The House met at noon and was called to order by the Speaker pro tempore (Mr. Dreier).

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC, FEBRUARY 4, 2002.

I hereby appoint the Honorable David Dreier to act as Speaker pro tempore on this day.

J. Dennis Hastert, Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

To You, O Lord God, belong all glory and praise. You fashioned a Nation out of the diverse people You brought forth to this land, as You did the ancient people of Israel.

As out of a desert You led them to this promised land where they declared their independence and constituted their sovereignty a New Nation.

Founded upon inalienable rights given to us by You, our Creator, we glory to this very day in our freedom.

Now that these freedoms are under attack, we seek again Your protection, Lord, and Your guidance.

Renew in us the adoption by Your Spirit, that we may affirm our freedom, not only with the conviction in the way we understand others, but in ourselves by actions proven beyond words.

May the freedom of assembly for worship we enjoyed this weekend be reinvigorated in the entire citizenry of this country, that we may be true witnesses of this freedom’s importance to the world, and come to love You with all our strength, now and forever. Amen.

THE JOURNAL

The Speaker pro tempore. The Chair has examined the Journal of the last day’s proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule 1, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The Speaker pro tempore. The Chair will lead the House in the Pledge of Allegiance.

The Speaker pro tempore 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.

COMMUNICATION FROM THE HONORABLE BOB SCHAFER, MEMBER OF CONGRESS

House of Representatives

H. Con. Res. 83.


Dear Mr. Speaker: This is to formally notify you, pursuant to Rule VIII of the Rules of the House of Representatives, that I have been served with a civil subpoena for documents and testimony issued by the Superior Court of the District of Columbia in a civil case pending there.

After consultation with the Office of General Counsel, I have determined that it is consistent with the precedents and privileges of the House to comply with the subpoena.

Sincerely,

Brandi Graham,
Chief of Staff to Congressman Bob Schaffer.

REVISIONS TO ALLOCATION FOR HOUSE COMMITTEE ON APPROPRIATIONS

The Speaker pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. Nussle) is recognized for 5 minutes.

Mr. Nussle. Mr. Speaker, I submit for printing in the Congressional Record revisions to the 302(a) allocations and budgetary aggregates established by H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002. My authority to make these adjustments is derived from Sec. 101 of Division C of H.R. 3338 (Public Law 107–117), the bill making appropriations for the Department of Defense for fiscal year 2002, Sec. 314 of the Congressional Budget Act, and Sec. 221(c) of H. Con. Res. 83.

P.L. 107–117 increased the discretionary spending limits for fiscal year 2002. It also directed the Chairman of the Budget Committee to increase the budgetary aggregates and allocations to the House Committee on Appropriations, and to publish those revised figures in the Congressional Record. The changes in P.L. 107–117 increased the levels in the budget resolution, without changing the operation of other adjustments to the aggregates and allocations. Those changes, which are consistent with H.R. 3084 as reported by the Committee on the Budget, total $4,554,000,000 in new budget authority and $7,735,000,000 in outlays.

In addition, H.R. 2888 (P.L. 107–38), the 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States, provided emergency-designated appropriations for fiscal years 2001 and 2002. For fiscal year 2001, those appropriations totaled $20,000,000,000 in new budget authority. Outlays flowing from that budget authority equals $131,000,000 for fiscal year 2001 and $13,397,000,000 for fiscal year 2002. The budgetary aggregates and 302(a) allocation to the House Committee on Appropriations are increased by these amounts.

Further, the conference report on Division B of H.R. 3338 (P.L. 107–17) permits the obligation of emergency-designated funds previously

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.
authorized in P.L. 107–38. The fiscal year 2002 allocations to the Appropriations Committee were previously increased by $20,001,000,000 in new budget authority and $9,347,000,000 in outlays to reflect the amounts in the House-reported bill. I am adjusting the budgetary aggregates and the allocation for Appropriations for the difference between the House-reported and conference measures. This adjustment equals ~$1,000,000 in new budget authority and ~$1,124,000,000 in outlays in fiscal year 2002.

The sum total of these changes raise the 302(a) allocation to the House Committee on Appropriations to $706,000,000,000 in new budget authority and $727,954,000,000 in outlays for fiscal year 2002.

Finally, the Air Transportation and Safety and System Stabilization Act (P.L. 107–42) contained emergency provisions relating to the provision of grants and loan guarantees for airlines. The emergency-designated provisions provided $5,000,000,000 in new budget authority for fiscal year 2001 and $2,000,000,000 in new budget authority for fiscal year 2002. Outlays flowing from that budget authority total $2,300,000,000 in fiscal year 2001, $3,200,000,000 in fiscal year 2002, and $1,500,000,000 in fiscal year 2003. The 302(a) allocation for discretionary action to the House Committee on Transportation and Infrastructure is adjusted by these amounts.

The sum of the changes to the 302(a) allocations of discretionary action increase the budgetary aggregates for fiscal year 2002 to $1,673,188,000,000 in new budget authority and $1,635,652,000,000 in outlays.

Questions may be directed to Dan Kowsali at 67270.

H108
CONGRESSIONAL RECORD — HOUSE
February 4, 2002

BILLS PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House reports that on January 31, 2002 he presented to the President of the United States, for his approval, the following bills.


H.R. 1913. To require the valuation of nontribal interest ownership of subsurface rights within the boundaries of the Acoma Indian Reservation to be adjusted by these amounts.

H.R. 1937. To authorize the Secretary of the Interior to engage in certain feasibility studies of water resource projects in the State of Washington.

ADJOURNMENT

The SPEAKER pro tempore, without objection, the House adjourned until 12:30 p.m. tomorrow for morning hour debates.

There was no objection.

Accordingly (at 12 o’clock and 2 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, February 5, 2002, at 12:30 p.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS,

Etc.

Under clause 8 of rule XII, executive communications were taken from the Speaker’s table and referred as follows:

5282. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency’s final rule—Mepiquat; Pesticide Tolerances: http://www.epa.gov/ (RIN: 2074–0007) received January 18, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5293. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department’s final rule—Use of Facility Contractor Employees for Services to DOE in the Washington, D.C., Area, transmitted to the Committee on Energy and Commerce.


5300. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency’s final rule—Relaxation of Summer Gasoline Volatility Standard for the Denver-Boulder Area [FRL–7130–R], pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.


5302. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department’s final rule—Interface with the Defense Nuclear Facilities Safety Board—received January 10, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2001 status of loans and guarantees issued under the Arms Export Control Act, pursuant to 22 U.S.C. 2755(a); to the Committee on International Relations.

5394. A letter from the Director, International Cooperation, Department of Defense, transmitting a copy of Transmittal No. 03-02 which informs the intent to sign a Project Agreement between the United States and the United Kingdom concerning Applied Smart Fuze Technology (ASFT), pursuant to 22 U.S.C. 2767(v); to the Committee on International Relations.

5395. A letter from the Director, International Cooperation, Department of Defense, transmitting a copy of Transmittal No. 03-02 which informs the intent to sign a Memorandum of Agreement Concerning Research, Development, Test, Evaluation, Production, and Life Cycle Support Activities for Technologies and Systems for AEGIS-equipped Ships between the United States and Spain, pursuant to 22 U.S.C. 2767(v); to the Committee on International Relations.

5396. A letter from the Secretary, Department of Health and Human Services, transmitting the FY 2001 Commercial Activities Inventory as required by the Federal Activities Inventory and Infrastructure Act of 1998; to the Committee on Government Reform.

5397. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998, to the Committee on Government Reform.

5398. A letter from the Assistant Director, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5399. A letter from the Director, Federal Maritime Commission, transmitting a report on the Annual Inventory of Commercial Activities for the Civilian Branch, Department of the Treasury, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5400. A letter from the Acting Chairman, National Endowment for the Arts, transmitting the FY 2001 Commercial Activities Inventory as required by the Federal Activities Inventory and Infrastructure Reform Act of 1998; to the Committee on Government Reform.


5402. A letter from the Acting Deputy Director, Peace Corps, transmitting the semiannual report pursuant to the Inspector General Act and the 1988 Amendments to the Inspector General Act, pursuant to 31 U.S.C. 5512(c)(3); to the Committee on Government Reform.

5403. A letter from the Assistant Secretary Policy, Management and Budget, Department of the Interior, transmitting the Department’s final rule—Mining Claims Under the General Mining Laws; Surface Management; (NO-300) (RIN: NA-AD4) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5404. A letter from the Senior Transportation Analyst, Department of Transportation, transmitting the Department’s final rule—Airworthiness Directives; Reims Aviation S.A. Model F406 Airplanes [Docket No. 99-CE-28-AD; Amendment 39-12594; AD 2001-01-07] (RIN: 2120-AA64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5405. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule—Airworthiness Directives; Hamilton Sundstrand Model 247F Propellers [Docket No. 2001-NE-39-210; Amendment 39-12526-05] (RIN: 2120-AA64) received January 24 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5406. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the AGENCY RULES—Guidelines for Reducing Section 319 Grants to Indian Tribes in FY 2002—received January 18, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5407. A letter from the Acting Deputy General Counsel, Small Business Administration, transmitting the Administration’s final rule—Business Loans and Development Company Loans (RIN: 3245-AE59) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

5408. A letter from the Director, Department of Veterans Affairs, transmitting the Department’s final rule—Compensated Work Therapy Program—Final Rule (RIN: 2000-AK01) received January 28, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans’ Affairs.

5409. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department’s final rule—Board of Veterans’ Appeals—Evaluating Evidence—Procedural Defects Without Remanding (RIN: 2900-AK91) received January 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans’ Affairs.

5410. A letter from the Director, Office of Regulations Management, Department of the Interior, transmitting the Department’s final rule—Civilian Health and Medical Program of the Department of Veterans’ Affairs (CHAMPVA) (RIN: 2900-AK98) received January 28, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5411. A letter from the Chief, Regulations Branch, Department of Transportation, transmitting the Department’s final rule—Airworthiness Directives; Pratt and Whitney PW4000 Series Turbofan Engines (Docket No. 2000-NE-47-AD; Amendment 39-12564; AD 2001-25-11) (RIN: 2120-AA64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5412. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule—Airworthiness Directives; Saab Model SAAB SF340A and SAAB 340B Series Airplanes [Docket No. 2001-NM-91-AD; Amendment 39-12562; AD 2001-25-12] (RIN: 2120-AA64) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.
February 4, 2002

5335. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service’s final rule—LMSB Fast Track Dispute Resolution Pilot Program—received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5336. A letter from the Acting Assistant Secretary, Department of Defense, transmitting a progress report on the use of the $90 million appropriated to increase investment in the optimization of the military’s direct care system; jointly to the Committees on Armed Services and Appropriations.

5337. A letter from the Director, Congressional Budget Office, transmitting notification on the growth of real gross national product during the fourth calendar quarter of 2001, pursuant to 2 U.S.C. 904(j); (H. Doc. No. 107-334); jointly to the Committees on Budget and Rules, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOEHLERT: Committee on Science.

H.R. 3394. A bill to authorize funding for computer and network security research and development and research fellowship programs, and for other purposes (Rept. 107-355 Pt. 1).

DISCHARGE OF COMMITTEE

Pursuant to clause 2 of rule XII the Committee on Education and the Workforce discharged from further consideration. H.R. 3394 referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 2 of rule XII the following action was taken by the Speaker:

H.R. 3394. Referral to the Committee on Education and the Workforce extended for a period ending not later than February 4, 2002.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. PORTMAN (for himself and Mr. CARDIN):

H.R. 3669. A bill to amend the Internal Revenue Code of 1986 to empower employees to control their retirement savings accounts through new diversification rights, new disclosure requirements, and new tax incentives for retirement education; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, 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. BENTSEN (for himself, Ms. ESSENO, Mr. JEFFERSON, Mr. GERHARDT, Mr. LEVIN, Mr. MATSUI, Mr. RANGEL, Ms. LOPUREN, Mr. BARCA, Mr. TURNER, Mr. POMEROY, Mr. MCINTYRE, Mr. GREEN of Texas, Mr. SHOWS, Mr. HONDA, Mr. KENNEDY of Rhode Island, Mr. HASTINGS of Florida, Mr. BALDACCI, and Mr. FARR of California):

H.R. 3670. A bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, and Education and the Workforce, 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. HASTINGS of Florida:

H.R. 3671. A bill to require investment advisers to make prominent public disclosures of ties with companies being analyzed by them, and for other purposes; to the Committee on Financial Services.

