personnel time and energy, serve as an outstanding example of the spirit of volunteerism that we should foster today.

Mr. Speaker, I am proud of my constituents. Buster and Delores are serving those who served our country. I can think of no better way to show our gratitude to those who risked their lives for our freedom. I thank them for their service.

THE BIKE COMMUTER BILL
HON. EARL BLUMENAUER
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. BLUMENAUER. Mr. Speaker, today, Congressman Mark Foley and I are introducing legislation to extend commuter benefits to bicyclists. This important legislation includes bicycles in the definition of transportation covered by thequalified transportation fringe benefit.

Currently, employers may offer a Transportation Fringe Benefit to their employees for commuting to work. Employees who take advantage of this benefit may receive a tax exemption benefit totaling $75 for participating in qualified parking plans or $65 for transit or car-pool expenses. Employees may also opt to take cash compensation instead, which is subject to employment taxes. The Bike Commuter Bill would extend these same Transportation Fringe Benefits to employees who choose to commute by bicycle.

It’s time to level the playing field for bicycle commuters. At a time when communities across the country are seeking to reduce traffic congestion, improve air quality, and increase the safety of their neighborhoods, bicyclists offer a wonderful alternative to driving for the more than 50% of the working population who commute 5 miles or less to work. The Federal Government should do its part to support these goals by providing transportation benefits to people who choose to commute in a healthy, environmental, and neighborhood-friendly fashion.

According to the Bureau of Transportation Statistics, bicycles are second only to cars as a preferred mode of transportation, demonstrating their potential for commuter use. Many Americans own one or more bicycles, but limit their use to recreational purposes. This legislation is an important step in making the Federal Government a better partner for more livable communities.
Recognizing 75 Years of Community Service by the St. Helena Rotary Club

Hon. Mike Thompson
Of California
In the House of Representatives
Wednesday, March 28, 2001

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize the St. Helena Rotary Club and its members as they celebrate the 75th Anniversary of this honorable organization.

Throughout its 75-year history, the St. Helena Rotary Club has served our community with distinction. Over the last decade, the Club has raised over one million dollars for philanthropic purposes in the Napa Valley.

As a native of St. Helena, I have seen firsthand the positive contributions the Club has made, especially to the youth of our community. Their annual Winter Ball has always been a fabulous event that is indispensable in benefiting local organizations like the St. Helena Boys and Girls Club and the St. Helena Public Schools' Foundation.

Along with 29,000 clubs in 161 countries, the St. Helena Rotary Club and its members have honored the Rotary promise to develop the opportunity for service, maintain high ethical standards, apply stewardship to personal, business and community life, and to advance understanding, goodwill and peace through fellowship and the ideal of service.

Mr. Speaker, I am honored to recognize the 75 years of immeasurable contributions the St. Helena Rotary Club has made to our community.

Roy E. Disney Center for the Performing Arts

Hon. Heather Wilson
Of New Mexico
In the House of Representatives
Wednesday, March 28, 2001

Mrs. WILSON. Mr. Speaker, Disney is a name that promises a special kind of magic—real magic—to the children of every generation and every age around the world. Today, the Disney Magic is finding a special home in every age around the world. Today, the Disney Magic is finding a special home in the Hispanic community.

I’m proud, too, to stand with Mr. Disney in making this dream come alive. Several months ago, the House approved my request for $1.5 million in funds for the Center.

Mr. Disney began his career working as an assistant film editor on the “Dragnet” TV series, and later was assistant film editor of two classic and Oscar-winning Disney films, “The Living Desert” and “The Vanishing Prairie.”

As chair of Disney’s Feature Animation Division, Mr. Disney personally produced a new golden age of Disney features, including The Little Mermaid and Beauty and the Beast. But it was with Fantasia 2000 that Mr. Disney fulfilled the long-deferred dream of his Uncle Walt and immortalized his own creative talent.

Mr. Disney’s gift to the National Hispanic Cultural Center in Albuquerque and he put his values to work with his decision to give in raising other funds. Mr. Disney says, “It’s not hard to make decisions when you know what your values are,” Roy Disney says, and he put his values to work with his decision to provide substantial financial support to the National Hispanic Cultural Center in Albuquerque.

Groundbreaking ceremonies were held last week for the Roy E. Disney Center for the Performing Arts. The center will include a 700-seat proscenium theater, a 300-seat film and video theater, and a 150-seat black box theater. Edward Lujan, chairman of the National Hispanic Cultural Center, said Mr. Disney is being saluted not only for his personal financial support to the facility but for the assistance he gave in raising other funds.

With his generosity, Mr. Disney proves himself a worthy heir to the name made famous by his uncle, Walt Disney, and his father, Roy O. Disney. They would be proud to see their name on the marquee of this facility which celebrates the genius and dreams of Hispanic culture. The mission of the facility is not only to educate all Americans about the unique contributions of Hispanics to the American story, but to nurture the wide ranging talents emerging in the Hispanic community.

Introducing a Bill to Eliminate Taxes on Tips up to $10,000

Hon. Duncan Hunter
Of California
In the House of Representatives
Wednesday, March 28, 2001

Mr. HUNTER. Mr. Speaker, today I am introducing a bill to benefit millions of Americans directly, substantially and quickly, including most notably single mothers and students. Furthermore, this legislation will lift some of the heavy burden of government off thousands of small businesses.

My bill is very simple. It calls on a tip what it is: a gift. All tips given, not to exceed $10,000 annually, would be tax free. This puts hundreds of dollars a month back where it belongs, with the individual who earned it.

Those who work in the service sector, who rely primarily on tips to supplement their income, work in a system transacted largely in cash. Accounting for small amounts of cash for income tax purposes is not only unworkable, it is unenforceable, even if a paperwork scheme could somehow be conceived. Small amounts of cash, received through hundreds and hundreds of transactions, and almost never while standing behind a cash register, should not be taxable. Washington bureaucrats lack an understanding as to just how impractical the present system is to all those who labor so hard for their tips. The system simply breaks down.

Tips cannot possibly be reported accurately, and law-abiding citizens who work for tips do not wish to be labeled cheats by people who don’t understand the realities of their work. It is time to change that. My bill caps the tip relief at $10,000 annually and strictly defining a tip, this tax relief bill is clearly focused on low- to middle-income households. According to the industries involved, most of the employees that will be helped are either students or single mothers. In addition, most of the employees are at the beginning of their careers.

Those in the service sector who rely on tips to supplement their income are a special breed of people. Those who work for tips see a direct relationship between effort and reward like few others. Night after night, day after day, weekend after weekend, the millions of bell hops, valet parking attendants, coat checkers, taxi drivers, hairdressers, bartenders, waiters and waitresses are on the job working hard and providing vital services to people of every walk of life.

Let us give a break to those who labor so hard for their living. Let’s show them for a change that the Federal Government is not so out of touch and understands the special needs of those at the beginning of their career. The time has come for government to get out of the way of our Nation’s most prolific entrepreneurs, service personnel and their employers. I hope other Members will join with me in this common sense proposal that will help millions of hard working Americans.

Celebrating the Career of Harris County Commissioner Jim Fonteno

Hon. Gene Green
Of Texas
In the House of Representatives
Wednesday, March 28, 2001

Mr. GREEN of Texas. Mr. Speaker, at the end of his current term Harris County Commissioner Jim Fonteno will retire. Commissioner Fonteno is currently in his 26th year as Precinct Two Commissioner. He was first elected in 1974 and has won re-election terms in 1978, 1982, 1986, 1990, 1994, and 1998. On April 12, 2001, the South Houston Chamber of Commerce will honor him, and I am proud to join them in paying tribute to Commissioner Fonteno for his dedication and commitment to public service.

For most of his life, Commissioner Fonteno has served both his country and the residents of Harris County. He is a veteran, having served in the United States Army and in the Merchant Marine. He also served as a Municipal Court Judge for the City of Baytown from 1957 to 1958. Later, he served two terms 1970–1974, as Port Commissioner, Port of Houston Authority, but resigned the position to seek the office of County Commissioner. Jim Fonteno is also a licensed contractor and has used his skill to raise over $4 million for various non-profit charitable events, churches, clubs and organizations.
Commissioner Fonteno is committed to his constituents. Not only does he touch the lives of many underprivileged boys and girls, he has an unwavering commitment to our senior citizens.

He is the founder and developer of various out-of-school summer programs in Harris County’s Precinct Two, including East Harris County Senior Citizens, a non-profit corpora-

The East Harris County Senior Citizens sponsors various activities throughout the year, including, trips to sporting events and the Houston Livestock Show and Rodeo. Another popular program is the Senior Citizen Olympics, which is held annually. These fun-filled events have provided both social and physical interaction among senior citizens. In addition, 280 food baskets are provided to senior citizens during the holiday. Commissioner Jim Fonteno also spent much time in developing the wellness-being of our youth. The East Harris County Youth Program, which he founded, is dedicated to serving, the needs of Harris County Precinct Two youth. The program originated as a pilot program comprised of a summer camp at J.W. Walker Community Center and an after-school program at Cloverleaf Elementary School.

The single most important role of the East Harris County Youth Program is to serve as a vehicle that makes learning fun. Designed to be a resource, not a substitute for school systems, the program is a strong proponent of students staying in school. Although academic achievements receive top priority, the East Harris County Youth Program also puts an emphasis on physical activity.

Mr. Speaker, it is clear that we will have a tremendous void void if the result of Commis-
sioner Fonteno’s retirement. I am sure that I speak for many when I say that his tireless work will not soon be forgotten, and we are all thankful to him. I would like to personally wish him and his wife JoAnn well in this new stage of their lives, and hope that he continues to be a strong presence in Harris County.

HONORING VINCENT COSMANO, BAND DIRECTOR OF O’FALLON TOWNSHIP HIGH SCHOOL

HON. JERRY F. COSTELLO OF ILLINOIS IN THE HOUSE OF REPRESENTATIVES Wednesday, March 28, 2001

Mr. COSTELLO. Mr. Speaker, I rise today to ask my colleagues to join me in honoring Vince Cosmano on his retirement and the 30 years of service he has given to O’Fallon Township High School in O’Fallon, Illinois.

The second of five children, born to James and Jean Cosmano of Joliet, he came from a family proud of their Italian heritage. As a youth, Vince was an achiever, performing in the high school band and attaining the rank of Eagle Scout. His passion for teamwork was shaped during his high school years where he excelled in football and swimming. Learning and an education were highly valued traits in the Cosmano household. Vince’s brothers Don and Bill chose careers in education and his sister Jean Marie and youngest brother Richard succeeded in their respective fields of work.

