

allow them to go ahead with investments that have been put on hold because of this tax incentive, but it will also relieve them from some very burdensome recordkeeping requirements. That simplification is another advantage of the Bond-Collins amendment.

I thank my colleague from Missouri who does such a great job as the ranking minority member of the Senate Small Business Committee. It has been a great pleasure to work with him on this amendment. I believe this is the one provision we have debated that will make a real difference to those entrepreneurs throughout our country, to those small mom-and-pop firms that are creating good jobs in communities throughout our country. So I hope we will have a strong show of support for this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. BOND. Madam President, I gather there are no more people seeking to speak on this amendment. Rather than wait, we can vote. But first, I thank my colleague from Oklahoma, Senator NICKLES, a real champion of making the economy grow by putting people back to work, and Senator COLLINS has been one of our great allies. Anytime I have a small business provision, she wants to be a champion of it because she knows small businesses are driving the Maine economy, as well as in the rest of the country.

We are prepared to yield back all time on this side. I ask for the yeas and nays on this amendment.

Mr. DAYTON. We yield back all our time.

The PRESIDING OFFICER. All time is yielded back. Is there a sufficient second?

There is a sufficient second. The question is on agreeing to the amendment.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), the Senator from California (Mrs. BOXER), and the Senator from Connecticut (Mr. DODD) are necessarily absent.

Mr. NICKLES. I announce that the Senator from Nevada (Mr. ENSIGN), the Senator from New Hampshire (Mr. GREGG), the Senator from Oklahoma (Mr. INHOFE), the Senator from Tennessee (Mr. THOMPSON), and the Senator from Montana (Mr. BURNS) are necessarily absent.

I further announce that if present and voting the Senator from Oklahoma (Mr. INHOFE) and the Senator from Montana (Mr. BURNS) would each vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 90, nays 2, as follows:

[Rollcall Vote No. 7 Leg.]

YEAS—90

Allard	Edwards	McConnell
Allen	Enzi	Mikulski
Baucus	Feinstein	Miller
Bayh	Fitzgerald	Murkowski
Bennett	Frist	Murray
Biden	Graham	Nelson (FL)
Bingaman	Gramm	Nelson (NE)
Bond	Grassley	Nickles
Breaux	Hagel	Reed
Brownback	Harkin	Reid
Bunning	Hatch	Roberts
Byrd	Helms	Rockefeller
Campbell	Hollings	Santorum
Cantwell	Hutchinson	Sarbanes
Carnahan	Hutchison	Schumer
Carper	Inouye	Sessions
Cleland	Jeffords	Shelby
Clinton	Johnson	Smith (NH)
Cochran	Kennedy	Smith (OR)
Collins	Kerry	Snowe
Conrad	Kohl	Specter
Corzine	Kyl	Stabenow
Craig	Landrieu	Stevens
Crapo	Leahy	Thomas
Daschle	Levin	Thurmond
Dayton	Lieberman	Torricelli
DeWine	Lincoln	Voinovich
Domenici	Lott	Warner
Dorgan	Lugar	Wellstone
Durbin	McCain	Wyden

NAYS—2

Chafee Feingold

NOT VOTING—8

Akaka	Dodd	Inhofe
Boxer	Ensign	Thompson
Burns	Gregg	

The amendment (No. 2717) was agreed to.

Mr. REID. 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.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 having arrived, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:56 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. MILLER).

HOPE FOR CHILDREN ACT— Continued

The PRESIDING OFFICER. The Chair recognizes the Senator from Montana.

AMENDMENT NO. 2718, AS MODIFIED

Mr. BAUCUS. Mr. President, I call up my amendment and send a modification to that amendment to the desk.

The PRESIDING OFFICER. The Senator has a right to modify the amendment.

The amendment, as modified, is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to provide for a special depreciation allowance for certain property acquired after December 31, 2001, and before January 1, 2004, and to increase the Federal medical assistance percentage under the medicaid program for calendar years 2002 and 2003)

Strike titles II and III and insert the following:

TITLE II—TEMPORARY BUSINESS RELIEF PROVISIONS

SEC. 201. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.

(a) IN GENERAL.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

“(k) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.—

“(1) ADDITIONAL ALLOWANCE.—In the case of any qualified property—

“(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

“(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

“(2) QUALIFIED PROPERTY.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘qualified property’ means property—

“(i)(I) to which this section applies which has a recovery period of 20 years or less or which is water utility property,

“(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

“(III) which is qualified leasehold improvement property, or

“(IV) which is eligible for depreciation under section 167(g),

“(ii) the original use of which commences with the taxpayer after December 31, 2001,

“(iii) which is—

“(I) acquired by the taxpayer after December 31, 2001, and before January 1, 2004, but only if no written binding contract for the acquisition was in effect before January 1, 2002, or

“(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after December 31, 2001, and before January 1, 2004, and

“(iv) which is placed in service by the taxpayer before January 1, 2004, or, in the case of property described in subparagraph (B), before January 1, 2005.

“(B) CERTAIN PROPERTY HAVING LONGER PRODUCTION PERIODS TREATED AS QUALIFIED PROPERTY.—

“(i) IN GENERAL.—The term ‘qualified property’ includes property—

“(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

“(II) which has a recovery period of at least 10 years or is transportation property, and

“(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

“(ii) ONLY PRE-JANUARY 1, 2004, BASIS ELIGIBLE FOR ADDITIONAL ALLOWANCE.—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before January 1, 2004.

“(iii) TRANSPORTATION PROPERTY.—For purposes of this subparagraph, the term ‘transportation property’ means tangible personal property used in the trade or business of transporting persons or property.

“(C) EXCEPTIONS.—

“(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term ‘qualified property’ shall