By Mr. LARSON of Connecticut:

H.R. 3672. A bill to authorize the National Science Foundation to carry out research projects to develop and assess novel uses of high-performance computer networks for use in science, mathematics, and technology education in elementary and secondary schools; to the Committee on Science.

By Mr. HASTINGS of Florida:

H. Con. Res. 311. Concurrent resolution recognizing the Civil Air Patrol for 60 years of service to the United States; 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. 218: Ms. DELAURA.

H.R. 237: Mr. MORA of Virginia.

H.R. 992: Mr. JOHNSON of Illinois.

H.R. 1027: Mr. SUNUNU.

H.R. 1214: Mr. THIBODEAUX.

H.R. 1287: Mr. NORWOOD and Mr. TOOMY.

H.R. 1485: Mrs. CAPPS and Mr. OWENS.

H.R. 1794: Ms. LOPUREN, Mr. BORSKI, Mr. GANSKE, Mr. BRADY of Pennsylvania, and Mr. BLUMENAUER.

H.R. 1990: Mr. LANDY.

H.R. 2440: Mr. WELCH.

H.R. 3326: Mr. PALLONE and Mr. WYN

H.R. 3417: Mr. GOODL.

H.R. 3524: Mrs. DAVIS of California.

H.R. 3657: Mrs. Jones of Ohio, Mr. FILNER, Ms. CARSON of Indiana, Ms. SANCHEZ, and Mr. OBERSTAR.

H. Con. Res. 42: Mr. EVANS and Ms. SOLIS.

H. Con. Res. 43: Mr. OTTER.

H. Con. Res. 99: Mr. ALLEN, Ms. RIVERS, Mr. WEINER, Mr. CLAY, and Ms. KILPATRICK.

H. Con. Res. 365: Mr. FALEOMAVAEGA, Mr. CRAMER, and Mr. PLATTS.

H. Con. Res. 269: Ms. HARMAN and Mr. ROTTEMAN.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk’s desk and referred as follows:

48. The SPEAKER presented a petition of Mr. Gregory D. Watson of Austin, TX, relative to urging the United States Congress to consider legislation which would change the time of conducting the national general election from the first Tuesday after the first Monday in November of even-numbered years to instead the first full weekend in September of even-numbered years, with a run-off to be held the first full weekend in October if no candidate for the office of U.S. Representative, or for the office of U.S. Senator, or for the offices of U.S. President and Vice-President receives 45% or more of the total vote cast at the general election; which was referred to the Committee on House Administration.
PRAYER

The guest Chaplain, Brigadier General David Hicks, offered the following prayer:

Lord of Hosts, our Nation continues to heal from so recently being attacked. In such a time as this, give us the moral courage to examine both our strengths and our shortcomings. As we recover, make us justly proud of our democratic processes, our history of liberty, and our striving to forge a nation built upon equality. However, make us also bold to confess that we have often been heedless of Your power in giving us these national blessings. Rather than seeking first Your kingdom, we have often tried to add "all these things" unto ourselves through our own strength. Remember not our tendencies to place ourselves before You, O Lord. Rather, as with David, let our prayer for America be that "I have set the Lord always before me and beheld his face in everything."—Psalm 16:8.

PLEDGE OF ALLEGIANCE

The Honorable ROBERT C. BYRD led the Pledge of Allegiance, as follows:
1. 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.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 2 o'clock, with Senators permitted to speak therein for up to 10 minutes each.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The Senator from Nevada is recognized.

SCHEDULE

Mr. REID. Mr. President, you have announced that until 2 o'clock today there will be a period of morning business. At 2 o'clock the Senate will resume consideration of the economic recovery act, H.R. 622. The majority leader has asked me to announce that at approximately 5:15 p.m. the Senate will vote on a judicial nomination. So there will be a vote today at 5:15 p.m.

MASKING THE TRUE SIZE OF THE DEFICIT

Mr. REID. Mr. President, I take just a minute this morning to talk about something that I think is very important. We had a debate not long ago; there was a movement to have a constitutional amendment to balance the budget. I can remember when I raised the first objection to that during the time Senator Mitchell was majority leader, indicating in my amendment that if we were going to have a constitutional amendment to balance the budget, then we should not count Social Security surpluses. We were able to prevail in defeating that mischievous amendment which would have locked into the Constitution this, in my opinion—it is phoney—way to balance the budget, using these huge Social Security surpluses for people to say we had a balanced budget when we really did not.

For many, many years the Social Security surpluses were used to mask the deficit. During the last 3 years of the Clinton administration, we decided to no longer do that, that we would have an honest budget process whereby you would not count the Social Security surpluses. We were able to have a balanced budget not using that method of accounting. In fact, we were able to pay down this huge debt that accumulated to some more than $5 trillion. So I have some disappointment that the budget sent to us by President Bush now goes back to using that same method of accounting, using the Social Security surpluses to mask the deficit.

One of the reasons for the deficit is the war. I know that. But it is not the only reason. There are other reasons, and they are economic in nature, for why we have this unbalanced budget.

There will be time spent this week on examining the President’s budget just released today. I am very concerned, as I have mentioned, that we are now witnessing a counting of the Social Security trust fund to hide what we are doing here. But it does not really hide it. We all agreed the last few years that the surpluses which we had in the Social Security trust fund would not count against the yearly deficit. It is a surplus that is being run to provide for the retirement of the baby boomers. It

This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
TRIBUTE TO JOHN AND JUDY RUTHVEN

Mr. DEWINE. Mr. President, I rise today to recognize John and Judy Ruthven, from my home State of Ohio, for their tireless work in restoring the U.S. Grant Homestead—the home of our 18th President, Ulysses S. Grant. This was the home Grant knew as a boy. They lived there from the time he was 1½ years old until he left for West Point.

After years of admiring the home, the Ruthvens purchased it in 1977. When they took possession of the homestead, it was on the National Register. The Ruthvens would need to put in a tremendous amount of work before the homestead would become the National Historic Landmark it is today.

The homestead, originally built in 1823, was already over 150 years old when the Ruthven’s took ownership. It had a leaking roof, a collapsing side porch, a missing summer kitchen, a shed that was falling apart, a basement that leaked, chimneys that needed repair, and termites. The task to restore it was challenging, to say the least.

The first thing the Ruthvens did was contact an architect to consult on the restoration. After many meetings, they began the long, arduous process of restoring the homestead.

While challenges were abundant, the Ruthvens were meticulous about every detail and actually found great joy in the more difficult tasks. For example, they meticulously searched for Grant family artifacts and took painstaking measures to ensure that each new structure and piece of furniture matched pictures of the original home. They searched across the State of Ohio looking for old wood and glass for the floorboards. In fact, they replaced the wood floors in the new kitchen came from an old 1820’s building and the wrinkled glass was from a building being demolished in Lancaster, OH. They even used square-cut, hand-made nails in the process.

After all of the structural work was completed, the Ruthvens and a network of friends scoured the State for furniture for the homestead. They also have acquired—on loan from the Ohio Historical Society—a couch and a cradle that had belonged to the Grant family.

In the end, the entire homestead had been scoured and cleaned, new plumbing and waterlines had been installed, old structures had been rebuilt and the homestead was decorated with period furniture. After 5 years of reliving the life of Ulysses S. Grant, restoration was finished and the Ulysses S. Grant Homestead was designated a National Historic Landmark. Now, John and Judy Ruthven are in the process of donating the homestead to the State of Ohio, so that all of America can learn the history and enjoy the beauty of this home.

The PRESIDENT pro tempore. The Senator from Ohio, Mr. DeWine, is recognized.

TRIBUTE TO NATHAN CHAPMAN

Mr. DEWINE. Mr. President, I rise today to praise the life of Sergeant 1st Class Nathan Chapman—a brave American who gave his life in Afghanistan to fight against the terrorists who threaten our way of life here at home.

Nathan attended high school in my home state of Ohio in Centerville. Nathan Chapman’s unmatched work ethic and dedication to people led him down a path of extraordinary heroism.

Nathan rose rapidly through the army ranks and special units. A member of the Army Rangers and—after only 8 years of service—the elite Green Beret forces, Nathan received 15 military commendations through his tours of duty in Panama, Haiti, and Operation Desert Storm. An accomplished soldier with what his father called “a quiet confidence,” Nathan Chapman was a credit to the American citizens he was sworn to protect.

A communications expert, Nathan was known among his colleagues as a highly capable soldier, who always was ready to volunteer for the tough missions. Col. David Fridovich describes Nathan as “a dynamic, outgoing, physically and mentally hard soldier . . . a stellar example of the Special Forces ethos.” I add that Nathan is also a stellar example of the American ethos, through his courage, intelligence, hard work, and dedication.

The people of Centerville, Ohio, have nothing but good things to say about Nathan. His old wrestling coach, Rich Miller, said he knew Nathan “felt good about what he was doing and was a real Optimist.” One of Nathan’s Centerville friends summed it up best: “Sgt. Chapman was one of us . . .”

As an Ohioan and an American, I thank Nathan Chapman for the ultimate sacrifice he has made for our country. I offer my condolences to those left behind to cherish and celebrate Nathan’s life—his parents, Will and Lynn; his wife, Renae; their two young children, Amanda and Brandon; and his many, many friends.

A communications expert, Nathan Chapman worked for peace through his courage and it cost him his life. But Nathan did not die in vain; he gave his life for the people of our Nation to ensure that his children’s future and the future of all Americans would be free from terror.

REMEMBERING CAPTAIN BRIAN RIZZOLI AND 1ST LT. WILLIAM SATTERLY

Mr. DEWINE. Mr. President, in talking about the important role that our service men and women play in protecting our nation, I would like to take this opportunity to mention two brave men from Ohio’s Wright-Patterson Air Force Base who died this weekend in an aircraft accident. I extend my deepest condolences to the families of CAPT Brian Rizzoli and 1ST LT William Satterly.

Mr. Kennedy. Mr. President, yesterday, the New England Patriots pulled off a thrilling 20–17 victory over the St. Louis Rams in Super Bowl XXXVI. The victory is the first world championship for the Patriots, and it could not have come at a more poignant time for our country.

Since September 11, the courageous acts of countless Americans have set a new standard for the Nation. Indeed, a new American spirit has been forged. That spirit is characterized by sacrifice, humility, and a refusal to quit in the face of adversity. At a time when our entire country is banding together and
The Patriots' hard work and dedication encapsulates the new spirit in America. I urge the Senate to approve this well-deserved resolution, which I will offer today.

In Boston, April 15 is Patriots' Day—a day when we celebrate the brave men and women who fought for our Nation's independence. But, for generations of New England sports fans—from Bangor to Boston—yesterday will always be our Patriots' Day.

Today, the New England Patriots are the true patriots all over the land. Their perseverance, teamwork, and devotion represent the best of America, and I'm proud to call them not only my home team, but also world champions. Mr. President, I would like to speak further to the Senate and ask if I could extend my time for an additional 10 minutes.

The PRESIDENT, pro tempore. Hearing no objection, the Senator is recognized for the additional 10 minutes.