In college, Vince followed his passion, studying history at Illinois State University and playing the french horn. Fortunately, for the future high school band students at OTHS, Vince’s love for music became his calling. He graduated from ISU with a B.S. in Education in 1965, followed by a Masters in Music Education in 1971. From 1965 to 1971, Vince taught school, first in Wyoming, then Piper City and later Chillicothe. O’Fallon, Illinois would soon welcome and embrace the dynamic Vince Cosmano to their music department.

In August of 1976, the music department at OTHS was poised for change. The newly established Panther football program was open for competition and Edward A. Fulton was moving from the High School music program to his roots in the junior high music program. The Marching Panthers Band of OTHS was just 10 years old. The Panthers first were served by John Albert, then Ed Fulton and then it came to Vince Cosmano. At that time, the band consisted of 130 members with a total of 4 buses and no equipment trucks. Vince debuted with the Panthers at the 1977 U of I field show competition, winning second place in field, third in parade and a drum major caption award.

The OTHS Marching Panthers have since garnered grand championships, national pa-

rades (including appearances at the Macy’s and Tournament of Roses parades), tele-

vision appearances and hundreds of other awards. Through all of the trophies, awards and citations, the OTHS Marching Panthers have gained national renown and an even stronger program under Vince’s direction. Cur-

rently, the music program is comprised of 250 students, six buses, three equipment trucks, legions of OTHS alumni with support from par-

ents, colleagues, fans and friends.

Vince always credited the students of the Marching Panthers for their diligence and hard work—only with great reluctance did he ever accept individual recognition, previously named “O’Fallon’s Man of the Year” and served as the President of the Illinois Music Educators Association, District 6. In

U.S.-MEXICO POULTRY TRADE

HON. RICHARD W. POMBO OF CALIFORNIA IN THE HOUSE OF REPRESENTATIVES Wednesday, March 28, 2001

Mr. POMBO. Mr. Speaker, I would like to call the House’s attention to one of the agricul-
tural success stories of the last decade. I refer to this nation’s poultry trade with Mexico, a trade that has benefited both nations tremen-
dously and that today finds itself charting new trade between our two countries.

The U.S. and Mexican poultry and meat processing industries recognize the impor-
tance of continuing this trade relationship. The two industries are signing an agreement to work with their respective govern-
ments for a policy of open and unrestricted trade of poultry products.

Mr. Speaker, this success story needs to be continued. Mexico is undergoing historic polit-
cal changes, and indications so far are that the Fox administration is continuing to main-
tain a positive policy toward poultry imports. However, there is certain to be continued pressure on the new government from some who want to eliminate competition in the mar-
ket for processed meat.

Mexico’s meat processors cannot meet their consumers’ needs or price expectations with-
out continuing waivers on the NAFTA quotas for U.S. poultry products. The Mexican gov-
ernment has understood this for the last seven years, and they are to be commended for put-
ting the broader needs of their nation’s con-
sumers and the entire economy ahead of pa-
rachial political considerations. Also, our Agri-
culture Department and the Office of the Trade Representative are to be congratulated for the time and attention they devote to en-
suring fair and open trade between our two countries.

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tance of continuing this trade relationship. The two industries are signing an agreement pledging to work with their respective govern-
ments for a policy of open and unrestricted trade of poultry products.

As we wait for that goal to become a reality, we want to express our appreciation for the hard work of the Mexican government and our own trade officials for the accomplishments to this point in promoting prosperous poultry trade between our two countries. 

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ents, colleagues, fans and friends.

Vince always credited the students of the Marching Panthers for their diligence and hard work—only with great reluctance did he ever accept individual recognition, previously named “O’Fallon’s Man of the Year” and served as the President of the Illinois Music Educators Association, District 6. In
1999, the Illinois High School Association honored him as the state’s Outstanding Music Educator. A national honor quickly followed as Vince was chosen as the Outstanding Music Educator for a seven state area by the National High School Association. Vince exemplifies the philosophy that hard work equals good things.

As Vince retires, he will enjoy time with his fiancée Sue and his three sons, Tim, Jeff and Patrick. His favorite teaching activities—concert band, music theory and private lessons—will be replaced by fishing, swimming and gardening. Vince will always be remembered as a man of presence and a man of action. Whether getting the students up at 4 a.m. to be ready to march in the Macy’s parade or helping to take tickets at a Panther Football game, Vince was there.

It has been through his direct efforts that he has instilled the qualities of music and respect into the hearts of the many students he has touched.

Mr. Speaker, I ask my colleagues to join me in honoring Vince Cosmano and to recognize his commitment to community service.

TRIBUTE TO DAMON SZYMANSKI
HON. MARK GREEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. GREEN of Wisconsin. Mr. Speaker, I’d like to say a few words today about one of my constituents. Damon Szymanski. Damon recently finished his 50th assignment as an ACDI/VOCA volunteer, a truly extraordinary achievement.

During Damon’s missions, he has played a crucial role in helping improve agricultural development around the globe, particularly in central and eastern Europe. He has contributed dramatically to our national goal of opening global markets through an infusion of our values of democracy and economic freedom. Damon has served as a strong bridge between the United States and the rest of the world. He is here in Washington this week to receive an award from ACDI/VOCA for his record of outstanding service. On behalf of all of us, I’d like to say “thank you” to Damon—for everything he’s done to improve U.S. foreign relations and for everything he’s done to improve the quality of life of people in other nations.

TRIBUTE TO THE DELTA SIGMA THETA SORORITY
HON. JOSEPH M. HOEFFEL
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. HOEFFEL. Mr. Speaker, I rise today to honor the Delta Sigma Theta Sorority, Valley Forge Alumnae Chapter on their decade of public service.

In 1913, the Delta Sigma Theta Sorority was founded at Howard University by twenty-two African American Women. Since then, over 200,000 women have joined chapters all over the world. The Valley Forge Alumnae Chapter in my district was founded on February 10, 1991 by 27 civic-minded women who saw the need for public service in the western suburbs of Philadelphia.

The Valley Forge Alumnae Chapter has been active in a number of areas such as economic and educational development, international awareness and involvement, physical and mental health and political/international awareness. Through their efforts, they have successfully produced many community programs and projects. One such program, “Participants of African Descent,” commissions artists in memory of African Americans who fought for our nation’s independence.

I am pleased and honored to celebrate this outstanding occasion with the alumnae. They have played an important role in our community and for this they should be commended.

WOMEN’S CENTER OF MONMOUTH COUNTY CELEBRATES 25 YEARS OF SERVICE
HON. RUSH D. HOLT
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. HOLT. Mr. Speaker, I rise today in recognition of the Women’s Center of Monmouth County’s 25th Anniversary. Over the last quarter of a century, the Women’s Center of Monmouth County (WCMC) has made a tremendous difference in the lives of women and their families throughout Monmouth County.

The WCMC is a New Jersey-based private, non-profit organization dedicated to ending domestic violence and sexual assault. Since its inception in 1976, the Center has helped more than 100,000 women, children and men gain control of their lives and stop the violence.

Through the help of individuals, government agencies, small businesses and corporate partners, the WCMC has had an open door to a safe shelter and critical services for victims of domestic violence and sexual assault.

According to the 1999 New Jersey Crime Clock, a rape occurs every six hours in New Jersey. In Monmouth County, 70 rapes and 12 sexual assaults were reported in 1999. In fiscal Year 2000, the WCMC Rape Care program received 1,201 calls, e-mails or walk-ins from women seeking assistance. A total of 298 survivors and their family members were accompanied to medical, legal and law enforcement agencies.

Services offered by the WCMC include a hotline, emergency shelter, transitional housing, counseling, crisis intervention, advocacy, education and prevention that help end the cycle of domestic violence and abuse. The Center works to mobilize concerned individuals, organizations, and civic and religious groups to end violence and abuse against women and children through public education, public policy reforms, and training of allied professionals. The Center also provides a liaison program to family and municipal courts and an art therapy program for children and non-offending parents.

The WCMC has received three national awards: 1998 United States Crime Victim’s Rights Service Award for Karen Wengret; the 1998 United States Sunshine Peace Award for Domestic Violence Administration and the 1999 American Art Therapy Award for Outstanding Programming for their Amanda’s Easel program. The Center has also received numerous accolades from New Jersey and local organizations for community service and leadership.

For the past 25 years, the Women’s Center of Monmouth County has provided a much-needed service for families affected by domestic violence or sexual assault. I urge all my colleagues to join me today in recognizing WCMC’s dedication to ending domestic violence and sexual assault.
TESTIMONY BEFORE THE HOUSE COMMITTEE ON EDUCATION AND THE WORKFORCE HEARING ON H.R. 1, “NO CHILD LEFT BEHIND”

HON. LAMAR S. SMITH
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. SMITH of Texas. Mr. Speaker, I submit my testimony regarding H.R. 1 the No Child Left Behind Act. Thank you for the opportunity to testify on H.R. 1, the “No Child Left Behind” bill.

The President has made this legislation a priority because Americans are concerned about the quality of their children’s education. They are also troubled about the decline in our nation’s values and its effect on our children. Polls consistently reveal that virtue and ethics are issues of top concern. Parents should be the primary developers of character but educators play an increasingly important role.

Unfortunately, too many of our children are bombed daily by negative influences. Society pays the price when we mock values. To be sure, we are not helpless, but educators play an increasingly important role.

Mr. OTTER. Mr. Speaker, I rise today to condemn the recent terrorist attacks that have wracked Israel and to extend my sympathy to the victims and their families. I would like to especially extend my condolences to Yitzhak Pas, who just two days ago lost his 10-month-old daughter and was himself shot in the legs by a Palestinian sniper.

The next day, Islamic Jihad executed two terrorist bombings that rocked Jerusalem, with the clear intention of taking more innocent Israeli lives. During Jerusalem’s morning commute, a booby-trapped car was detonated at the side of a busy road, injuring five Israelis. Later in the afternoon, a suicide bomber boarded a bus loaded with students on their way to Hebrew University and detonated his nail-laden bag of explosives, injuring over thirty passengers.

Only PA Chair Yasar Arafat can stop the violence, and of this he clearly has no intention. He has organized and instigated the violence since his rejection of peace at Camp David. I urge you, colleagues, to sign the Hyde/Lantos letter to President Bush, which calls for a reassessment of the U.S. relations with the Palestinian Authority, and reaffirms the United States’ enduring support of Israel in this time of crisis.

IDAHO GIRL SCOUT HONOREES

HON. C.L. “BUTCH” OTTER
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. OTTER. Mr. Speaker, I would like to take a moment to recognize five outstanding Idaho women who are positive role models for young girls in the Gem State. Maria Berain, Sandra Bruce, Susan Eastlake, Marjorie Findlay, and Sam Sandmire portray a lifestyle to which young girls can look for inspiration. In a time of constant change and difficulties for our youth today, statistical evidence and observations show girls have a lack of everyday role models to look to. These women are leaders that all young people can look to and learn from.

They were recently recognized by the Girl Scouts of Silver Sage Council as Women of the Year of 2000 and is recognized as an advocate for women in competitive sports.

By making art more accessible for children, Mary Ann gives every child who participates the chance to discover something wonderful in themselves. For children who face challenges, it’s a discovery gives them powerful hope for their future. Mary Ann serves as my Chairperson for the Congressional Art Competition. Mary Ann Weems earned her success in the visual arts the hard way, by trial and error. That vision led 10 ago to the first Weems Artfest, now the nationally ranked annual event which attracts thousands of families and children to see and experience New Mexico art. The Artfest provides an affordable venue for all kinds of artists to gain exposure for their talents. The Artfest benefits the whole community of artists by increasing awareness of their work, and by expanding the community of admirers who will pay a fair price for art that touches their spirit.

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CONDEMNING THE RECENT ATTACKS IN ISRAEL

HON. DAVID VITTER
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. VITTER. Mr. Speaker, I rise today to condemn the recent terrorist attacks that have wracked Israel and to extend my sympathy to the victims and their families. I would like to especially extend my condolences to Yitzhak Pas, who just two days ago lost his 10-month-old daughter and was himself shot in the legs by a Palestinian sniper.

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WEEMS GALLERY AND FRAMING

HON. HEATHER WILSON
OF NEW MEXICO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mrs. WILSON. Mr. Speaker, I wish to bring to your attention a woman in my home town of Albuquerque, New Mexico who has contributed much to our community. On March 20, 2001 Mary Ann Weems along with friends and family celebrated the 20th anniversary of Weems Galleries and Framing.

Inspired by her vision of a gallery that would warmly welcome anyone who found joy in art as an expression of life, Mary Ann began this journey toward excellence in the visual arts twenty years ago. Her first gallery was in a little-noticed shopping center, opened with borrowed money and lack of business experience. She won the confidence and trust of New Mexico artists and aficionados who joined in supporting her vision of making more art accessible to more people.

In 1998 she formally established Weems Artfest, now the nationally ranked annual event which attracts thousands of families and children to see and experience New Mexico art. The Artfest provides an affordable venue for all kinds of artists to gain exposure for their talents. The Artfest benefits the whole community of artists by increasing awareness of their work, and by expanding the community of admirers who will pay a fair price for art that touches their spirit. Additionally, the Artfest hosts a charity event to raise funds for healthcare needs in our community, particularly for children.

Mary Ann Weems also worked on the Simplot Sports Complex and on behalf of the Les Bois Soccer Tournament. Marjorie Findlay was chosen to be the first woman senior warden of St. Michael’s Cathedra. She is a two-term president of the Idaho Botanical Garden. Her many cultural and educational contributions include fund-raising for the Discovery Center and chairing UNICEF drives.

Sam Sandmire is the head gymnastics coach at Boise State University and part-owner of the Bronco Elite Arts and Athletics Club. She was voted conference Coach of the Year of 2000 and is recognized as an advocate for women in competitive sports.

Mr. Speaker, as you can see, these women have accomplished great things and are examples of hard work, character, and leadership. I congratulate them and am delighted to have them reaching out to share their values with today’s youth. They are true assets to Idaho and the nation.
IN HONOR OF THE RETIREMENT OF LYNN SELMSER
HON. MICHAEL N. CASTLE
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. CASTLE. Mr. Speaker, I wish to recognize today Ms. Lynn Selmser for over 27 years of service to Members of the House of Representatives. As Chairman of the Subcommittee on Education Reform of the Education and the Workforce Committee, I have worked with Lynn only a few years, but I can say that her reputation as a talented and knowledgeable member of the Committee staff is well deserved.


During her time with the Committee, Lynn has educated me and many other Members of Congress on the intricacies of quite complex issues. She has covered issues and programs such as Child Nutrition, Impact Aid, Juvenile Justice, and child and adult literacy. I know all of the Members of the Committee will be at a disadvantage without her institutional knowledge and advice on these issues.

I believe that Lynn is most proud of her work on family literacy issues. Lynn worked on this issue on behalf of Rep. Goodling from 1988, when he originally sponsored what became the Even Start Act. She cares deeply about improving the literacy of adults as a way to improve literacy in children, and I understand that she plans to continue to promote adult literacy following her retirement from the Committee staff.

I know many Members of Congress and staff, along with her friend and former boss, Rep. Goodling, join me in thanking Lynn for her many years of service and wishing her a relaxing and well-deserved retirement.

HONORING FAYETTEVILLE FIRE CHIEF DUKE “PETE” PINER
HON. ROBIN HAYES
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. HAYES. Mr. Speaker, I rise today to honor Fayetteville Fire Chief Duke J. “Pete” Piner, who will retire on April 1, 2001, after more than 37 years of service.

Chief Piner, 63, joined the Fayetteville Fire Department in 1964, following his father into the firefighting profession after a stint in the United States Navy and working briefly as an electrician.

Almost 25 years to the day, on March 22, 1989, Piner became chief of the department.

In the words of Fayetteville City Manager Roger Stancil, Chief Piner quickly established himself as a team player among city management. “His leadership extended throughout the city,” said Stancil. “He was someone you could call on to accomplish a mission anywhere within the city’s boundary.”

Chief Piner’s vision led to many innovations for the fire department. During his tenure, the Fayetteville Fire Department built new stations to expand its service area, successfully merged with volunteer fire departments in neighborhoods annexed by the city, developed a state-of-the-art hazardous materials response team, and began to utilize more modern technology. In fact, Chief Piner played a key role in modernizing the city’s communications capabilities so that various city departments, state, and county agencies could communicate with one another during a crisis or disaster situation.

I ask that all my colleagues join me in honoring Chief Duke J. “Pete” Piner for 37 years of remarkable public service to the people of Fayetteville, North Carolina.

A TRIBUTE TO JORGE MAS SANTOS
HON. ILEANA ROS-LEHTINEN
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Ms. ROS-LEHTINEN. Mr. Speaker, it is with great pleasure and admiration that I congratulate Jorge Mas Santos on being honored for receiving the 2000 Community Service Award by the Simon Wiesenthal Center.

As the son of a Cuban immigrant, Jorge Mas Santos learned to appreciate the freedoms and opportunities in our country, and realized that the dreams of liberty and democracy that his father had for his native land of Cuba would never be possible under the tyrannical regime of Fidel Castro. His ambition to fulfill his father’s aspirations to help the thousands of Cubans migrating from the island seeking freedom has resulted in countless programs and activities that have benefited not only Cuban-Americans but also every citizen in South Florida.

Among his illustrious accomplishments, Jorge is the founder and chairman of Neff Rental; Chairman of the Board of the Cuban American National Foundation; Chairman of Mastec Inc.; and Executive Director of the Mas Family Foundation. Through this Foundation, the Mas Family Scholarships has awarded over $500,000 to students who had little hope of obtaining higher education. He is deeply involved in community and civic activities as a member of the University of Miami President’s Council and of Nova Southeastern University’s Board of Trustees. Jorge’s current multi-million dollar restoration project is to fulfill his late father’s dream of turning The Freedom Tower, which is included in the National Registry of Historic Places, into an educational center and museum, scheduled for completion in late 2001.

Jorge has achieved a multitude of honors. His love and dedication to the cause of freedom has touched the lives of so many and has won him respect and admiration. I want to join with his family, friends and colleagues in celebration of this wonderful award and I wish him every future success.

RE-OPENING OF SPAG’S OF SHREWSBURY, MASSACHUSETTS
HON. JAMES P. McGOVERN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. McGovern. Mr. Speaker, I rise today to join the community of Shrewsbury, Massachusetts in celebrating the Grand Re-Opening of Spag’s—a store that has become one of the biggest tourist attractions in New England.

Founded in September 1934, Anthony “Spag” Borgatti set up shop, on a $35 dollar loan from his mother, in a garage at 193 Boston Turnpike, using empty wooden crates as tables and display cases. Since that time, Spag’s has become a retailing phenomenon that turned into a multi-million dollar enterprise.

Spag believed in the words he spoke so often, “Business is not just about dollars and cents; it’s about people. Customers are people, employees are people, suppliers are people; and we all need each other.”

Spag’s has stayed true to its founding basic principal of serving the working man by providing “quality goods at rock bottom prices.” Today we celebrate the achievement that this retailing enterprise has accomplished and wish them well as they continue to serve their community.

Mr. Speaker, it is with tremendous pride that I recognize the employees of Spag’s and the Borgatti Family for their past success and to thank them for the role they play, not only as a retail shopping enterprise, but also as a good neighbor always willing to help those in need. I congratulate them on their accomplishments and wish them well.

INTRODUCTION OF THE GLOBAL HEALTH ACT
HON. JOSEPH CROWLEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. CROWLEY. Mr. Speaker, I am introducing legislation to address an issue that is receiving much needed attention by the international community and the U.S. government. That issue is global health. Men, women and children all over the world are struggling with the impact of an HIV/AIDS pandemic in Africa that threatens to engulf parts of Asia over the next few years and destabilize regional security on each of these continents. The former Soviet Union has one of the most rapidly growing number of HIV/AIDS cases in the world and has already overwhelmed its already faltering health care infrastructure.

The people of these and those in other developing countries are struggling with the fact that more than ten million children die before their 5th birthday each year from preventable diseases in developing countries. They are struggling with the continued impact of global infectious diseases such as tuberculosis, malaria, other infections that threaten their lives, the lives of their children, the viability of their villages, their economies, their national security.

Epic threats to the health of people all over the world continue to challenge governments, domestic infrastructures and societies on a
Health Council, Save the Children, the Children's Fund, and the American Foundation for AIDS Research, and the list is growing every day.

I have included that list of the global health organizations, faith-based organizations and development NGOs that support this legislation and ask that it be entered into the RECORD.

What does the Global Health Act do?

The Global Health Act of 2001 provides an additional $1 billion to the global health programs of the Federal Government. This includes a $275 million increase for HIV/AIDS, a $100 million increase for maternal health, a $200 million increase for family planning, a $225 million increase for child survival, and a $200 million increase for infectious diseases.

While other legislation will seek to target specific diseases, the Global Health Act understands the interconnectedness of health and seeks an increase for all of the global health programs that play an important role in improving the health of men, women and children around the world.

It also calls for increased coordination between the different government agencies administering health programs.

The HIV/AIDS pandemic is the greatest public health disaster to face mankind since the bubonic plague. Already, 58 million people have been infected or died as a result of HIV/AIDS. Africa has been the hardest hit and in South Africa it is estimated that 10 percent of its 45 million people are infected with the virus.