The BUDGET

Mr. KENNEDY. Mr. President, the budget President Bush presented today clearly demonstrates that we cannot meet our national security needs in the wake of September 11, and afford to fully implement the enormous tax cuts which were enacted prior to that fateful day, unless we ignore our vital educa-

tion, health, and human resources needs. All of us agree that we must spend what is necessary to defend the Nation against the threat of terrorism. These new demands on our resources, coupled with the recession, necessitates a reevaluation of the entire budget picture—including the expenditure of $1.7 trillion to finance the tax cut. Unfortunately, when it comes to the tax cut, the administration is unwilling to admit that the world has changed.

Future tax cuts that disproportion-
ately favor our wealthiest citizens are treated as a sacred cow, many of the programs that help our neediest citizens will be sacrificed. The war requires shared sacrifice, not placing all the burden on those families least able to carry it.

Today, we find ourselves in a dra-
matically different and far less advan-
tageous position than we did one year ago. In January 2001, CBO projected a surplus of $5.6 trillion for fiscal years 2002-2011. One year later, the projected surplus for that period is only $1.6 trillion, nearly all of it attributable to So-
cial Security. According to CBO, an on-
budget surplus will not reappear until fiscal year 2016. Four trillion dollars of the surplus is gone.

Whatever the merits of last year's tax bill at the time it was enacted, those circumstances clearly no longer exist. In the aftermath of September 11, we are facing major new demands on our national resources which must take priority. We cannot meet these demands and afford such an enormous tax cut without raiding Social Security and Medicare. Jeopardizing the security of millions of senior citizens to fi-
nance the full tax cut is not an accept-
able price to pay. We cannot now afford the entire tax cut without ignoring critical national needs. Neglecting our children's education and the health and well-being of our workforce in this manner is not an acceptable price to pay. Yet, that is what the adminis-
tration budget would do. At this critical moment, the Senate must transcend the old boundaries of the debate, and focus on the national interest.

Social Security is a major victim of the President's budget. His budget does not merely dip into the Social Security Trust Fund for a couple of years when we are experiencing a recession and fighting a war. It proposes to raid So-
cial Security every year through at least 2010, taking a total of $1.464 trillion out of the trust fund. The magni-
itude of the administration planned raid on Social Security is truly shock-

ing. It would drain the Social Security's long-term financial stabili-

ity. This reckless scheme seriously threatens the well-being of every sen-
citizen and disabled person who will be depending on the program in the years ahead.

Even with the raid on Social Secu-

rity, the budget does not meet the na-

tion's critical domestic spending needs. Discretionary domestic spending does not even keep pace with the rate of in-
f
flation. It would dramatically weaken So-
cial Security's long-term financial sta-

bility. This reckless scheme seriously threatens the well-being of every sen-
citizen and disabled person who will be depending on the program in the years ahead.

The only fiscally responsible course of action now is to postpone some fu-
ture tax cuts that exclusively benefit the wealthiest taxpayers. These future tax

breaks are not scheduled to take effect until 2004 and later. However, if they are allowed to take effect, they will cost hundreds of billions of dollars by the end of the decade. By delaying them, we can save approximately $350 billion. More than one trillion dollars in tax cuts will still take effect as scheduled.

Under the plan I have proposed, no taxpayer would pay a higher tax rate than he or she paid last year. In fact, income tax rates for everyone would be lower in 2002 and in succeeding years than they were in 2001. The child tax credit would be increased as planned and marriage penalty relief would be provided as scheduled.

The $350 billion in cost savings would result solely from a delay of future reduc-
tions in the tax rate paid by the wealthiest taxpayers in the highest in-
come brackets and from maintaining the estate tax on estates above $4 million. While a small number of the most wealthy taxpayers may receive less of a tax reduction than they anticipated, they will still be receiving billions of dollars in new tax breaks as a result of last year's bill. Especially in a time of national crisis, it is certainly reason-
able to ask them to contribute a fair share to keep our Nation's finances on a s

These future tax cuts for those at the top are not part of the fight against the recession. They are not scheduled
to occur until long after the economy emerges from the downturn. In fact, taking fiscally responsible action now will actually help the economy—by leading to reductions in long-term interest rates that have remained stubbornly high because of the fear that unabated tax cuts will swamp Federal deficits throughout the decade. Reducing that threat will reduce the cost of long-term borrowing for businesses, and provide a stimulus for new job creation now.

Such reductions in future tax cuts will help us to meet our responsibility to the American people to improve education all along the continuum from birth through college, to extend better health care to more people, and to ensure that workers can find the training that they’ll need to fully participate in the modern world economy. The American people have not made future tax cuts their first priority, and Congress should not either. At the very least, fairness and fiscal responsibility require that future tax cuts be reduced by the cost of the increased defense and homeland security spending these perilous times require. This would allow our domestic priorities to get the same funding which all of us agreed last year was the essential minimum.

We have only had the administration’s budget for a few hours. However, the disturbing neglect of many of our Nation’s most pressing domestic needs is evident. I would like to take just a few moments to describe those to the Senate at this time.

First of all, let us take the area of health care. Support for our public hospitals will be reduced by $27 billion.

The public hospitals in this country are some of the most beleaguered health institutions that we have in this Nation. They are the ones that respond to the pressure when unemployment increases and millions of workers lose their health insurance. Where do laid-off workers go when they get sick? Where do their children go when they get sick? They go to the public hospitals. They are the principal institutions that treat the uninsured and the neediest people in our society.

The idea that we will see additional reductions in terms of support for these major institutions, which are primarily in the great urban areas of our country, is most pressing domestic need and row edge in any event because of the extraordinary kinds of burdens they are facing, is a major mistake from a health policy point of view in terms of caring for our fellow citizens.

Reductions in the support for the training of pediatricians in our children’s hospitals by some $85 billion is also a major mistake. We want to make sure we are going to have the best trained pediatricians in the world to care for our children. I think the idea that the Administration is going to short change the training for those individuals who have made a commitment to making a difference, effectively equals a reduction in the quality of care, and is shortsighted. We are talking about caring for the children of this country.

We see further reductions in support for medical education, which will clearly reflect itself in a reduction of quality. We have many challenges in our health care system. One of the most important successes of our health care system is the training, the professionalism, and the quality of our health professionals, who are the envy of countries all over the world. Our training of health professionals is a magnificent example of the best we can provide.

We have other challenges in the delivery of health care services. For example, the cost of health care and the fact that we do not pay for prescription drugs, which our elderly desperately need. But the training of well-qualified personnel is something in which all of us take a sense of pride. We should not lose it. We are seeing a significant reduction in the funding for training.

We are seeing reductions in health care professionals at a time when we still have a very significant imbalance in underserved areas—both in rural areas and urban areas. To see a reduction in the funding for that sort of program makes absolutely no sense whatsoever.

Cutting funding in terms of the Child Care Development Block Grant program, at a time when the program is only serving about 12 percent of the need in this country, falls children. Considering the importance of that program for working families, and particularly for the working poor, it also fails workers and families.

Seeing resources cut that help States move individuals from welfare to work, and which can also be used for childcare, training programs, and transportation, undermines our effort to help move people from a sense of dependency to self-sufficiency.

I am disappointed in the area of education funding after we worked very conscientiously with the Administration to restructure the K-12 program. We are reaching only a third of the children who would be affected by the thrust of Title I provisions of the reform of education programs. We are effectively going to see the same number of children covered. Because of the recession, an increasing number of children are losing $12 billion in tuition dollars of that is going to be cumulative. We are only reaching about a third of the children rather than meeting the needs of all the children who could benefit from that program.

There is effectively an increase of $1 billion in terms of IDEA, which is the program to help local communities all across this country offset some of the burden they are facing in providing educational opportunities for special needs children. At this rate, it will take 11-12 years before we meet those dollars of that is going to be cumulative. We are only reaching about a third of the children rather than meeting the needs of all the children who could benefit from that program.

Finally, in the area of teacher quality, there is only level funding. Similarly, for after school programs and bilingual education, there is no increase.

We spent a great deal of time in the last Congress to make sure we were going to use the best of Republican ideas, Administration ideas, and Democratic ideas to try to bring about changes in our educational system, but we all knew it was going to take a combination of reform and resources.

At the end of the debate, just having reform without the resources was not going to be consequential. Just having resources without the reforms was not going to be meaningful. We tried to bring those two elements together. I think we did a good job, but now we see in this budget no increase for many of these provisions—many of which are so important in terms of strengthening academic achievement and accomplishment for our young people.

Finally, about 400,000 children drop out of school every single year. We have the Youth Opportunities Act to try to reach out to those young people, to try to get them back into school, and to try to get them employment. One of the major reforms of the Workforce Investment Act, it is an effort to provide educational opportunities and job training to our most impoverished youth. Effectively, that program has been emasculated. The new Administration budget dramatically cuts funding for the program, beginning it’s eventual phase-out.

It makes absolutely no sense. We were trying to get reforms in terms of education, and then with the Youth Opportunities Program we were trying to reach out to children who have dropped out and try to bring them back into the system, either to complete their education or to move them into training programs so they can be productive. That program has been undermined.

There are training programs for workers to get the skills necessary to be able to compete and produce—one-on-the-job training programs which have really been the result of very strong bipartisan efforts to reform the 128 different job training programs and 12 different agencies.

Republicans and Democrats worked together. We streamlined these programs in a very efficient and effective way to try to help workers develop new skills in order for them to be more competitive. We now find out this program is being significantly undermined.

If you are talking about young people, if you are talking about failing to develop an effective prescription drug program for our seniors, if you are failing to pay for prescription drugs in the area of education and in training for young people, that is all reflected in this budget.
The final point is that we are in danger of using up all of our Social Security funds, paid by working men and women, by transferring them into a tax break for the wealthiest individuals in this country. The tax breaks that will go into effect in 2004 have jeopardized our ability to achieve important domestic priorities. There is going to be a battle during the course of this year in terms of priorities. I look forward to being a part of that debate.

I yield the floor.

The PRESIDING OFFICER (Mrs. FEINSTEIN). The Senator from Wyoming is recognized.

Mr. THOMAS. Madam President, I will use the 10 minutes available in morning business.

The PRESIDING OFFICER. The Senator is recognized.

THE BUDGET

Mr. THOMAS. Madam President, one of the issues we are faced with, which will be most controversial, I suppose—and certainly very important—is that budget about which the Senator from Massachusetts has been talking. Obviously, there are different views as to how one deals with the budget. It is always that way.

There are those who think there is a never-ending demand for more spending and, therefore, more taxes, and that the Federal Government ought to be involved in all of our activities in our lives. There are others who believe there are essential elements the Federal Government should address itself to; they change at different times, of course.

So it seems to me, as we take a look at this year’s budget and this year’s spending and this year’s taxes, we have to take a look at the situation we are in and seek to meet the goals of our time. And those goals change from time to time.

America faces a unique moment in our history. Our Nation is at war, our homeland is threatened to be attacked, and our economy is in recession. If those are not factors that ought to be taken into account with respect to a budget, I don’t know what would be.

The President’s budget has just come to Congress today, so we do not know a great deal about the details. We will be holding hearings starting tomorrow, and we are about to begin the discussion about the outline of the budget, it seems to me, meets the requirements of victory in this war in which we are involved, as well as the tests of responsibility for those areas in which the Federal Government, indeed, has a responsibility.

It holds the Government accountable for results that address the priorities of the American people: Winning the war on terror, strengthening the protection of our homeland, revitalizing the economy, and creating jobs.

Deficits have increased by 12 percent. His budget nearly doubles homeland security spending. So it provides for the kind of safety all of us certainly have put at the top of our priorities at this time. The growth for spending in programs outside of defense, then, are held to 2 percent. We have been having something around 6- and 7-percent growth when we have not had the terrorism threat. So growth in those areas comes as a surprise.

I think one of the interesting issues—and a little different than what we have just heard—is that the President’s budget provides significant funding increases for health care, prescription drugs, education, the environment, agriculture, and retirement security, and returns to budget surpluses within 2 or 3 years if, indeed, we have the kind of economic return that we are talking about from the way we spend our dollars. The fact is we do not have the reserves that we did have; in relation to tax decreases it is a relatively small amount, about 14 percent. The remainder of the loss in revenues has been for increased spending in the war on terrorism and recession.