But, the pandemic is not limited to Africa: Asia will soon have more new HIV infections than any other region and Russia is the new "hot spot" for the disease. The disease is ravaging families and communities and young people have been particularly devastated. Every minute, five young people contract HIV/AIDS somewhere in the world and in the Southern Africa it is projected that more than half of today's teenagers will become infected and die of AIDS.

UNAIDS has estimated that it would take $3 billion to address HIV/AIDS in Africa alone (excluding access to drugs) and at this time the international community is providing less than $1 billion a year for HIV/AIDS programs in the developing world.

The world looks to the United States to be a leader and now is the time for the United States to significantly expand its support for global HIV/AIDS programs. The creation of new drugs and vaccines cannot stand alone and we must also invest in the development of public health interventions ever developed. This infrastructure will be important as we continue to expand investment in treatment and care programs. In addition, 42 million children will be orphaned by HIV/AIDS by 2010 and we must be prepared to address this health crisis to these children across the health spectrum.

All children of the world need our support. As we approach the 10-year anniversary of the World Summit for Children, we must make a strong commitment in their future by investing in their health. Millions of children die before their 5th birthday each year in developing countries from preventable diseases, such as pneumonia, diarrhea and measles. Yet, funding for the core child survival program remained fairly stable in the FY 2001 budget. Without additional funding, the successful child survival programs will not continue to provide needed services for young girls and boys in developing countries. Through its research and development programs, the United States has developed interventions that can stop and dramatically reduce the frequency. These interventions include clean water and sanitation, which prevent infections, and oral rehydration therapy (a simple salt sugar mixture taken by mouth, which costs only pennies) has been proven to be among the most effective public health interventions ever developed.

Immunization programs have also proven to be successful and almost 75 percent of children are immunized today in developing countries.

Annually, immunizations avert two million childhood deaths from measles, neonatal tetanus, and whooping cough. The success of these programs is striking and the U.S. should reaffirm its commitment to children as we meet with other world leaders at the UN Special Session for Children in September, 2001.

Another equally compelling problem that has not yet been given the recognition it deserves is the death of 600,000 women each year during pregnancy and childbirth—one woman every minute.

Over 80 percent of these deaths are due to complications that are routinely prevented in the developed world, such as obstructed labor, infections and unsafe births. 99 percent of these 600,000 deaths could be averted.

All of the health statistics monitored by the World Health Organization, the figures on maternal mortality reveal the largest discrepancy between developed and developing countries.

Women in developing countries are 18 times more likely to die during childbirth than women in developed countries. This disparity does not need to continue. The WHO has identified a package of health interventions that for a cost of $1–$3 per mother, could save the lives of countless mothers and their children.

This small investment in mothers will have an enormous impact on the families of tomorrow.

Other interventions, such as family planning, also play a large role in protecting the integrity of a family.

One third of the world's population is between the ages of 10 and 24. As these young people begin to raise families, the demand for safe voluntary family planning services will increase dramatically.

Many women will choose to have children and this incident reminded us that infectious diseases know no geographic boundaries, and are crossing U.S. borders with greater frequency.

Tuberculosis has re-emerged on the world stage in deadlier and more drug resistant forms.

With the appearance of multi-drug resistant tuberculosis, and its spread to Europe and the U.S., we face the possibility that this could again become a leading killer. But, through effective collaborative projects, the United States has been able to leverage its support for infectious disease programs and rates of malaria and polio are decreasing.

In just the past ten years, the number of polio cases worldwide has fallen by almost 50 percent and the death toll from malaria has been reduced by 97 percent. These partnerships have proven to be very fruitful and are a model for future U.S. action on infectious diseases.

With the resources provided under the Global Health Act and the coordination and assistance of other nations, we can make a profound difference in the health and wellbeing of millions of the world's poorest citizens.

Without good health, a nation will be unable to support a healthy and strong economy. The economic and political interests of the U.S. support increased funding for global health so that today's healthy children can be tomorrow's healthy world partners.
Mr. Speaker, I urge my colleagues to support this important legislation.

ORGANIZATIONS ENDORSING THE GLOBAL HEALTH ACT OF 2001

1. Adventist Development and Relief Agency.
2. Advocates for Youth.
4. African Services Committee, Inc.
5. Alan Guttmacher Institute.
6. Alliance Lankaa.
8. American Association of University Women.
10. American International Health Alliance Organization.
11. American Society of Tropical Medicine and Hygiene.
15. Association of Public Health Organizations.
16. Association of Reproductive Health Professionals.
17. Association of Schools of Public Health.
18. Backtracks.
19. The Centre for Development and Population Activities—CEDPA.
20. Catholicon for a Free Choice.
22. Center for Women Policy Studies.
25. CONRAD Program.
27. Elizabeth Glaser Pediatric AIDS Foundation.
28. Family Care International.
29. Female Health Company.
30. FOCAS.
32. Global AIDS Alliance.
34. Infectious Diseases Society of America.
35. InterAction.
38. Institute for Global Health.
41. Management Sciences for Health.
42. National Abortion and Reproductive Rights Action League.
43. National Association of People with AIDS.
44. National Audubon Society.
45. National Family Planning and Reproductive Health Association.
47. Programs for Appropriate Technology in Health.
50. Planned Parenthood.
52. Population Institute.
54. Project Hope.
55. Religious Action Center of Reform Judaism.
56. San Francisco AIDS Foundation.
57. Save the Children.
58. United Methodist Church, General Board of Church and Society.
59. U.S. Coalition for Child Survival (see members list below).
60. U.S. Committee for UNICEF.
61. U.S. Fund For UNICEF.
62. UNAIDS
64. Unitarian Universalist Service Committee.
65. University of North Carolina at Chapel Hill.
66. White Ribbon Alliance for Safe Motherhood (see members list below).
67. Women’sEDGE.
68. World Neighbors.

MEMBERS OF THE U.S. COALITION FOR CHILD SURVIVAL


MEMBERS OF THE WHITE RIBBON ALLIANCE FOR SAFE MOTHERHOOD


We, the undersigned, support this important legislation. Our legislation corrects those consequences for the movie industry.

LEGISLATION CLARIFYING THE INCOME FORECAST METHOD

HON. MARK FOLEY
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 2001

Mr. FOLEY. Mr. Speaker, Congressman BECERRA and I introduced legislation today to clarify the income forecast method.

As Chairman of the House Entertainment Industry Task Force, I have understood that changes made in the Small Business Job Protection Act of 1996 that modified depreciation under the income forecast method have had unintended consequences for the movie industry. Our legislation corrects those consequences.

The “income forecast” method is a method for calculating depreciation under section 167 for certain property, including films. Under the income forecast method, the depreciation deduction for a taxable year for a property is determined by multiplying the cost of the property by a fraction, the numerator of which is the income generated by the property during the year and the denominator of which is the total forecasted or estimated income to be derived from a property. The income forecasted or estimated income from a property is based on conditions known to exist at the end of a period for which depreciation is claimed and these could be revised upward or downward at the end of a subsequent taxable year based on additional information that becomes available since the last estimate. In the case of films, income to be taken into account means income from the film less the expense of distributing the film, including estimated income from foreign distribution or other exploitation of the film including future television exhibition.

The Small Business Job Protection Act addressed the income forecast method in order to make the formula a more appropriate method for matching the capitalized costs of certain
property with the income produced by such property. While the new law modified the method by including all estimated income generated by the property, however, it made no changes to the treatment of participations.

Projected participations—such as percentages of the gross receipts due an actor—have been included as part of the total cost of a film ever since studios have been forced to forecast the total revenues of a film under the income forecast method. But the Internal Revenue Service (IRS) has indicated that it will disallow participations as part of a film. Participations were not an issue addressed by modification to the income forecast method. Studios have negotiated their complex transactions based on the clear and well-established principle that the cost of a film includes participations.

The legislation that we have introduced today will ensure that participations are a part of the total cost of a film. First, the legislation would guarantee that income-contingent costs are includible in basis, thereby accepting the income-contingent costs of the property, however, it made no changes to the treatment of participations. Second, the look-back regime is tightened in two ways: (i) a third recomputation year is added; and (ii) the 10 percent de minimis rule is applied on an annual basis not on a cumulative basis in the recomputation year. Thus, if the taxpayer initially estimates that the film’s ultimate income will be $1,000X and the estimated ultimate income in year two is increased or decreased by more than 10 percent, then the look-back computation is required for that last year. The 10 percent threshold then applies to the new estimated ultimate income.

This legislation was the result of consultations with the staff of the Committee on Ways and Means and the Joint Committee on Taxation. An analysis was done of the legislation for films in the following three situations: (1) where the film takes off late; (2) where the film falls short of expectations; and (3) where the film exceeds expectations. For each scenario, calculations were done using escalating income-contingent costs, and provided calculations on both an annual basis and a cumulative basis of accounting for adjustments to forecasted revenues. The conclusion confirmed that the legislative changes would not create distortion under the income forecast method.

We look forward to working with the Committee on Ways and Means to find the appropriate legislative vehicle to address this technical correction that will reiterate Congressional intent on changes made to the income forecast method in the Small Business Job Protection Act.
Mayor of Daly City, was recently re-elected to the city council and has been honored as “one of the top 20 lawyers under 40” by the newspaper California Law Business.

Sal has demonstrated his commitment to excellence and his civic concern since he was a student at UCLA. He received the Chancellor’s Distinguished Student Award and the Young Alumni Award at UCLA. He has volunteered to take San Mateo youths on projects for the San Francisco Bar. He has contributed to community service. If anything, the list of community service and dedication to public service and community is ever growing.

He handles international commerce, manages home health care, and as one of the Directors of the San Francisco La Raza Lawyers Association. Sal has also been the General Counsel to Tomen Agro Inc., where he handles international commerce, anti-trust and trademark matters, and public relations.

The heavy demands of his profession have in no way limited Sal’s commitment to community service. If anything, the list of community activities in which Sal has been involved has grown since the beginning of his professional career. Sal has been an active participant in the State Bar Association’s Human Rights Committee and the Volunteer Legal Services Program of the San Francisco Bar. He has volunteered to take San Mateo youths on probation to clean up graffiti as part of Daly City community service. If anything, the list of community service and dedication to public service is ever growing.

He has also been the General Counsel to San Mateo County’s Latino Leadership Council, a remarkable organization that strives to educate the general public on social, political, and economic issues that affect the Latino community. He worked as the Newsletter Editor and as one of the Directors of the San Francisco La Raza Lawyers Association. Sal also managed to find time to host a weekly public affairs television show that focuses on issues of concern to the Latino community. This already extensive list only begins to describe Sal’s endeavors to improve the community and the lives of those around him.

Mayor Sal has also demonstrated the capacity to handle crisis situations. He worked to secure funds from the Federal Emergency Management Agency (FEMA) which helped to evacuate and reimburse the residents of 30 seaside homes that were dangerously close to slipping off a cliff following severe winter storms. The residents of Daly City are truly fortunate to have Sal’s energy and intelligence to advocate their interests.