So if you are talking about surpluses, the way you get to deal with surpluses is to increase this economic movement forward, to increase the growth in the economy. That is where the surpluses came from, certainly not by increasing taxes at a time when we are in a recession.

So the priorities, of course, will be winning the war on terrorism—some $36 billion, a 12-percent increase, to increase the capacity of our military, to improve the living conditions of our military, and so on—and strengthening our homeland security, which, of course, whether it be boundary patrol or whether it be airline security or whether it be bioterrorism or whether it be the emergency improvement of intelligence, are things that clearly must be done.

But, of course, if we are really to deal with this business of budgets and this time of war, we have to deal with the economy. That is what we are going to be dealing with later this afternoon, tomorrow, and the next day in terms of an economic stimulus—to provide more push to those signs of an increased economy that we have before us. Hopefully, we can do that. The best way to guarantee surpluses in the future is to strengthen the economy.

Education: This proposal builds on the successful passage of the No Child Left Behind Act, which the President and the Senator from Massachusetts had a great deal to do with and gave leadership. In fiscal year 2002, it dramatically increases to historic levels the funding for special education with $5.5 billion, funds important in ensuring that every child can read by the third grade, and provides $10 million for a new initiative to recruit librarians. So the idea that we are ignoring education simply is not the case.

Health care: It provides a refundable tax credit to subsidize up to 90 percent of the cost of health insurance for low- and middle-income Americans. It expands the number of community health centers by 1,200 to serve an additional 6.1 million patients. It doubles NIH medical research spending. That is this budget we are talking about. For prescription drugs, it provides $190 billion to strengthen Medicare with Medicare prescriptions over a period of the next 10 years.

The environment: It provides record funding for EPA’s operating budget. It fully funds the land and water conservation fund. It eliminates the park maintenance balance by 2006 if we continue to do that way.

Energy, of course, is one of the real issues. It provides $9.1 billion for incentives. At any rate, those are items in the budget. The point is that we really need to look at where we are and how we are going to best manage additional spending on our war on terrorism and providing for our safety and freedom and trying to get the economy moving so that we will have more and more revenues without taxes. I cannot think of a worse time to increase taxes by eliminating tax reductions than at a time of recession.

So these are the issues that each of us will have to deal with as time passes. I think we will be able to do this. Certainly, we have done it before. I think it is very important we have a budget agreed to by the Congress so we have some constraints in spending so we have a budget that says to the appropriators: Here is the amount that can be used for agriculture, and here is the amount that can be used for whatever. Otherwise, of course, there is no end to the amount of spending.

There are a million things that we would like done, but we have to give some thought to what is the appropriate role of the Federal Government in terms of participation in these various programs? What is the State’s role? What is the local government’s role?

We hear—when I am home, at least—that we have too much Federal Government in our lives, but, on the other hand, we ought to have more money for these things. You have to make decisions between items to decide if you like Government closer to the people, if you like the calls made by the bureaucracy from Washington. These are the kinds of things I believe ought to be decided. So budgets are quite more than the amount of money that is going to be spent, even though, of course, that is the discussion.

Budgets are a matter of determining priorities, a matter of taking a look down the road as to where we want our country to be, what kind of programs we think are best for growth, for creating jobs, so people will be able to work in good jobs, and, therefore, to deal with the role of the Federal Government is vis-a-vis the other levels of government that are so important to us.
The are all part of the budget. Obviously, it is very difficult to put together a budget for a massive operation such as the Federal Government. But I do believe, as we move to what have to be expenditures for the emergency that is before us, we will have to make some logical control over the remainder of the spending so this deficit, which hopefully will be a short-term deficit, does not get any larger than it has to be. These are the decisions, these are the judgments we will have to make. Different people have different ideas, but, hopefully, we will come out that way.

I think the President has done a super job of putting together a budget. I think he has recognized our country's needs. I think he has also recognized the reality that we just can't keep endlessly spending and continue to grow the size of Government. It seems to me, asking for more accountability throughout the Federal Government is one of the important aspects of our future.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NELSON of Florida. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. NELSON of Florida. Madam President, I request permission to speak on a subject of enormous national importance.

The PRESIDING OFFICER. The Senator is recognized.

Mr. NELSON of Florida. I thank the Chair.

ENRON CORPORATION

Mr. NELSON of Florida. Madam President, I am a member of the Commerce Committee and we were looking forward to the opportunity of questioning the immediate past CEO of the Enron Corporation today. Unfortunately, he did not appear before the committee as had been expected, and I did not have the chance to pose some questions to him.

Specifically, I would have asked about the public institutional investors, like State pension funds, whose retirement funds around this country lost so much money because of their investments in Enron stock. There are more than 20 pension funds—and in the Chaline letter from the State of California there were some 4 or 5 pension funds, not only from cities such as San Francisco, but likewise one of the more major statewide pension funds of California which was the pension fund that was second most in magnitude as a result of having purchased Enron stock. The specific amount for one California pension fund—and it was just one of about five—was about $145 million.

Far exceeding that was the $335 million that was lost as a result of the Florida public retirement system holding Enron stock and finally selling it for 28 cents a share.

One could wonder, what does this have to do with the rumors and rumors of what was going on? It has to do this: Why would an outside money manager named Alliance Capital Management Company, previously associated with an Enron Corporation board member, purchase almost 3 million shares of Enron stock after October 22, which was the date that the Securities and Exchange Commission announced its investigation?

In addition, the company announced on October 17 a loss of $1.2 billion. As a matter of fact, in a short period of time, just a little over 3 weeks, the stock value of Enron dropped from $32 a share to a mere $9 a share. On October 22 when the Securities and Exchange Commission announced that it was going to start its investigation, the stock value started plummeting, and still this money manager continued to buy Enron stock. Money managers for the Florida pension fund are selected by the State Board of Administration of Florida, which is the board that runs the Florida retirement system. This money manager purchased almost 3 million shares of Enron stock for the Florida Board of Administration—starting at $32 and dropping all the way to $9 per share. Two weeks later when it became apparent that Enron had gone bust, the Florida retirement system sold 3 million shares for 28 cents a share; thus, losing this humungous amount of over $300 million.

What seems to me to be interesting, any question that I wanted to ask of the immediate past CEO of Enron is: Was there any direction, was there any evidence of any direction, was there any information of direction from Enron to public pension funds? Is it like the Florida retirement system, to purchase the stock, the stock was falling and I wanted to ask if public pension funds were asked to purchase Enron in order to prop up the value of the shares. I wanted to ask if Enron thought that public pension funds could help stabilize the value of the stock so company loans that were supported by collateral of Enron shares would not be called on for repayment by the company.

What was the motivation that would suddenly cause an institutional investor like a pension fund, known for professionalism, and conservative handling of investors' money, and when each of the three trustees are sworn under a fiduciary duty to protect the assets of the retirement fund—why would purchase of almost 3 million shares of Enron stock be made within a 3-week period, when the price of the stock is dropping? It was because it was supposed that a public pension fund would purchase mostly solid investments, at very low risk, instead of very risky investments.

Had I been at the Commerce Committee, that is the question I would have asked. Today I have tried to communicate what I would have asked, and I thank the Chair for the privilege of sharing this information with the Senate.

I take this opportunity to comment and illustrate what I wanted to ask the former CEO of Enron by showing a chart, which dramatically illustrates the fact of how the Florida retirement system purchased lots of Enron stock even while the stock price was dropping like a rock. As mentioned previously, stock prices were $32 on October 17 when Enron announced it had over $1 billion in losses. On October 22, 5 days later, the stock is just below $25 when the Securities and Exchange Commission announces an investigation of Enron.

And behold, at this point, on the day of the announcement of an investigation by the SEC, an outside money manager for the Florida retirement system—which I point out again, is supposed to protect the retirement system's assets for the future and present retirees. Florida's public pension plan is fully funded and guaranteed, not by the shareholders but by the taxpayers of the State of Florida. We can see from October 22 to November 16 what happened to the value of the stock. In the period of only a little more than 3 weeks, one of Florida's outside money managers, Alliance Capital Management, purchased shares at $22 each, and continued purchasing until the end of November, the money manager purchased shares at $9 each. The chart illustrates that the stock dropped precipitously in that 3-week period in what is supposed to be one of the most conservative of investment portfolios to protect the security of the state and local workers in Florida.

And finally the money manager sold all of the shares for November 30 at 28 cents a share, with a $335 million loss in the portfolio for Florida state and local workers and retirees. Other public pension funds suffered losses, more than $1 billion overall; however, the biggest loss of $335 million occurred in Florida.

Within this short period of 3 weeks, the purchase of almost 3 million shares after all of this information about the difficulties of the company had been made public, the public retirement system—what was the motivation here? Did they think this was a good stock buy, as they have said? Or was there a motivation that somebody was whispering in their ear, telling them to do this, that this stock was supposed to trade? We need further exploration and a thorough review of Enron's relationships with institutional investors.
It is a dramatic story, that additional shares were purchased as disturbing information starts to come out about the company: 302,000 shares purchased on October 22; 125,000 shares purchased on October 25; 374,000 shares purchased on October 29; 318,000 shares purchased on October 30.

On November 8, Enron admits it has overstated profits by $568 million. On November 13, lo and behold, the Florida pension fund buys another 502,000 shares. How did this happen? On November 16, the Florida pension fund purchased another 570,000 shares. And, on November 30 the Florida pension fund sells 7.5 million shares at 28 cents a share, thus incurring the $355 million loss.

I know a little bit about this because in my previous life as the elected State Treasurer of Florida, I sat on that pension board. The three-member board of trustees called the State Board of Administration, includes the Governor, the Treasurer, and the Comptroller. The board does not involve itself in the day-to-day activities of the buying and selling. Far from it, in the past, the board—when I was there, we would not touch that with a 10-foot pole. That was left to the professional money managers.

But policy was set by the board. One of the most interesting times on the board that I had was as the swing vote to determine whether or not the Florida retirement system would sell—get rid of—its portfolio of tobacco stocks. Clearly, I knew what I wanted to do because I thought that it made good social policy to get rid of tobacco stocks.

But I had a higher duty as a trustee of the State Board of Administration. I had a fiduciary duty to the retirees and future retirees, to the economic sanctity of the retirement fund. The threshold was very high on what we should and should not do in setting policy. So, too, what the professional, full-time managers should and should not do with regard to the purchase and sale of assets, including stock: a fiduciary duty for only the best, the most safe, and the least risky kind of investments. Why? Because we were trustees for all of the state retirees and future retirees of Florida.

As a former Florida State Treasurer, I want to express my concern openly in the Senate. Clearly when I see activity such as this, where almost 3 million shares are purchased within a 3-week period while the value of the stock is dropping. After the last purchase on November 16, only 2 weeks later the entire portfolio of 7.5 million shares are sold for only 28 cents a share. Why did this happen?

Hatch, former CEO of Enron appeared in front of the Commerce Committee today I would have asked him that question. I would have asked him if he had no direct knowledge, then who would? Who would have made those choices, and why one of his board members, Mr. Frank Savage, who used to be one of the managers of Alliance Capital Management—why, even though at the time of this purchase in October and November he was not one of the managers—why would such purchases of a risky investment that turned out to be so costly, why would that investment have been made? Had I had the opportunity today in the Commerce Committee, that is what I would have asked. Rhetorically, to the Senate, I ask some of these questions. And as we get into the investigation of this Enron debacle, these questions must be answered.

Thank you for the opportunity to speak to the Senate. I yield the floor.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Madam President, I thank the distinguished Senator from Florida for his comments. The largest retirement pension system in the United States is in the State of California.