Mr. Speaker, I am pleased to have this opportunity to pay tribute to Sal Torres. He has been an outstanding leader whose civic concern and whose commitment to public service should be an inspiration for all of us. I think the advice that Sal gives to the teenagers whom he mentors best describes this spirit: “Never give up. Follow your heart. If you are persistent and believe in your heart that you can do it, nothing can ever stop you.”

PERSONAL EXPLANATION

HON. ALLEN BOYD
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. BOYD. Mr. Speaker, I was unavoidably delayed on Roll Call vote 50. Had I been present, I would have voted yea on Roll Call vote 50.

PERSONAL EXPLANATION

HON. BETTY McCOLLUM
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Ms. McCOLLUM. Mr. Speaker, on March 23, 2001, I regrettably missed a recorded vote on Roll Call 60. Had I been present, I would have voted “yea.”

LET’S SUPPORT COMMUNITY HEALTH CENTERS

HON. EDOLPHUS TOWNS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. TOWNS. Mr. Speaker, I want to join my colleagues in stressing the importance of funding community health centers at a level of at least $175 million for FY 2002. In my home State of New York, we provide over 164,000 residents who are uninsured or Medicaid recipients with health care services. Low-income New Yorkers are dependent on these centers for important services like immunizations, breast and cervical cancer exams as well as treatment for asthma, diabetes and heart disease.

Community health centers serve as community health centers make a real difference in the quality of life for that community. For example, infant mortality rates have been shown to be 10 to 40 percent lower than communities not served by health centers. Health center patients have lower hospital admission rates and shorter hospital stays, and make more appropriate use of emergency room services. Moreover, centers have significantly increased the use of preventive health services like pap smears, mammograms, and glaucoma screening visits among the populations they serve. The centers have also made significant strides in preventing anemia and lead poisoning. And finally, centers have been reported to make the benefits of public insurance programs available to more eligible children and adults. The HHS inspector general recently commended health centers for their successful efforts in finding thousands of children and adults who are eligible for, but not enrolled in, the Medicaid and SCHIP programs and assisting them to enroll in these programs.

In addition, we need to ensure that the reauthorization of the health centers program under section 330 of the Public Health Act occurs early during the 107th Congress. I especially want to stress the need to restore authority for facility construction and renovation as well as an appropriate allocation among the community, migrant, homeless and public housing health center programs.

Mr. Speaker, I look forward to working with my colleagues on Energy and Commerce’s Subcommittee on Health to fully support community health centers and I urge my colleagues to actively support this critical health care program which provides so much in the way of services to low-income Americans.

IN MEMORY OF EL PASO CITIZEN AND WWII VETERAN FRANCISCO TORRES

HON. SILVESTRE REYES
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. REYES. Mr. Speaker, I would like to take this opportunity to recognize a proud and distinguished individual from my district of El Paso, Texas who passed away earlier this month. Mr. Francisco Camargo Torres was a longtime resident of El Paso and was a devoted member of the Catholic Church. When the time came for our young men and women to answer the call of duty during World War II, Mr. Torres proudly offered service to his country as a member of the U.S. Army Air Corps. Mr. Torres returned home a hero with several decorations including the American Defense Ribbon, the Asiatic Pacific Theater Ribbon, the European African Middle Eastern Theater Ribbon, the Good Conduct Medal and four Overseas Bars. Mr. Torres leaves a proud and honorable legacy for his family, friends, and for his nation to admire. The service he offered to his country is one that we, as a nation, recognize as the greatest sacrifice for the survival of freedom and liberty. Mr. Torres fought against the enemies of the United States and did so with distinction.

Upon his return home, Mr. Torres worked for and retired from the Southern Pacific Railroad. He returned to his community and worked to ensure its growth and prosperity. Mr. Torres is survived by his wife Roselia V. Torres, his sons Jose Francisco, Victor, Rosendo, Armando, and Jaime, daughter Lilia Maria Carter, 16 grandchildren and two great grandchildren.

Mr. Speaker, individuals such as Mr. Torres chose to fight for the freedom of their country and returned to help build its future. The Torres family can rest assured that posterity is well served by Mr. Torres’ accomplished life. Mr. Torres was laid to rest in Fort Bliss National Cemetery and his legacy and blessings to the city of El Paso and the family survived by him will never be forgotten. I honor this veteran and citizen of my district and offer my most sincere condolences to his family.
IN SUPPORT OF H.R. 1261, ENCOURAGING ALTERNATIVE WATER SOURCES FOR SOUTHERN CALIFORNIA.

HON. STEPHEN HORN
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. HORN. Mr. Speaker, in 1996, Congress passed the Reclamation Reform and Water Conservation Act to help western communities conserve precious water supplies by encouraging water reuse. The Act authorized a number of new projects, including a water desalinization project proposed by the city of Long Beach and the Metropolitan Water District of Southern California. The Act limited the federal cost share requirements to 50 percent of total project costs.

At the time of the Act’s passage, the projected costs for the Long Beach desalination project were estimated to be $27 million. The expectation at the time was that the desalination project would process roughly 5 million gallons of water each day. Given the limitations in the Act, the federal government’s responsibility was limited to $13.5 million.

Since the original authorization, the project’s sponsors have increased the scope of the project. Today, the plans call for processing 40 million gallons of water per day, an eight-fold increase over the original projections. In turn, this has dramatically increased the total project cost, to well over $100 million.

Private resources have been identified to cover the increase in costs. However, there is concern that the federal cost share provision may be covered by increasing responsibility for up to $50 million on the Federal Bureau of Reclamation.

The legislation that I have introduced today would clarify and emphasize that the contribution of the federal government today is exactly the same as it was five years ago: not more than $13.5 million. It is, quite simply, a technical correction or clarification of the original authorization. And, in this day of fiscal restraint, is the type of restraining legislation that the federal government today is exactly the same as it was five years ago: not more than $13.5 million. It is, quite simply, a technical correction or clarification of the original authorization.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LIMIT ON FEDERAL COST OF THE LONG BEACH DESALINATION RESEARCH AND DEVELOPMENT PROJECT.

Section 1108(b)(2) of the Reclamation Projects Authorization and Adjustment Act of 1992 (43 U.S.C. 390h-3(b)(2)) is amended by inserting “the lesser of 50 percent of the total or $13,500,000”.

PERSONAL EXPLANATION

HON. CLIFF STEARNS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. STEARNS. Mr. Speaker, on rollcall nos. 62, 63 and 64 I was detained to speak to the World Sports Clinic for the Disabled Veterans of America. Had I been present, I would have voted yea on all three.

STANLEY B. GREENBERG HIGHLIGHTS HAIDER’S CONTINUING RACISM, ANTI-SEMITISM, AND XENOPHOBIC IN AUSTRIA

HON. TOM LANTOS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. LANTOS. Mr. Speaker, in the last Congress we voted to adopt a resolution which expressed the serious concern of this House for the inclusion of the FPO political party in the government of Austria. At that time, the House passed the measure by a vote of 242 to 189.

It was my hope in introducing that resolution and in bringing about the debate it in this House that the leaders of the FPO and the people of Austria would move away from the racist-Xenophobic-Semite rhetoric that has so tarnished and tainted the image of Austria. I regret, Mr. Speaker, that our efforts have not had their desired effect, but there has been some indication of progress— not with the FPO and its leader Jeorg Haider, but perhaps with Vienna.

In yesterday’s issue of The New York Times, American pollster and political analyst Stanley B. Greenberg—the husband of our distinguished colleague from Connecticut, ROSA DE LAURO—wrote a particularly insightful and important article on the elections in the last few weeks in Austria. His report indicates that the venomous anti-Semitism, anti-foreigner rhetoric continues to pollute the speeches of Jeorg Haider and other leaders of the FPO. At the same time the people of Vienna, Mr. Speaker, have rejected the FPO leader and the party in its election this week.

It’s not that the FPO has been defeated. Indeed, the FPO 8 percent fewer voters than the party received in the previous election. I welcome that trend, but I also wish to note the one-fifth—20 percent—of the voters in Vienna, a sophisticated and cosmopolitan city of international reputation, cast their ballots for the FPO and its racist and xenophobic platform.

Mr. Speaker, I submit Stan Greenberg’s excellent personal essay from the March 27th issue of The New York Times to be placed in the RECORD, and I urge my colleagues to give thoughtful consideration to his excellent article.

(From The New York Times, March 27, 2001)

A STRANGE WALTZ IN VIENNA

By Stanley B. Greenberg

VIENNA—I am an American Jew, yet found myself in Vienna under attack by Jörg Haider, one of Europe’s more notorious anti-Semitic politicians. I was in Vienna doing what I normally do, conducting polls and providing advice to political leaders and their campaigns—this time for the Social Democratic candidate for mayor of Vienna, Michael Häupl, Mr. Haider’s attacks against the East Coast, against our consultant Greenberg, saying the president of the Jewish community in Vienna, for derision. He scoffed at his given name, which is also one with such a name can have such dirty hands,” economically summoning up the “pollution” fears and class-struggle stereotypes of 1930’s anti-Semitism.

Mr. Haider’s candidate in Vienna, Helene Partik-Pablic, spoke of foreigners who “won’t integrate.” “They carry on with their own little style,” she said. “The leads to tensions involving noise, dirt and so on.” She further declared, “We need to introduce zero immigration.”

My first reaction was a certain pride in being attacked by Mr. Haider. But that was bravado, on the whole. The refrain of “East Coast” was unnerving.

One Saturday, after touring the city, I went to the Naschmarkt. The air carried many inviting scents—Austrian sausages on the grill, and Chinese stir-fry, the fruity tang of olives picking in open tubs, Turkish doner rotating on a vertical skewer. So many aromas, most of which, Mr. Haider would wish away. I accidentally bumped into Mayor Häupl, who was campaigning there. A few of the TV cameras turned to film me, and I did my best to disappear without seeming to pull a trench coat across my face. I was determined to avoid becoming a TV image two weeks before the election.

I was soon entered—by other Jews hiding, seeking anonymity, in an earlier age. But I soon realized I was in a different time. I have been given the chance to observe the inner workings of some 2000 supporters jammed into the Museumsquartier, the Hapsburgs’ former stables. Mayor Häupl concluded his last campaignoter Jewish community in Vienna, for derision. He scoffed at his given name, which is also one with such a name can have such dirty hands,” economically summoning up the “pollution” fears and class-struggle stereotypes of 1930’s anti-Semitism.

Mr. Haider’s attacks against the East Coast, against our consultant Greenberg, saying the president of the Jewish community in Vienna, for derision. He scoffed at his given name, which is also one with such a name can have such dirty hands,” economically summoning up the “pollution” fears and class-struggle stereotypes of 1930’s anti-Semitism.

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eight percentage points from the previous high. The Social Democrats made historic gains, taking up those eight points and winning an absolute majority on the city council.

I could focus on the fact that, last Sunday, one in five people in one of Europe’s most tolerant and progressive cities voted for the anti-Semite. But I prefer to dwell on the fact that I had the opportunity to help drive back one of the dark forces of our time and I did not fight alone.

IN RECOGNITION OF PRESTOLITE WIRE CORPORATION RECEIVING THE GEORGIA OGLETHORPE AWARD FOR PERFORMANCE EXCELLENCE

HON. SAXBY CHAMBLISS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 28, 2001

Mr. CHAMBLISS. Mr. Speaker, I want to recognize Prestolite Wire Corporation, the year 2000 recipient of the Georgia Oglethorpe award for performance excellence. Prestolite is the first manufacturing and small industry applicant to receive the state’s highest honor.

The Georgia Oglethorpe award is open to business, industry, government, education, healthcare, and non-profit organizations and is awarded for performance excellence.

I would like to commend all the people of Prestolite Wire Corporation on their outstanding performance and operation that makes them the sole recipient of the award for the manufacturing, small industry category. This award should make everyone involved with Prestolite proud to be a part of a corporation to earn such a prestigious award.
SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD.

Meetings scheduled for Thursday, March 29, 2001 may be found in the Daily Digest of today’s RECORD.

MEETINGS SCHEDULED

APRIL 3

9:30 a.m. Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings to examine issues surrounding Alzheimer’s Disease.
SH-216

Energy and Natural Resources
To hold hearings to examine national energy policy with respect to impediments to development of domestic oil and natural gas resources.
SD-628

10 a.m. Appropriations
Health
To hold hearings to examine certain issues with respect to international trade and the American economy.
SD-215

Energy and Water Development Subcommittee
To hold oversight hearings to examine issues surrounding nuclear power.
SD-124

Finance
To hold hearings to examine the process of finding successful solutions relative to Medicare and Managed Care.
SD-215

10:30 a.m. Appropriations
Foreign Relations
To consider proposed legislation to amend U.S. anti-drug certification procedures; S.Res.27, to express the sense of the Senate regarding the 1984 deportation of the Chechen people to central Asia; S.Res.60, urging the immediate release of Kosovar Albanians wrongfully imprisoned in Serbia; S.Con.Res.7, expressing the sense of Congress that the United States should establish an international education policy to enhance national security and significantly further United States foreign policy and global competitiveness; S.Con.Res.23, expressing the sense of Congress with respect to the involvement of the Government in Libya in the terrorist bombing of Pan Am Flight 103; and the nomination of William Howard Taft, IV, of Virginia, to be Legal Adviser of the Department of State.
SD-419

2 p.m. Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Corporation for National and Community Service.
SD-138

APRIL 4

9:30 a.m. Armed Services
SeaPower Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 2002 for the Department of Defense and the Future Years Defense Program, focusing on shipbuilding industrial base issues and initiatives.
SR-222

Health, Education, Labor, and Pensions
To hold hearings to examine the constitutionality of employment laws, focusing on states rights and federal remedies.
SD-430

10 a.m. Appropriations
Finance
To hold hearings to examine certain issues with respect to international trade and the American economy.
SD-215

Judiciary
Antitrust, Business Rights, and Competition Subcommittee
To hold hearings to examine competitive choices concerning cable and video.
SD-226

Immigration Subcommittee
To hold hearings to review certain issues with respect to immigration policy.
SD-226

APRIL 5

10 a.m. Appropriations
Energy and Water Development Subcommittee
To hold hearings to examine Department of Justice nominations.
SD-226

APRIL 24

10 a.m. Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for certain Department of Energy programs relating to Energy Efficiency Renewable Energy, science, and nuclear issues.
SD-124

Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Forest Service, Department of Agriculture.
SD-138

Judiciary
To hold hearings to examine high technology patents, relating to business methods and the internet.
SD-226

APRIL 25

10 a.m. Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Veterans Affairs.
SD-138

APRIL 26

2 p.m. Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Energy.
SD-124

MAY 1

10 a.m. Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for certain Department of Energy programs relating to Energy Efficiency Renewable Energy, science, and nuclear issues.
SD-124

Judiciary
To hold hearings to examine high technology patents, relating to business methods and the internet.
SD-226

MAY 2

10 a.m. Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Veterans Affairs.
SD-138

MAY 3

10 a.m. Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Agriculture, focusing on assistance to producers and the farm economy.
SD-138

2 p.m. Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Energy.
SD-124
May 8
10 a.m.
Judiciary
To hold hearings to examine high technology patents, relating to genetics and biotechnology.
SD-226

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Energy.
SD-124

May 9
10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Aeronautics and Space Administration.
SD-138

May 10
10 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Food and Drug Administration, Department of Health and Human Services.
SD-138

May 16
10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Federal Emergency Management Agency.
SD-138

June 6
10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Science Foundation and the Office of Science Technology Policy.
SD-138

June 13
10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Environmental Protection Agency and the Council of Environmental Quality.
SD-138

June 20
10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Housing and Urban Development.
SD-138
HIGHLIGHTS
The House agreed to H. Con. Res. 83, Concurrent Resolution on the Budget.
House Committees ordered reported 13 sundry measures.

Senate

Chamber Action

Routine Proceedings, pages S3005–S3067

Measures Introduced: Nine bills and two resolutions were introduced, as follows: S. 1, S. 636–643, and S. J. Res. 11–12.

Measures Reported:
S. 1, to extend programs and activities under the Elementary and Secondary Education Act of 1965. (S. Rept. No. 107–7)

Campaign Finance Reform: Senate continued consideration of S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform, taking action on the following amendments proposed thereto:

Adopted:
By 84 yeas to 16 nays (Vote No. 55), Thompson Modified Amendment No. 149, to modify and index contribution limits. (By 46 yeas to 54 nays (Vote No. 53), Senate earlier failed to table the amendment.)

By 52 yeas to 48 nays (Vote No. 56), Schumer Amendment No. 153, to condition the availability of television media rates for national committees of political parties on the adherence of those committees to existing coordinated spending limits.

Withdrawn:
Feinstein Modified Amendment No. 151, to amend the Federal Election Campaign Act of 1971 to clarify individual contribution limits. (By 46 yeas to 54 nays (Vote No. 54), Senate earlier failed to table the amendment.)

Schumer Amendment No. 135, to express the sense of the Senate regarding the need for Congress to consider and enact legislation during the 1st session of the 107th Congress to study matters related to voting in and administering Federal elections and to provide resources to States and localities to improve their administration of elections.

Pending:
Specter Amendment No. 140, to provide findings regarding the current state of campaign finance laws and to clarify the definition of electioneering communication.

DeWine Amendment No. 152, to strike certain provisions relating to non-candidate campaign expenditures, including rules relating to certain targeted electioneering communications.

A unanimous-consent time agreement was reached providing for further consideration of DeWine Amendment No. 152 (listed above) to the bill, at 9:30 a.m., on Thursday, March 29, 2001, with a vote to occur thereon, at approximately 9:45 a.m., and a Harkin Amendment to be proposed to the bill, with a vote to occur thereon.

Appointments:

Center for Russian Leadership Development: The Chair, on behalf of the President pro tempore, pursuant to Public Law 106–554, appointed Senator Frist to the Board of Trustees for the Center for Russian Leadership Development.

John C. Stennis Center for Public Service Training and Development: The Chair, on behalf of the Democratic Leader, pursuant to Public Law 100–458, reappointed William F. Winter, of Mississippi, to the Board of Trustees of the John C. Stennis Center for Public Service Training and Development, effective October 11, 2000.

Nominations Confirmed: Senate confirmed the following nominations:
Grant S. Green, Jr., of Virginia, to be an Under Secretary of State (Management).

Nominations Received: Senate received the following nominations:
John D. Graham, of Massachusetts, to be Administrator of the Office of Information and Regulatory Affairs, Office of Management and Budget.

Daniel J. Bryant, of Virginia, to be an Assistant Attorney General.

Messages From the House: Page S3052

Measures Referred: Page S3052

Statements on Introduced Bills: Pages S3054–S3056

Additional Cosponsors: Pages S3053–S3054

Amendments Submitted: Pages S3064–S3066

Additional Statements: Pages S3051–S3052

Authority for Committees: Page S3066

Record Votes: Four record votes were taken today. (Total—56) Pages S3009, S3019, S3029, S3033

Adjournment: Senate met at 9:15 a.m., and adjourned at 7:57 p.m., until 9:30 a.m., on Thursday, March 29, 2001. (For Senate’s program, see the remarks of the Acting Majority Leader in today’s Record on page S3067.)

Committee Meetings

(Committees not listed did not meet)

INDIAN TRUST MANAGEMENT REFORM
Committee on Appropriations: Subcommittee on Interior concluded oversight hearings to examine the status of Department of the Interior efforts and commitments made to resolve trust fund management issues for both Tribal and individual Indian account holders, after receiving testimony from Thomas N. Slonaker, Special Trustee for American Indians, M. Sharon Blackwell, Deputy Commissioner, Bureau of Indian Affairs, and Robert J. Lamb, Deputy Assistant Secretary for Budget and Finance, all of the Department of the Interior.

ASIA-PACIFIC SECURITY
Committee on Appropriations: Subcommittee on Defense concluded hearings to examine issues related to the forward-stationed, forward-deployed forces of the U.S. Pacific Command and its influence on Asia-Pacific region security, after receiving testimony from Adm. Dennis C. Blair, USN, Commander in Chief, U.S. Pacific Command.

NATIONAL SECURITY SPACE MANAGEMENT AND ORGANIZATION
Committee on Armed Services: Subcommittee on Strategic concluded hearings to examine the report of the Commission to Assess United States National Security Space Management and Organization, which focused on Department of Defense and Intelligence Community space activities, as well as civil and commercial activities relationship to, and effect on, national security space, after receiving testimony from former Senator Malcolm Wallop, Robert V. Davis, Gen. Robert R. Fogleman, USAF (Ret.), William R. Graham, and Gen. Thomas S. Moorman, Jr., USAF (Ret.), all Commissioners, Commission to Assess United States National Security Space Management and Organization.

2000 DECENTENNIAL CENSUS

Committee on Commerce, Science, and Transportation: Committee concluded hearings to examine the Commerce Department’s decision to release unadjusted Census data, and not utilize the Accuracy and Coverage Evaluation, which is believed to evaluate accuracy and compensate for people missed by the census, after receiving testimony from Representatives Clay, Gonzalez, Carolyn Maloney, and Dan Miller; Donald Evans, Secretary, and David W. Murray, Director, Statistical Assessment Service, Bureau of the Census, on behalf of the U.S. Census Monitoring Board, both of the Department of Commerce; Eugene Ericksen, Temple University Department of Sociology, Philadelphia, Pennsylvania; Arturo Vargas, National Association of Latino Elected and Appointed Officials, Washington, D.C.; and Kenneth W. Wachter, University of California Department of Demography, Berkeley.