Those systems have had very significant losses. I think his comments are very well designed and should be taken as a major indicator of fault and problems. I am sure when the hearings are held that as a member of the Commerce Committee, the Senator will have the good opportunity to point this out very clearly.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

HOPE FOR CHILDREN ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 622, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

Pending:

Daschle/Baucus amendment No. 2698, in the nature of a substitute.

Reid (for Baucus) amendment No. 2721 (to amendment No. 2698), to provide emergency agriculture assistance.

Bunning/Hinojosa modified amendment No. 2699 (to the language proposed to be stricken by amendment No. 2698), to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies.

Hatch/Bennett amendment No. 2724 (to the language proposed to be stricken by amendment No. 2698), to provide a waiver of the early withdrawal penalty for distributions from qualified retirement plans to individuals called to active duty during the national emergency declared by the President on September 14, 2001.

Smith of New Hampshire amendment No. 2725 (to the language proposed to be stricken by amendment No. 2698), to provide that tips reported for certain services shall not be subject to income or employment taxes.

Smith of New Hampshire amendment No. 2726 (to the language proposed to be stricken by amendment No. 2698), to provide a deduction for real property taxes whether or not the taxpayer itemizes other deductions.

Sessions amendment No. 2727 (to the language proposed to be stricken by amendment No. 2698), to remove the sunset on the repeal of the estate tax.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, pursuant to the previous order, the Democrats will offer the next two or three amendments that are in order.

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

The amendment is as follows: (Purpose: To amend the Internal Revenue Code of 1986 to provide a refundable credit for recreational travel, to modify the business expense limits, and for other purposes)

At the end, add the following:

TITLE I. PERSONAL TRAVEL AND BUSINESS EXPENSES

SEC. 01. PERSONAL TRAVEL CREDIT.

(a) In General.—Subpart C of part IV of subchapter A of chapter 1 (relating to refundable credits) is amended by redesignating section 35 as section 36 and inserting after section 34 the following new section:


SEC. 35. PERSONAL TRAVEL CREDIT.

(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the aggregate of travel expenses which are paid or incurred by the taxpayer during the 60-day period beginning on the date of enactment of this section.

(b) LIMITATIONS.—The expenses taken into account under subsection (a), with respect to any stay, shall not exceed $200. [1,200, in the case of a joint return].

(c) QUALIFIED PERSONAL TRAVEL EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term ‘qualified personal travel expenses’ means reasonable expenses in connection with a qualifying personal trip for—

(A) travel by aircraft, rail, watercraft, or commercial motor vehicle, and

(B) lodging while away from home at any commercial lodging facility.

Such term does not include expenses for meals, entertainment, amusement, or recreation.

"(2) QUALIFYING PERSONAL TRIP.—

(A) IN GENERAL.—The term ‘qualifying personal trip’ means travel within the United States—

(i) the first leg of which begins at a location that is at least 100 miles from the taxpayer’s residence,

(ii) involves an overnight stay at a commercial lodging facility, and

(iii) which occurs on or after the date of the enactment of this Act.

(B) ONLY PERSONAL TRAVEL INCLUDED.—Such travel must include travel in a manner that is incident to the travel expenses and does not include travel that is otherwise deductible in connection with such travel as deductible in connection with a trade or business or activity for the production of income.

"(3) COMMERCIAL LODGING FACILITY.—The term ‘commercial lodging facility’ includes any hotel, motel, resort, rooming house, watercraft, or campground.

(d) SPECIAL RULES.—

"(1) DENIAL OF CREDIT TO DEPENDENTS.—No credit shall be allowed under this section to any individual with respect to whom a deduction for personal expenses is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual’s taxable year begins.

"(2) EXPENSES MUST BE SUBSTANTIATED.—No credit shall be allowed by subsection (a) unless the taxpayer substantiates by adequate records the amount of the expenses described in subsection (c)(1).

"(e) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any expense for which credit is allowed under subsection (a).

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 1323(b) of title 31, United States Code, is amended by inserting before the period ‘‘, or from section 35 of such Code’’.

(2) The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting at the end the following new items:

Secretary of the Treasury.

"(1) TEMPORARY INCREASE IN DEDUCTION FOR BUSINESS MEAL EXPENSES.

"(a) IN GENERAL.—Subsection (b)(1) of section 274 of the Internal Revenue Code of 1986 (relating to limits on the deduction for entertainment expenses) is amended by inserting at the end the following:—

"(d) TEMPORARY INCREASE IN LIMITATION.—

With respect to any travel expense paid or incurred on or after the date of enactment of this Act, and before the date that is 180 days after such date, paragraph (1) shall be applied by substituting ‘‘80 percent’’ for ‘‘50 percent’’.

"(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 36. TEMPORARY RESTORATION OF DEDUCTION FOR SPOUSES ACCOMPANYING TAXPAYER ON BUSINESS TRAVEL.

(a) IN GENERAL.—Section 274(m) of the Internal Revenue Code of 1986 (relating to limitations on travel expenses) is amended by adding at the end the following:

"(d) TEMPORARY REPEAL OF LIMITATION.—

With respect to any travel expense paid or incurred on or after the date of enactment of this paragraph, and before the date that is 180 days after such date, paragraph (3) shall not apply.

"(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

Mr. REID. Madam President, prior to September 11, the travel and tourism industry employed more than 16 million people, and earned an annual payroll of about $160 billion. The industry was the first, second, or third largest employer—I should say the most, not the largest employer, but the first, second, or third most important—Mr. NELSON of Florida. Industry.

Mr. REID. Industry in some 30 States, I appreciate the Senator from Florida coming up with that word. It is the No. 1, 2, or 3 driving economic force in those States. It is estimated that travel and tourism generated $353 billion in tax revenues during 2000 for Federal, State, and local governments. When our Governors and other State officials find themselves strapped for cash to pay for such basic services as education, $35 billion, and the figure has in the past been going up every year in tax revenues, it takes on increased significance.

During the past decade, travel and tourism has emerged as the Nation’s second largest service export, generating a surplus of about $14 billion. This, of course, is no surprise to the people of the State of California, the State of Florida, and certainly the State of Nevada. Those Senators who are present now recognize the importance of the travel and tourism business.

In the year 2000, 36 million people came to Las Vegas through the airport. This contributed about $32 billion to our local economy, sustaining approximately 200,000 hospitality- and tourism-related jobs.

Since September 11, these impressive numbers have declined significantly. According to the Hotel and Restaurant Employees International Union, 31 percent of the hotel and restaurant employees in Washington, DC, have been laid off. In Las Vegas, the fastest growing metropolitan community in America, 30 percent of hotel and restaurant employees have lost their jobs.

There are similar cuts all over America: Phoenix, Orlando, San Francisco. Around the country, more than 450,000 jobs directly related to tourism have been lost, and the forecast for the industry from this point is not much better.

The Travel Industry of America estimates travel by Americans will decrease by about 8 percent this winter as compared to the months of December, January, and February a year ago, with a decline of 3 percent for the entire year 2001 when compared to travel during the year 2000. The Travel Industry of America estimates this will result in nearly $43 billion in lost travel expenditures in 1 year.

Because travel and tourism is so important to Nevada and so many other States, I believe that any economic security package must include incentives and other stimulative proposals to get people traveling again. That is why I have joined with Senator KYL, Senator NELSON of Florida, Senator HATCH, and Senator MILLER to move this legislation.

I personally believe there are other things we could do to help travel and tourism. I am one of the original co-sponsors of and I am supporting legislation Senator BOXER has offered. But to have bipartisan support we have this measure now before the Senate, and I think we should move forward.

There are three key components in this legislation. First of all, a $600 tax credit per individual and a $1,200 tax credit per couple, at a maximum of $200 per trip, for the 60 days after date of enactment of this amendment.

What this would mean is if someone is traveling to Miami for a convention, they would get a $600 tax credit. This would stimulate more travel. After the first trip, they would be eligible for a $200 tax credit; after two trips, $400; after three trips, $600.

This proposal provides a genuine incentive to the leisure traveler to encourage Americans to get back on airplanes, rent a car, to stay a few nights in their favorite hotel, enjoy a few meals at their favorite restaurant. Moreover, by capping each trip to $200, our amendment provides an additional limit on tax credits for multiple trips. The tax credits would be temporary and provide immediate results.

This amendment provides an additional $200 tax credit, which would be temporary and provide a boost to travel and tourism.
People need to feel good about traveling. I personally feel safer today flying in an airplane than I ever have. It is somewhat inconvenient at the airports. We were at an airport yesterday and I saw someone take off her shoes. My wife did not want to see that. That has happened to me. It does not take long to take one’s shoes off, and they do not do it to everybody. It is a random search. I think it is good they are doing that.

In short, I think we are really getting business at the airports. I think we are moving people through more quickly. I was in one of our National Laboratories on Friday at Sandia, and they have a booth that you can walk in and in 5 seconds they can determine if you have been in contact with any type of explosives for many days in the past. The whole walk-through takes 12 seconds, actually takes 5 seconds to do the check to find out if there are any explosives.

We are proposing to start putting some of these techniques in place at various places around the country, and somehow we will have them everywhere. We have a machine for sniffing explosives. It is like a little scoop. What they have now looks like a shovel. We are getting it down very well. People should feel good about traveling. We want this legislation to cause people to feel better about traveling.

The second part of this legislation would be an increase in the deduction for business meals and entertainment expenses. It increases the deduction from 50 to 80 percent for 6 months after the date of enactment of this amendment.

I can use, again, myself as an example. After I practiced law for a couple of years, the people who ran the law firm I worked for said they thought I could develop some business and have an expense account. What that meant to me is that I could go out and try to get business for my law firm. I could take people to dinner. I did not have the money to do that except for this expense account. With the expense account, I did that. It generated business for the hotels and the restaurants in Las Vegas. As a result of that, people had to prepare meals for me and my prospective clients or clients we already had who we were trying to keep happy.

People had to serve that food. The restaurant had to buy that food. It generated business for everybody. That is what this legislation is about. I never liked that we reduced the meals tax deduction, but it was done, first from 100 percent, to 80 percent, to 50 percent. We want to raise it to 80 percent for 6 months. We call for a temporary increase in the deduction, as I indicated. It would be temporary, but it would be stimulative.

I believe we got this going—people wanted to make it permanent because of the entertainment industry. The restaurant industry would think it was helpful. Increasing the business meals deduction will have an enormous and positive impact on our Nation’s restaurants and the millions of Americans they employ.

As I indicated, third, restoration of the spousal deduction provides 100 percent deduction for business trips 6 months after the date of enactment. This proposal will encourage more spouses to travel. They will spend additional dollars in restaurants, hotels, rental car agencies, and travel-related expenses.

This proposal encourages spouses to travel. It is not only family friendly, but it also encourages the business traveler to spend additional dollars to help stimulate the economy in Nevada and throughout the country.

This has wide-ranging support. I have a letter I received recently, dated February 1. This is from Jonathan Tisch, chairman, Travel Business Roundtable. Let me name a few of the participants in this Roundtable: Detroit Metro Convention Visitors Bureau, National Restaurant Association, National Hockey League, Omega Travel, United Airlines, United Airlines of Puerto Rico, Las Vegas Visitors & Convention Authority, Four Seasons, Regent Hotels & Resorts, American Airlines, Greater Fort Lauderdale Chamber of Commerce, Six Continents Hotels, Wyndham International, American Express, American Resort Development Association—literally dozens of organizations are part of this Roundtable. They have signed on to what we are trying to do.

I ask unanimous consent this letter and the attached member list be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

**TRAVEL BUSINESS ROUNDTABLE,**

February 1, 2002.

Hon. HARRY REID, U.S. Senator, Washington, DC.

DEAR SENATOR REID: On behalf of the 70 members of the Travel Business Roundtable, I would like to thank you, Senator Kyl for your leadership in offering an amendment to the economic stimulus bill to provide much-needed stimulus for the travel and tourism industry. We deeply appreciate your efforts over the past several years to call attention to the contributions our industry makes to the U.S. economy, and we are particularly grateful for your tireless work in recent months to ensure that our concerns are addressed in any economic stimulus package that moves forward in the Congress.

You saw first-hand in your own state the upheaval and economic crisis that hit the hotels, restaurants, casinos, resorts, convention centers, rental car agencies, shopping centers, amusement parks and attractions that make up our industry in the days and weeks following the September 11 terrorist attacks. While there are signs that the U.S. economy as a whole is recovering somewhat, a forecast from the Conference Board and the PricewaterhouseCoopers is projecting 18,000 layoffs this year—that is on top of the 257,000 hotel workers laid off between September 11 and October 19. In addition to those who lost their jobs outright, there are countless other travel and tourism employees who are working reduced hours—and therefore taking home less pay—due to the slowdown in business, and often their willingness to work shorter shifts so that their colleagues will not lose their jobs.

As you are acutely aware, local governments and states are feeling the slowdown in business and leisure travel as well. Both businesses and homeowners are feeling the drastic reduction in tax revenues that tourists provide and because they are struggling to keep their coffers full. As a December 2001 report by the U.S. Conference of Mayors showed that requests for emergency food assistance climbed an average of 23 percent, and requests for emergency shelter assistance increased an average of 15 percent in the 27 cities surveyed. They note in their report that declining tourism since September 11 is one of the factors that is driving up these numbers.

Clearly, we must differ with those who say that the urgency for the passage of an economic stimulus bill is nonexistent. Congress’ quick enactment of airline assistance and airport security measures have gone a long way toward keeping travelers flying and helping restore traveler confidence. However, keeping the airlines in business alone is not sufficient to stimulate travel spending. We believe that an economic stimulus bill that includes tax incentives for leisure and business travelers and tourism promotion assistance will help provide the final boost that our industry and our workers so badly need.

Again, we thank you, Senator Kyl and your colleagues in the Senate Travel and Tourism Caucus for your diligent efforts on this matter, and we are happy to provide our assistance as the process moves forward.

Sincerely,

Jonathan Tisch, Chairman.
Jonathan S. Linen, Vice Chairman, American Express Company.
Joseph A. McNerney, President, American Hotel & Lodging Association.
David Meyer, Editor-In-Chief, Business Travel News.
Scott D. Miller, President, Hyatt Hotels Corporation.
Sandy Miller, Chairman & CEO, Budget Group, Inc.
Marc Morial, Mayor, City of New Orleans.
Stacey C. Morris, President and CEO, Seattle's Convention and Visitors Bureau.
Patrick B. Moscaritolo, President and CEO, Greater Boston Convention & Visitors Bureau.
Devin Murphy, President and CEO, Care International Limousine.
Craig M. Nash, Chairman & CEO, Interval International.
David G. Neeleman, CEO, JetBlue Airways Corporation.
Curtis Nelson, President & CEO, Carlson Hospitality Worldwide.
Cristyne L. Nicholas, President & CEO, NYC & Company.
Howard C. Nusbaum, President, American Resort Development Association.
Michael S. Olson, CAE, President and CEO, American Society of Association Executives.
Paul S. Pressler, Chairman, Walt Disney Parks and Resorts.
Laila Rach, Associate Dean, New York University.
Barbara J. Richardson, Executive Vice President, Amtrak.
John T. Riordan, Vice Chairman, International Council of Shopping Centers.
Robert Rosenberg, President and CEO, Newport Convention & Visitors Association.
Fred Schwartz, President, American Asian Hotel Owners Association.
Lamar Smith, Senior Vice President of Government Affairs, Visa U.S.A. Inc.
Randall A. Smith, Chief Executive Officer, Smith Travel Research.
Bary Sternlicht, Chairman & CEO, Starwood Hotels & Resorts.
Paul Tagliaabue, Commissioner, National Football League.
William D. Talbert, III, President & CEO, Greater Miami CVB.
Robert S. Taubman, CEO/President, Taubman Centers, Inc.
Jonathan M. Tisch, Chairman & CEO, Loews Hotels.
Daniel R. Tishman, President & COO, Tishman Construction Co.
Ron Wagner, President, Association of Corporate Travel Executives.
Paul Whetsell, Chairman & CEO, MeriStar Hotels & Resorts, Inc.
Tom Williams, Chairman and Chief Executive Officer, Universal Studios Recreation Group.
Scott Yohe, Senior Vice President of Government Affairs, Delta Air Lines, Inc.
Tim Zagat, Co-Chair and Publisher, Zagat Survey, LLC.
Larry Alexander, President and CEO, Detroit Metro Convention and Visitors Bureau.
Steven C Anderson, President and CEO, National Restaurant Association.
Sean Anderson, Chief Executive Officer, WIT Smith USA Travel Research.
Adam M. Aron, Chairman & CEO, Vail Resorts, Inc.
Gary Bettman, Commissioner, National Hockey League.
Gloria Bohan, President, Omega World Travel, Inc.
Christopher Bowers, Senior VP, North American United Airlines.
Melinda Bush, President & CEO, HRW Holdings, LLC.

Chris J. Cahill, President & COO, Fairmont Hotels & Resorts.
Silas M. Calderon Serra, Governor, Commonwealth of Puerto Rico.
Thomas J. Corcoran, Jr., President and CEO, FelCor Lodging Trust.
Manuel Cortez, President/CEO, Las Vegas Convention & Visitors Authority.
John F. Davis, III, CEO & Chairman of the Board, Pegasus Solutions, Inc.
William Diffenderffer, President, Global Travel and Transportation, BJS, BIA.
Roger J. Dow, SVP, General Sales Manager, Marriott International, Inc.
William H. Friesell, Chairman, Diners Club International.
Michael Gehrisch, President and CEO, LACVB.
Laurence S. Geller, CEO, Strategic Hotel Capital Incorporated.
Vicki Gordon, Senior Vice President, Americas Administration, Six Continents Hotels, Inc.
Nicki E. Grossman, President, Greater Fort Lauderdale CVB.
Michael W. Gunn, Executive Vice President, American Airlines.
Bjorn Hanson, Global Industry Leader—Hospitality and Leisure, Pricewaterhouse-Couper, Ltd.
Wolf H. Hengst, President & COO, Four Seasons Regent Hotels & Resorts.
Stephen F. Holmes, Vice Chairman, Cendant Corporation.

The PRESIDENT pro tempore of the Senate (Mrs. CARNARAHN). The Senator from Florida. Mr. NELSON of Florida. Madam President, I had the privilege of being a cosponsor of the amendment with the Senator from Nevada. It is instructive to lay out the reasons as to why so long after September 11 that the Senator from Nevada and others, including myself, are offering such an amendment with regard to stimulation of the economy and tourism.

Travel and tourism encompasses 5 percent of the GDP. It generates more than $578 million in revenues. Travel and tourism, as an industry, supports more than 17 million jobs. It provides more than $14 million in trade surplus, and more than 95 percent of the businesses in this industry are small to medium-sized businesses. That begins to tell the story of why this amendment is important to the economy.

Do we think we are in a recession? Yes. All economic indicators are pointing to the fact that we are in a recession right now. What would this amendment do, and why is the travel and tourism industry suffering a recession right now?

Take, for example, the No. 1 tourist destination in the world which happens to be Orlando, FL. Last week, National Public Radio reported since September 11 unemployment in the Orlando area of central Florida has doubled to a 7-year high and that it is likely to continue through the holiday period of time. At the same time that tourism is down, the corollary central Florida convention business faces a 5- to 15-percent drop in convention attendance as companies are cutting back in their travel budgets. If we want to do something about stimulus, this amendment helps with a tax credit to encourage people take a leisure trips just for the next 2 months after the enactment of the bill. That, to me, is clearly a stimulus-type activity for the economy.

If, for 6 months, the bill says we are going to encourage people to go into the restaurants by being able to deduct business meals as stimulus just at the 50-percent level but at an 80-percent level, then clearly that is stimulus in the short time frame of six months.

With regard to the matter before the Senate, I add to the remarks of the Senator from Nevada my support for this amendment to the stimulus bill. This is of limited duration. Part of this amendment lasts just 60 days. It will give us an economic jolt as we attempt to jump-start the economy and get us out of the recession and back into economic recovery.

Mrs. FEINSTEIN. Madam President, I want to repeat something that I stated over the weekend. It will be my intention to vote against any large stimulus package at this time. I do so because I believe a stimulus package right now is not necessary. I believe, when compounded with the President’s budget and other items, it actually works as a significant detriment to us doing what we need to do, which is have a balanced budget.

In his remarks last month before the Senate Budget Committee, Federal Reserve Chairman Alan Greenspan said about the stimulus. I would like to quote him. He said:

There have been signs recently that some of the forces that have been restraining the economy over the past year are starting to diminish and that activity is beginning to firm.

And it appears the economy is stabilizing without the need for a stimulus.

Among the positive signs the distinguished Mr. Greenspan cited are that businesses are working off their inventories of unsold goods, freeing them to increase production and hire more workers.

According to the latest economic reports, the moving 4-week average of jobless rates continues to dip while the pace of manufacturing activity throughout our country surges. Unemployment appears to have stabilized. The manufacturing index is up. The consumer confidence index is up. Orders for durable goods are up. Most importantly, we noticed an increase in gross domestic product. Although it may not be much, it signals that the worst may well be over.

I agree with Chairman Greenspan’s assessment that “while 3 months ago, it was clearly a desirable action” to pass a stimulus measure, we did not, and “fortunately, it turned out we didn’t need that particular action.”

If you sort of put this in context, the House has passed a very large stimulus package. The debate is going on in this Chamber on two stimulus packages. They then need to go to conference, and the differences would have to be resolved. It is very clear to me that by
the time the stimulus package goes into effect, it really would have negligible effect.

Although there is still a ways to go before the economy is fully stabilized and is growing again, I believe we are moving in the right direction. I want to point out that now the President’s budget has come to the Hill with very large increases in defense, the end program, if we begin them, is that we must continue them over the next 5 years, and large increases in homeland security, some of which will be new expenditures and will need continuation in this post-9/11 era. Making large cuts in many domestic programs with dollars being spent on a so-called stimulus, to me, becomes even more problematic.

In fact, many of the measures which have been proposed by the President and which have been under discussion in the Congress over the past few months are not, to my mind, well calibrated to a real stimulus impact. They add to the tax package we passed this past June. I voted for it because I felt at the time it was well deserved. The economy was strong, the surplus was up, and it is not unreasonable for both of those present that the taxpayers should be enabled to keep more of their money. I basically believe that is good public policy.

However, in September we began to see an unprecedented event add to our problems. That unprecedented event, of course, has brought on the need for homeland security and increased defense allocation. Downstream, this means that these two items can well crowd out also vitally needed domestic programs. The transportation budget has been cut dramatically, I understand. Transportation is a stimulus. Transportation puts people to work. The transportation budget provides good jobs. I suspect, if that cut goes through, we will find those jobs will diminish.

There are many elements of the plan the majority leader has proposed which I believe are important—not for their stimulative impact but as an issue of basic fairness and past practice for those of us in this body.

The first is the 13-week extension of unemployment insurance. I would support this as, again, a matter of the practice of this body. I was present in the House when we extended unemployment insurance at least twice that I can remember. That was during the periods of recession.

According to the Department of Labor, every dollar used for unemployment benefit results in a $2.15 increase in the gross domestic product. That is the sum total of goods and services in our country.

Today, over 1 million people are unemployed. In my State, that is over 13 percent of the country’s total unemployment. Since September 11, unemployment benefits have run out for 190,000 Californians. Since September 11, over 900,000 Californians have started receiving unemployment benefits, which shows the impact of that tardy event on September 11.

It is estimated that 300,000 people in California alone would be helped by this bill. In my State, that is over 13 percent of the country’s total unemployment. In my State, that is over 13 percent of the country’s total unemployment. Good will be told to prevent more than 600,000 people, and again continue to revive the economy. I think we should do it because we have done it before, because it is the right thing to do, and because it is the fair thing to do.