SMALL BUSINESS AND AGRICULTURE TAXATION REFORM
Committee on Finance: Committee held hearings to examine issues relating to the Federal income taxation of small business and agriculture, focusing on expensing and accounting methods, differing income tax treatment for various business choices made by small business and agriculture, and certain legislative proposals to address tax problems facing small business and farmers, receiving testimony from Robert E. Berney, Chief Economist, Office of Advocacy, Small Business Administration; Donald C. Alexander, Akin, Gump, Strauss, Hauer & Feld, Washington, D.C., former Internal Revenue Service Commissioner; John Bright, Keokuk Savings Bank & Trust Co., Keokuk, Iowa; Bob Stallman, Columbus, Texas, on behalf of the American Farm Bureau Federation; and Joy J. Turner, Jeffers Business Services, Piscataway, New Jersey, on behalf of the White House Conference on Small Business.

Hearings recessed subject to call.

DOE RUSSIAN NONPROLIFERATION PROGRAMS
Committee on Foreign Relations: Committee concluded hearings to examine the Russian nonproliferation programs of the Department of Energy, focusing on certain recommendations to eliminate the danger of
inadequate controls over weapons of mass destruction and weapons usable materials, after receiving testimony from former Senator Howard Baker, Baker, Donelson, Bearman & Caldwell, and former White House Counsel Lloyd N. Cutler, Wilmer, Cutler & Pickering, both of Washington, D.C., and Graham T. Allison, Harvard University Kennedy School of Government, Cambridge, Massachusetts, all on behalf of the Russia Task Force, Secretary of Energy Advisory Board; and Ronald F. Lehman, Claremont McKenna College Keck Center for International and Strategic Studies, Claremont, California, former Director of the U.S. Arms Control and Disarmament Agency.

CONSUMER HEALTH INFORMATION

Committee on Health, Education, Labor, and Pensions: Committee concluded hearings to examine issues related to health information for consumers, and proposed legislation that would provide assistance to the states that wish to establish, or strengthen their existing, health care consumer assistance, or ombudsman, programs after receiving testimony from Donna Sutton Fay, Vermont State Health Care Ombudsman, Burlington; Ronald F. Pollack, Families USA, Mary Jane England, Washington Business Group on Health, and Charles N. Kahn, III, Health Insurance Association of America, all of Washington, D.C.; and Bernadette Warren, Upper Marlboro, Maryland.

INTELLIGENCE

Select Committee on Intelligence: Committee held closed hearings on intelligence matters, receiving testimony from officials of the intelligence community.

Committee recessed subject to call.

House of Representatives

Chamber Action

Bills Introduced: 27 public bills, H.R. 1259–1285; 1 private bill, H.R. 1286; and 3 resolutions, H. Con. Res. 89 and H. Res. 105–106, were introduced.

Reports Filed: Reports were filed today as follows:

H. Res. 104, providing for consideration of H.R. 6, to amend the Internal Revenue Code of 1986 to reduce the marriage penalty by providing for adjustments to the standard deduction, 15-percent rate bracket, and earned income credit and to allow the nonrefundable personal credits against regular and minimum tax liability (H. Rept. 107–31).

Concurrent Resolution on the Budget: The House agreed to H. Con. Res. 83, establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011 by a yea and nay vote of 222 yeas to 205 nays, Roll No. 70.

Pursuant to the rule, the amendment printed in Part A of H. Rept. 107–30 was considered as adopted. Subsequently, agreed by unanimous consent to the Nussle amendment that made revisions to Sec. 2, Recommended Levels and Amounts; Sec. 3, Major Functional Categories; and Sec. 4, Reconciliation.

Earlier agreed to H. Res. 100, the rule that provided for consideration of the concurrent resolution by a yea and nay vote of 282 yeas to 130 nays, Roll No. 65.

Mexico-United States Interparliamentary Group: The Chair announced the Speaker’s appointment of Representative Kolbe to the Mexico-United States Interparliamentary Group as Chairman.

Stenholm amendment in the nature of a substitute printed in Part B of H. Rept. 107–30 and numbered two that was offered as the Blue Dog Coalition substitute (rejected by a recorded vote of 204 ayes to 221 noes, Roll No. 67);

Flake amendment in the nature of a substitute printed in Part B of H. Rept. 107–30 and numbered three that was offered as the Republican Study Committee substitute (rejected by a recorded vote of 81 ayes to 341 noes, Roll No. 68); and

Spratt amendment in the nature of a substitute printed in Part B of H. Rept. 107–30 and numbered four that was offered as the Democratic alternative (rejected by a recorded vote of 183 ayes to 243 noes, Roll No. 69).

Rejected:

Kucinich amendment in the nature of a substitute printed in Part B of H. Rept. 107–30 and numbered one that was offered as the Progressive Caucus substitute (rejected by a recorded vote of 79 ayes to 343 noes, Roll No. 66);
Quorum Calls—Votes: Two yea and nay votes and four recorded votes developed during the proceedings of the House today and appear on pages H1201, H1228–29, H1239–40, H1251–52, H1268–69, and H1271. There were no quorum calls.

Adjournment: The House met at 12:30 p.m. and adjourned at 8:36 p.m.

Committee Meetings

NATIONAL FIRE PLAN IMPLEMENTATION
Committee on Agriculture: Subcommittee on Department Operations, Oversight Nutrition and Forestry held a hearing on National Fire Plan Implementation. Testimony was heard from Lyle Laverty, National Fire Plan Coordinator, Forest Service, USDA; Tim Hartzell, Director, Office of Wildland and Fire Coordination, Bureau of Land Management, Department of the Interior; James W. Garner, State Forester, Department of Forestry, State of Virginia; and public witnesses.

DEFENSE APPROPRIATIONS
Committee on Appropriations: Subcommittee on Defense continued appropriation hearings. Testimony was heard from Members of Congress and public witnesses.

FOREIGN OPERATIONS, EXPORT FINANCING APPROPRIATIONS
Committee on Appropriations: Subcommittee on Foreign Operations, Export Financing and Related Programs held continued appropriation hearings. Testimony was heard from Members of Congress and public witnesses.

LABOR-HHS-EDUCATION APPROPRIATIONS
Committee on Appropriations: Subcommittee on Labor, Health and Human Services and Education held a hearing on NIH Theme. Testimony was heard from the following officials of NIH, Department of Health and Human Services: Claude Lenfant, M.D., Director, National Heart, Lung and Blood Institute; Allen Spiegel, M.D., Director, National Institute of Diabetes and Digestive and Kidney Diseases; Lawrence Tabak, M.D., Director, National Institute of Dental and Craniofacial Research; Stephen Katz, M.D., Director, National Institute of Arthritis and Musculoskeletal and Skin Diseases; Jack A. McLaughlin, M.D., Acting Director, National Eye Institute; and Stephen Straus, M.D., Director, National Center for Complimentary and Alternative Medicine.

MILITARY CONSTRUCTION APPROPRIATIONS
Committee on Appropriations: Subcommittee on Military Construction held a hearing on Pacific Military Construction. Testimony was heard from the following officials of the Department of Defense: Adm. Dennis Blair, USN, Commander in Chief, Pacific Command; and Gen. Thomas A. Schwartz, USA, Commander, U.S. Forces, Korea.

TRANSPORTATION APPROPRIATIONS
Committee on Appropriations: Subcommittee on Transportation held a hearing on FAA. Testimony was heard from the following officers of the FAA, Department of Transportation: Jane F. Garvey, Administrator; Keith D. DeBerry, and Robert Kerner, Aviation Safety Inspectors, Professional Airways Systems Specialists; Carol J. Carmody, Acting Chairperson, National Transportation Safety Board; and public witnesses.

VA-HUD-INDEPENDENT APPROPRIATIONS
Committee on Appropriations: Subcommittee on Veterans’ Affairs, House and Urban Development, and Independent Agencies continued appropriation hearings. Testimony was heard from Members of Congress.

MILITARY FORCES POSTURE
Committee on Armed Services: Held a hearing on the posture of U.S. military forces. Testimony was heard from Gen. Tommy R. Franks, USA, Commander in Chief, U.S. Central Command, Department of Defense.

Hearings continue tomorrow.

MILITARY TRANSFORMATION
Committee on Armed Services: Subcommittee on Military Procurement held a hearing on military transformation and its impact on the equipment modernization programs of the military services. Testimony was heard from the following officials of the Department of Defense: George R. Schneiter, Director, Strategic and Tactical Systems, Office of the Secretary; Maj. Gen. William L. Bond, USA, Assistant Deputy Chief of Staff, Programs for Force Development; Rear Adm. Joseph A. Sestak, USN, Director, Navy Quadrennial Defense Review Division; Brig. Gen. David A. Deptula, USAF, Director, Air Force Quadrennial Review Division; and Maj. Gen. Robert Magnus, USMC, Assistant Deputy Commandant, Plans, Policies, and Operations.

NO CHILD LEFT BEHIND
Committee on Education and the Workforce: Held a hearing on No Child Left Behind. Testimony was heard from the following Members of Congress: Langevin,

UNSOLICITED COMMERCIAL ELECTRONIC MAIL ACT


DRINKING WATER NEEDS

Committee on Energy and Commerce: Subcommittee on Environment and Hazardous Materials held a hearing on Drinking Water Needs and Infrastructure. Testimony was heard from Christine Todd Whitman, Administrator, EPA; Perry Beider, Principal Analyst, CBO; Barker Hamill, Chief, Bureau for Safe Drinking Water, Department of Environmental Protection, State of New Jersey; and public witnesses.

HUMAN CLONING RESEARCH—ISSUES RAISED

Committee on Energy and Commerce: Subcommittee on Oversight and Investigations held a hearing on Issues Raised by Human Cloning Research. Testimony was heard from Kathryn C. Zoon, Director, Center for Biologies Evaluation and Research, FDA, Department of Health and Human Services; and public witnesses.

SMALL BUSINESS INTEREST CHECKING ACT; INVESTOR AND CAPITAL MARKETS FEE RELIEF

Committee on Financial Services: Ordered reported, as amended, the following bills: H.R. 974, amended, Small Business Interest Checking Act of 2001; and H.R. 1088, Investor and Capital Markets Fee Relief Act.