There is one other part of the leader’s package that I would support. That is the temporary change in the Federal Medicaid Assistance Program, known as FMAP. That is a formula that provides States with additional funds to make sure that health care is available to those in need. It is a measure supported by virtually all of our country’s Governors. It is supported because the recession essentially has pushed more people into Medicaid. In fact, one study has found that just an increase in unemployment from 4.5 to 6.5 percent, which is what transpired last year, would add 800,000 to Medicaid, and 2.1 million children to the Medicaid rolls of our 50 States.

I would support the 1-year increase in the Medicaid assistance, or FMAP, by 1.5 percent to every State, and an additional 1.5 percent to States with higher than average unemployment. This is essentially the same proposal that is in the majority leader’s stimulus package.

I have submitted an amendment which would do only those two things. I hope, if the time is appropriate, that I will be able to offer that amendment. I think these are two elements of the Daschle package which are worthy of support.

Madam President, I say these words because I have said them in other places, and I think I ought to say them in this Senate Chamber. It would be my hope that we could pass the extension of unemployment insurance and the FMAP bill and change the FMAP amounts to about $5 billion—and do so as a matter of fairness. I thank the Chair and yield the floor. Madam President, 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. GRASSLEY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. LINCOLN). Without objection, it is so ordered.

Mr. GRASSLEY. Madam President, as people who are watching know, we are in debate on the economic stimulus package with Members on both the Republican side, as well as the Democratic side, offering amendments to the underlying bill the Senate majority leader put down about a week ago. We are going to work our way through those amendments.

I go back to what I call square one and remind our colleagues and the people of this country there has already been a bill passed in the House of Representatives, a bill the President said he would sign, a bill I hope we get a chance to vote on before we leave. On the economic stimulus package, a bill I hope will become the law of this land, one that is truly bipartisan and truly is a stimulus. I call that the White House-centrist stimulus plan.

The bill that has been passed in the House of Representatives, that the President said he would sign, is something for the most part that has been worked out by Members of this body, not the other body, people who are Republican and Democrat, in the middle of the political spectrum of the Senate. Since it is bipartisan, since the President had an opportunity to meet with a bipartisan group and said he would sign it, before health insurance benefits for those people went ahead and passed the bill. We did not have an opportunity to vote on it before the holidays because of the fact the majority leader sets the agenda for the Senate, and he did not see fit to change it. I will plan on what we know so people know we do have a bipartisan proposal, not only a bipartisan proposal that would have bipartisan support in the Senate but one that has passed the House of Representatives and that would be signed by the President of the United States.

As we think of the 800,000 people who are unemployed since the September 11 terrorist attacks, there would be some hope for those people, and I think I ought to say them in other legislation. I will name just a couple before I go into greater detail. One, a 13-week extension on unemployment benefits, beyond the 26 weeks that States otherwise provide. Second, provision of health insurance for those people who would have had health insurance where they were last employed, even for people who did not have health insurance before they were laid off. They would get some benefit of that program, as well.

If we can get this passed, it will take a lot of anxiety out of the daily lives of those unemployed people. A bipartisan benefit is needed to help dislocated workers. Another has tax provisions and investment provisions that would actually stimulate the economy to create jobs.

The plan’s unemployment insurance proposal represents an unprecedented commitment to help dislocated workers. It provides up to 13 weeks of additional unemployment benefits to eligible workers. An estimated 3 million unemployed workers would qualify for benefits, averaging $260 a week. These benefits would be federally funded, meaning the States and the businesses in the respective States that support the unemployment trust fund would not have to have any tax increase as a result of what we are doing in mandating an additional 13 weeks.

The plan transfers an additional $9 billion from Federal funds to State unemployment trust funds. This transfer
provides the States with the flexibility to pay administrative costs and provides these additional benefits. Obviously, the intended purpose is to avoid raising their unemployment taxes during the current recession. We know it is bad to have a policy of a tax increase during a recession. That tends to make the recession worse.

Also, in regard to the bipartisan White House-centrist plan is the plan’s commitment to provide health care for displaced workers. This is something that has never been done at a time this country has been in recession. This would be quite a departure from past social policies of our Government for a social contract with our people. It goes further and wider than any other proposal and gets more help to more people more quickly than any other proposal. When I say “any other proposal,” I mean all of these proposals are precedent-breaking for social policy of our Federal Government in helping unemployed people get participation or support for their health insurance.

Several proposals have been put forth before the body. This White House-centrist proposal actually gets help almost immediately to those people who have lost their job by getting a certificate at the time they apply for unemployment that can be used kind of like a voucher to buy health insurance. It commits over $19 billion to this health insurance assistance. This is over six times as much money for the temporary health insurance assistance that was provided under the original stimulus proposals.

The White House-centrist plan takes a three-pronged approach to getting health insurance assistance to the people in need. First, the plan provides a refundable, advanceable tax credit to all displaced workers eligible for unemployment insurance. This goes beyond the present policy, COBRA insurance, that people can pay out of their own pocket once they are laid off, continuing, though, the insurance they had where they last worked for 18 months. We are through this legislation allowing the unemployed who had insurance, where they previously worked to continue that health insurance and to have some help for the first time in paying for it, but it will go to those who were not covered by the COBRA policy, as well.

The tax credit would be 6 percent of the premium. The credit has no cap, so regardless of what the cost was to the employee and the employer where they previously worked, they will be able to continue to pay that full policy. Of course, this is available to individuals for a total of 12 months during their unemployment if that should happen anytime between the years 2002 and 2003. Individuals can stay with their employer COBRA coverage or they can choose policies in the individual market that may have costs that fit their family needs. Obviously, this makes sense. If you want to lock people just into their COBRA policies, it forces people to stay with those policies that could be too expensive to keep when they are unemployed, even considering subsidy.

The White House-centrist bipartisan bill also includes a major new insurance program for people who have had employer-sponsored coverage and go out into the private market for the first time after being laid off. It makes COBRA protections available to people who have had only 12 months of employment and not the traditional 18 months as under current law. By doing this, we greatly expand the group of displaced workers who cannot be turned down for coverage or excluded because of preexisting conditions. The new 12-month standard is especially important for people with chronic conditions who have difficulty affording coverage on their own without the Federal law helping these people get coverage that perhaps they otherwise would not get.

The second prong of the White House-centrist bipartisan proposal is $4 billion for the States for enhanced national emergency grants which can be used to help all workers, not just those eligible for tax credits, to pay for health insurance. This is an important safety net for low-income children and families and disabled individuals.

I detract a bit for a moment from my remarks, specifically about the White House-centrist bipartisan proposal that I hope we get a vote on, to speak about this $4.3 billion one-time temporary State health care assistance to help the Medicaid Program. We had a debate last week on two amendments that were put forth to supplement Federal Medicaid payments to the States to help bolster their Medicaid Programs. We know the important role that the Medicaid Program plays in the safety net for low-income children and families and disabled individuals.

Finally, the third prong of the proposal includes $4.3 billion for one-time temporary State health care assistance payments to the States to help bolster their Medicaid Programs. We know the important role that the Medicaid Program plays in the safety net for low-income children and families and disabled individuals.

This is over six times as much money for the temporary health insurance assistance that was provided under the original stimulus proposals.

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This is over six times as much money for the temporary health insurance assistance that was provided under the original stimulus proposals.

The White House-centrist plan takes a three-pronged approach to getting health insurance assistance to the people in need. First, the plan provides a refundable, advanceable tax credit to all displaced workers eligible for unemployment insurance. This goes beyond the present policy, COBRA insurance, that people can pay out of their own pocket once they are laid off, continuing, though, the insurance they had where they last worked for 18 months. We are through this legislation allowing the unemployed who had insurance, where they previously worked to continue that health insurance and to have some help for the first time in paying for it, but it will go to those who were not covered by the COBRA policy, as well.

The tax credit would be 6 percent of the premium. The credit has no cap, so regardless of what the cost was to the employee and the employer where they previously worked, they will be able to continue to pay that full policy. Of course, this is available to individuals for a total of 12 months during their unemployment if that should happen anytime between the years 2002 and 2003. Individuals can stay with their employer COBRA coverage or they can choose policies in the individual market that may have costs that fit their family needs. Obviously, this makes sense. If you want to lock people just into their COBRA policies, it forces people to stay with those policies that could be too expensive to keep when they are unemployed, even considering subsidy.

The White House-centrist bipartisan bill also includes a major new insurance program for people who have had employer-sponsored coverage and go out into the private market for the first time after being laid off. It makes COBRA protections available to people who have had only 12 months of employment and not the traditional 18 months as under current law. By doing this, we greatly expand the group of displaced workers who cannot be turned down for coverage or excluded because of preexisting conditions. The new 12-month standard is especially important for people with chronic conditions who have difficulty affording coverage on their own without the Federal law helping these people get coverage that perhaps they otherwise would not get.

The second prong of the White House-centrist bipartisan proposal is $4 billion for the States for enhanced national emergency grants which can be used to help all workers, not just those eligible for tax credits, to pay for health insurance. This is an important safety net for low-income children and families and disabled individuals.

I detract a bit for a moment from my remarks, specifically about the White House-centrist bipartisan proposal that I hope we get a vote on, to speak about this $4.3 billion one-time temporary State health care assistance to help the Medicaid Program. We had a debate last week on two amendments that were put forth to supplement Federal Medicaid payments to the States to help bolster their Medicaid Programs. We know the important role that the Medicaid Program plays in the safety net for low-income children and families and disabled individuals.

Finally, the third prong of the proposal includes $4.3 billion for one-time temporary State health care assistance payments to the States to help bolster their Medicaid Programs. We know the important role that the Medicaid Program plays in the safety net for low-income children and families and disabled individuals.

So what we do as an economic stimulus bills is not only to provide for increased production, but also there are other significant things we do. Clearly, there is a need for individual income-tax reductions in this White House-centrist plan. This is really the stimulus part of this bill. The other part obviously addressed the need to help dislocated workers as people who become laid off because they are laid off there are about 800,000 people who would probably not otherwise have been unemployed except for the September 11 terrorist attacks on New York and the Pentagon. This White House-centrist plan would accelerate the reduction of the 27-percent income-tax rate to 25 percent. Otherwise, this 25-percent rate is not scheduled to go into effect until the year 2007. Remember, the President in his tax bill over 2 years ago, which was the largest tax reduction passed by the Congress in 20 years. This bill, signed by the President, did reduce some rates immediately. But it also scheduled various rate reductions in the year 2004 and 2006, both for the rates except for the 15-percent rate and also the 15-percent rate, which were already low and had the benefit of other tax reductions, such as marriage penalty and child credit, and the refundable tax credit as well.

What we do as an economic stimulus in the White House-centrist plan is speed up from the year 2007 to immediately, the year 2002, that 25-percent
bracket but only that bracket. We do not touch the 35-percent bracket, for instance, which will not materialize until the year 2007.

The reduction of the 27-percent rate is going to benefit singles with taxable incomes of less than $37,000. Families of two, couples of households with taxable income as low as $36,000, and married couples with taxable incomes as low as $45,000.

Obviously, what we are trying to do by gearing this rate reduction to make it particularly attractive, from 27-percent down to 25, is to make sure that people with incomes as low as $27,000, $36,000, and $45,000 have an opportunity to have less money taken from their paycheck. They would have that money in their pocket. They could spend it or invest it. Whatever they do with it, it would be a stimulus to the economy and probably much more beneficial as a stimulus to the economy than any of the other things we are doing; particularly including speeding up the accelerated depreciation for corporations and even small businesses.