MISCELLANEOUS MEASURES

Committee on Resources: Ordered reported the following bills: H.R. 146, Great Falls Historic District Study Act of 2001; H.R. 182, amended, Eight Mile River Wild and Scenic River Study Act of 2001; H.R. 309, Guam Foreign Investment Equity Act; H.R. 581, to authorize the Secretary of the Interior and the Secretary of Agriculture to use funds appropriated for wildland fire management in the Department of Interior and Related Agencies Appropriations Act of 2001, to reimburse the United States Fish and Wildlife Services and the National Marine Fisheries Services to facilitate the interagency cooperation required under the Endangered Species Act of 1973 in connection with wildland fire management; H.R. 601, amended, to ensure the continued access of hunters to those Federal lands included within the boundaries of the Craters of the Moon National Monument in the State of Idaho pursuant to Presidential Proclamation 7373 of November 9, 2000, and to continue the applicability of the Taylor Grazing Act to the disposition of grazing fees arising from the use of such lands; and H.R. 642, amended, to reauthorize the Chesapeake Bay Office of the National Oceanic and Atmospheric Administration.
MARRIAGE PENALTY AND FAMILY TAX RELIEF ACT

Committee on Rules: Granted by voice vote, a modified closed rule providing 1 hour of debate on H.R. 6, Marriage Penalty and Family Tax Relief Act of 2001. The rule waives all points of order against consideration of the bill. The rule provides that the amendment recommended by the Committee on Ways and Means now printed in the bill shall be considered as adopted. The rule provides for consideration of the amendment in the nature of a substitute. Finally, the rule provides one motion to reconsider. The rule waives all points of order against the amendment in the nature of a substitute. The rule provides for consideration of the amendment as read and shall be separately debatable for one hour equally divided and controlled by the proponent and opponent. The rule waives all points of order against the amendment in the nature of a substitute. Finally, the rule provides one motion to recommit with or without instructions.

COMPREHENSIVE RETIREMENT SECURITY AND PENSION REFORM ACT

Committee on Small Business: Held a hearing on H.R. 10, Comprehensive Retirement Security and Pension Reform Act, focusing on small business implications. Testimony was heard from Representatives Cardin; and public witnesses.

MISCELLANEOUS MEASURES


WATER INFRASTRUCTURE NEEDS

Committee on Transportation and Infrastructure: Subcommittee on Water Resources and Environment held a hearing on Water Infrastructure Needs. Testimony was heard from Perry Beider, Principal Analyst, CBO; and public witnesses.

GLOBAL TRENDS BRIEFING

Permanent Select Committee on Intelligence: Subcommittee on International Policy and National Security met in executive session to receive a briefing on Global Trends: 2015. The Subcommittee was briefed by departmental witnesses.

COMMITTEE MEETINGS FOR THURSDAY, MARCH 29, 2001

(Committee meetings are open unless otherwise indicated)

Senate

Special Committee on Aging: to hold hearings to examine initiatives that promote healthy aging in rural America, focusing on certain areas that impact the lives of older Americans, including transportation, housing, access to high-quality health care, diet and nutrition, and employment, 9:30 a.m., SD–562.

Committee on Agriculture, Nutrition, and Forestry: to hold hearings to review environmental trading opportunities for agriculture, 9 a.m., SR–328A.

Committee on Banking, Housing, and Urban Affairs: Subcommittee on Securities and Investment, to hold hearings on S. 206, to repeal the Public Utility Holding Company Act of 1935, 10 a.m., SD–538.

Committee on Commerce, Science, and Transportation: Subcommittee on Aviation, to hold hearings to examine aviation delay prevention legislation, focusing on potential solutions to congestion and delays, 10 a.m., SR–253.

Committee on Energy and Natural Resources: Subcommittee on National Parks, Historic Preservation, and Recreation, to hold oversight hearings to review the National Park Service’s implementation of management policies and procedures to comply with the provisions of Titles I, II, III, V, VI, VII, and VIII of the National Parks Omnibus Management Act of 1998, 10 a.m., SD–628.

Subcommittee on Forests and Public Land Management, to hold oversight hearings on the implementation of the Administration’s National Fire Plan, 2:30 p.m., SD–628.

Committee on Finance: to hold hearings on issues relating to debt reduction, 10 a.m., SD–215.

Full Committee, to hold hearings on the nomination of Kenneth W. Dam, of Illinois, to be Deputy Secretary of the Treasury; the nomination of David Aufhauser, of the District of Columbia, to be General Counsel for the Department of the Treasury; the nomination of Michele A. Davis, of Virginia, to be an Assistant Secretary of the Treasury; and the nomination of Faryar Shirzad, of Virginia, to be an Assistant Secretary of Commerce, 11:30 a.m., SD–215.

Committee on Foreign Relations: to hold hearings on the nomination of John Robert Bolton, of Maryland, to be Under Secretary of State for Arms Control and International Security, 10:30 a.m., SD–419.
Committee on Governmental Affairs: Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia, to hold joint hearings with the House Committee on Government Reform’s Subcommittee on Civil Service and Agency Organization to examine the recently issued final report of the U.S. Commission on National Security in the 21st Century, focusing on the national security implications of the human capital crisis, 10 a.m., SD–342.

House

Committee on Agriculture, to continue hearings on Federal Farm Commodity Programs, 9:30 a.m., 1500 Longworth.

Committee on Appropriations, Subcommittee on Commerce, Justice, State and Judiciary, on the Supreme Court, 10 a.m., H–309 Capitol.

Subcommittee on the District of Columbia, on Public Schools and Public Charter Schools, 9:30 a.m., 2362 Rayburn.

Subcommittee on Interior and Related Agencies, on Energy (National Energy Strategy), 10 a.m., B–308 Rayburn.

Subcommittee on Military Construction, on Quality of Life, 9:30 a.m., B–300 Rayburn.

Subcommittee on Transportation, on Federal Transit Administration, 11 a.m., and on Federal Transit Capital Projects, 2 p.m., 2358 Rayburn.

Subcommittee on Treasury, Postal Service, and General Government, on Custom Service Counter drug-oversight, 10 a.m., 2359 Rayburn.

Committee on Armed Services, to continue hearings on the posture of U.S. military forces, 9:30 a.m., 2118 Rayburn.

Special Oversight Panel on Morale, Welfare and Recreation, hearing oncommissaries and exchange programs, 2 p.m., 2212 Rayburn.

Committee on Education and the Workforce, hearing on “Transforming the Federal Role in Education for the 21st Century: H.R. 1, No Child Left Behind Act of 2001; H.R. 340, Excellence and Accountability in Education Act; and H.R. 345, Public Education Reinvestment, Re-invention, and Responsibility Act, 10 a.m., 2175 Rayburn.

Committee on Energy and Commerce, Subcommittee on Telecommunications and the Internet, hearing on "FCC Chairman Michael K. Powell: Agenda and Plans for Reform," 10 a.m., 2123 Rayburn.

Committee on Financial Services, Subcommittee on Domestic Monetary Policy, Technology and Economic Growth, hearing on Beyond the Tax Cut: Unleashing the Economy, 10 a.m., 2128 Rayburn.

Committee on International Relations, Subcommittee on the Middle East and South Asia, hearing on Developments in the Middle East, 10 a.m., 2172 Rayburn.

Committee on the Judiciary, Subcommittee on Crime, oversight hearing on Drug Trafficking on the Southwest Border, 10 a.m., 2237 Rayburn.

Committee on Resources, Subcommittee on Energy and Mineral Resources, oversight hearing on the Effect of Mining Claim Fees on Domestic Exploration: Are They Worth It? 2 p.m., 1324 Longworth.


Subcommittee on Forests and Forest Health, hearing on the Effective Community Involvement in National Forest Restoration and Recreation Efforts: Obstacles and Solutions, 10 a.m., 1324 Longworth.

Committee on Science, Subcommittee on Environment, Technology, and Standards, hearing on H.R. 64, to provide for the establishment of the position of Deputy Administrator for Science and Technology of the Environmental Protection Agency, 10 a.m., 2318 Rayburn.

Committee on Transportation and Infrastructure, Subcommittee on Railroads, hearing on Railroad Track Safety Issues, 10 a.m., 2167 Rayburn.

Committee on Ways and Means, to mark up H.R. 8, Death Tax Elimination Act, 1 p.m., 1100 Longworth.

Subcommittee on Trade, hearing on Free Trade Deals: Is the United States Losing Ground As Its Trading Partners Move Ahead? 10 a.m., 1100 Longworth.

Permanent Select Committee on Intelligence, Subcommittee on International Policy and National Security, executive, briefing on Covert Action Case Study, 2 p.m., H–405 Capitol.

Subcommittee on Technical and Tactical Intelligence, executive, hearing on NRO Issues, 10 a.m., H–405 Capitol.

Joint Meetings

Joint Meetings: Senate Committee on Governmental Affairs, Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia, to hold joint hearings with the House Committee on Government Reform’s Subcommittee on Civil Service and Agency Organization to examine the recently issued final report of the U.S. Commission on National Security in the 21st Century, focusing on the national security implications of the human capital crisis, 10 a.m., SD–342.

Committee on Security and Cooperation in Europe: to hold hearings to examine the recent developments in and around Kosovo, including human rights, minority rights, local elections, development of a local police force, and security and civil order, 2 p.m., SR–485.
Next Meeting of the SENATE
9:30 a.m., Thursday, March 29
Senate Chamber
Program for Thursday: Senate will continue consideration of S. 27, Campaign Finance Reform, with a vote on or in relation to DeWine Amendment No. 152, to occur at approximately 9:45 a.m.

Next Meeting of the HOUSE OF REPRESENTATIVES
10 a.m., Thursday, March 29
House Chamber
Program for Thursday: Consideration of H.R. 6, Marriage Penalty and Family Tax Relief (closed rule, 1 hour of debate).

Extensions of Remarks, as inserted in this issue

Foley, Mark, Fla., E478
Green, Gene, Tex., E474
Hayes, Robin, N.C., E476
Hoeflel, Joseph M., Pa., E474
Holt, Rush D., N.J., E474
Horn, Stephen, Calif., E481
Hunter, Duncan, Calif., E472
Lantos, Tom, Calif., E479, E481
Levin, Sander M., Mich., E471
Luther, Bill, Minn., E471
McCarthy, Carolyn, N.Y., E471
McCollum, Betty, Minn., E480
McGovern, James P., Mass., E476
Mascara, Frank, Pa., E474
Otter, C.L. "Butch", Idaho, E475
Pombo, Richard W., Calif., E473
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Rodriguez, Ciro D., Tex., E465, E467
Sue-Lochsiten, Hein, Fla., E476
Rothman, Steven R., N.J., E469
Smith, Lamar S., Tex., E475
Stearns, Cliff, Fla., E481
Thompson, Bennie G., Miss., E466, E469
Thompson, Mike, Calif., E472
Towns, Edolphus, N.Y., E480
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