I hope it is very clear from my concentrating on the lowest income that this is applicable to, for the 25-percent bracket, that these are not wealthy individuals, are middle-class, working Americans. The Treasury Department has estimated that the White House-centrist plan’s acceleration of the 27-percent rate reduction will yield $17.9 billion of tax relief in the year 2002 for over 36 million taxpayers, or $17.9 billion of tax relief in the year 2002 for over 36 million taxpayers, or $35,000 is the second way of doing it. The small business expensing amount from $24,000 to $35,000 is the second way of doing it through business investment. This will further stimulate purchasing by small businesses.

The bipartisan White House-centrist plan also expands the net operating loss carryback period from 3 years to 5 years. This will allow businesses that are experiencing losses to improve their cashflow by reclaiming taxes paid to prior profitable years.

The plan also eliminates components of the alternative minimum tax that most often causes corporation taxes to increase during an economic downturn. Oddly enough, under the alternative minimum tax, an corporation’s income goes down, it can actually be penalized through having additional taxes applied to them through the alternative minimum tax.

I want to make very clear that this bill does not touch the alternative minimum tax credits that were accumulated over prior years. For instance, last fall you heard about the first bill to pass the House of Representatives. That bill has been shoved to the side. It is not the bill I am talking about here—the White House-centrist plan that for a second time passed the House of Representatives before Christmas. But that first proposal in the House of Representatives would have given cash refunds all at once for the alternative minimum tax credits.

You have recently been reading—and have discussed, I presume—about that plan which would have given Enron hundreds of dollars for previous alternative minimum tax credits.

The White House-centrist plan, which passed the House of Representatives, as I said, as differentiated from that first bill that passed the House of Representatives, does not have the refund of those accumulated tax credits. So Enron would not benefit to the great extent you have been reading about in the papers. That is not stimulative. We didn’t leave that out because of Enron. Enron was not an issue at the time this bill was written. We did it because refunding those tax credits is not a stimulus to the economy. We want this bill to be a stimulus to the economy as well as to dislocated workers through their time of anxiety and unemployment.

The White House-centrist package is a solid economic stimulus plan. It is a compassionate plan that puts displaced workers first, and it is a bipartisan plan that has votes of enough Republicans and Democrats to pass. Albeit, I confess to some who say they don’t want anything going through the Senate that doesn’t have at least 60 votes to stop a filibuster, this would not have 60 votes. It seems to me that should not have been an issue prior to the holidays when we weren’t allowed to bring this bill up, when you consider that the former Secretary of Treasury under the Clinton administration was saying we ought to have a stimulus package. The President of the United States and leaders of both political parties in the House of Representatives and in the Senate were saying we ought to have a stimulus package. Albeit, what kind of a stimulus package? There was some disagreement over that. But at the time of adjournment just before the holidays we had a bipartisan vote to get this bill to the President, and we weren’t able to bring it up.

That was a time of anxiety. We could have put that anxiety behind for all of these people who are unemployed and we would not be debating this issue right now.

We have lost, I suppose, 5 or 6 weeks since our adjournment prior to Christmas. Here we are debating a stimulus package. I hope we have a chance to reach an agreement and get this compromise package into conference with the House. But if we have to go to conference with the House, we will have a stimulus package.

Quite frankly, there are Members of this body who probably thought before Christmas that we would definitely need a stimulus package who now may have some question about it, considering the fact that unemployment last month was stable and because of the fact that we had a two-tenths percent growth of gross domestic product the last quarter of last year. Economists tell us they think the economy is turning around. I tend to see those as good prospects for the continued growth of the economy.

But the reason I want a stimulus package even in light of all of that is the fact that most recessions after an uptick—in other words, in a recovery, there is growth but then there is a downturn somewhere along the line. Two or three-quarters out, there is a downturn in the economy, not having an official recession, which is a two-quarters downturn. If we can pass a stimulus package even in light of what we hope is an improving economy, it would have a very definite stimulation to have a stimulus package.

We have an opportunity to do for the unemployed workers two things: One, help them during this time of unemployment with additional unemployment compensation of 13 weeks, and to help with their insurance costs that they might not otherwise be able to keep during their time of unemployment, because workers would rather have a job than have unemployment checks, we have an opportunity through the tax rebate
for low-income people, through the 25-percent bracket for middle-income taxpayers, and through the accelerated depreciation for corporations and the expensing for small businesses, to create jobs. These workers, then, would get their paychecks from their own productivity. That is what the workers of America want.

That is why we should have an opportunity to pass this White House-centric bipartisan bill that has passed the House of Representatives. It can be brought up in the Senate at any time, and we can get it to the President with the assurance that the President will sign it. That is what the President said he would do.

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

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

AMENDMENT NO. 2667 TO AMENDMENT NO. 2698
(Purpose: To provide enhanced unemployment compensation benefits.)

Mr. REID. Madam President, I send an amendment to the desk—this is the Democrats’ next in order—on behalf of SENATORS DURBIN, WELLSTONE, DAYTON, LANDRIEU, and LINCOLN.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Nevada [Mr. Reid], for Mr. DURBIN, for himself, Mr. WELLSTONE, Mr. DAYTON, Mr. LANDRIEU, and Mrs. LINCOLN, proposes an amendment numbered 2667 to amendment No. 2698.

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

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

(The text of the amendment is printed in today’s RECORD under “Amendments Submitted.”)

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.

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

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

Mrs. LINCOLN. Madam President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk read as follows:

The Senator from Arkansas [Mrs. Lincoln], for herself, Mr. GRAHAM, Mr. NELSON of Florida, Mr. MILLER, Mr. CORZINE, Mr. DAYTON, Mr. KERRY, Mrs. MURRAY, Mr. TORRICELLI, Mrs. CLINTON, and Mr. SCHUMER, proposes an amendment numbered 2767 to amendment No. 2766.

Mrs. LINCOLN. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To delay until at least June 30, 2002, any changes in medicaid regulations that modify the medicaid upper payment limit for non-State Government-owned or operated hospitals)

At the appropriate place, insert the following:

SEC. 2. DELAY IN MEDICAID UPL CHANGES FOR NON-STATE GOVERNMENT-OWNED OR OPERATED HOSPITALS.

(a) CONGRESSIONAL FINDINGS.—Congress finds the following:

(1) The Secretary of Health and Human Services, in regulations promulgated on January 12, 2001, provided for an exception to the upper limits on payment under State medicaid plans so to permit payment to city and county public hospitals at a rate up to 150 percent of the Federal payment rate.

(2) The Secretary justified this exception because these hospitals—

(A) provide access to a wide range of needed care not otherwise available in under-reserved areas;

(B) deliver a significant proportion of uncompensated care; and

(C) are critically dependent on public financing sources, such as the medicaid program.

(3) There has been no evidence presented to Congress that has changed this justification for such exception.

(b) MORATORIUM ON UPL CHANGES.—The Secretary of Health and Human Services may not implement any change in the upper limits on payment under title XIX of the Social Security Act for services of non-State government-owned or operated hospitals published after October 1, 2001, before the later of—

(1) June 30, 2002; or

(2) 3 months after the submission to Congress of the plan described in subsection (c).

(c) MITIGATION PLAN.—The Secretary of Health and Human Services shall submit to Congress a plan for mitigating the loss of funding to non-State government-owned or operated hospitals as a result of any change in the upper limits on payment for such hospitals published after October 1, 2001. Such report shall also include such recommendations for legislative action as the Secretary deems appropriate.

Mrs. LINCOLN. Madam President, I offer this amendment along with Senators GRAHAM, NELSON of Florida, MILLER, CORZINE, DAYTON, KERRY, MURRAY, TORRICELLI, CLINTON, and SCHUMER. Our amendment will place a 6-month moratorium on the final rule issued last month with regard to Medicaid upper payment limits.

On January 18, the Centers for Medicare and Medicaid Services published a rule that would eliminate a critical payment source for America’s public safety net hospitals. One year ago, we adopted a bipartisan legislative and regulatory compromise on this matter. This new rule would fly in the face of that very compromise we made last year.

We have already closed the loopholes that some States were using to abuse this aspect of the Medicaid Program. We accomplished this in last year’s Medicaid UPL rule by creating three separate aggregate upper limits, one each for private, State, and non-State government-operated facilities.

While ending abuses of the system, the rule also allowed a higher, 150-percent payment limit, for hospitalization to non-State-owned government hospitals. This policy was developed after a lengthy negotiation process to allow States to pay these public hospitals a UPL of 150 percent of what the Medicaid Program would pay for the comparable services.

The intent behind this policy was to help compensate the safety net hospitals for the added costs associated with treating the large number of America’s most vulnerable, low-income and uninsured patients.

CMS has the tools and the oversight authority to make certain that Medicaid funds are spent appropriately. Current Medicaid UPL policy requires State Medicaid Programs to submit detailed reports on how these funds are to be used. Now CMS says it is curbing the payment ceiling because of the potential abuse of the system, but no one—not CMS, not the General Accounting Office, and not the Office of the Inspector General—has reported any known abuse of the current 150 percent UPL policy. In fact, only a few Arkansas and Mississippi among them, are operating under the new rule.

The 150-percent limit has strong support in Congress. We stated as much in last year’s Labor-HHS appropriations report, which pointed out that eliminating the higher payment category compromise would be disastrous for all safety net hospitals that participate in the Medicaid Program. Congress also directed the Secretary of Health and Human Services to refrain from issuing this regulation.

CMS is issuing this change in spite of clear opposition from Congress, the National Governors Association, and the hospitals that serve our Nation’s most vulnerable citizens. As many of my colleagues, I hold that the Senate should take a hard look at this issue before we go back on the agreement we made last year.

The Senate Committee on Finance should have a hearing on this issue as soon as possible, and we should work together quickly to consider and enact alternative ways in which Congress can assist the public hospitals that serve such a large percentage of low-income and uninsured patients.

In fact, the second part of my amendment asks the Secretary of Health and Human Services to tell Congress what measures we can take to mitigate the lost funding that will ensue from this rule. Simply putting off the Medicaid UPL program, we must do more to ensure Medicaid Programs that assist these hospitals are
I urge all colleagues to join me today in voting for this amendment, supporting this amendment; to look to your States and see how desperately you will be affected if this is allowed to happen. I encourage all colleagues to support me in this effort. Healthcare is probably going to be, if not already, one of the foremost issues we will deal with in this next year. This is only the tip of the iceberg. Our hope is through this amendment we can do some good mergers we’ve been facing in this new year.

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

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

Mr. DASCHLE. Madam President, I come to the Chamber to talk briefly about our current circumstances legislatively and see if we might clarify here where we are so that everyone can understand how we reached this point.

Last fall, the Democratic and Republican leadership, in concert with the administration, worked very closely together to come up with a legislative agenda that addressed the needs in the aftermath of the tragedy of September 11. We worked together and passed a supplemental appropriations bill that dealt directly with the needs of our armed services, as well as the needs of New York. We passed it virtually unanimously.

We took up legislation to deal with the use of force resolution. We passed that, along with appropriate Members in both the House and the Senate, Republican and Democrat, working collectively, we passed the use of force resolution almost immediately—and unanimously.

We then took up the airline subsidy legislation. Again, we had to work through some very difficult questions regarding what kind of assistance, how fast, and what the criteria would be. We passed along with it a victims fund for the victims of New York and the Pentagon. Again, working with that working group and those who were directly involved legislatively, we passed that nearly unanimously. We had suggested recommendations. Of course, we try to provide benefits for dislocated workers. Our Republican colleagues said: No, let’s save that for another time. We are supportive, we just don’t want to do it now.

So we backed away.

We then took up the airport security bill. Again, working collectively, it came to the floor, and we passed it nearly unanimously. Again, many of our colleagues raised the concern about how dislocated employees were still at the end of the line.

We helped airlines. We helped airports. We helped the Defense Department. We had done as much as we could to respond, but again our Republican colleagues said: No, let’s wait until the end of the line.

We said: OK, we will wait.

We did have a cloture vote, but we put off the amendment after we failed to get cloture.

We then took up the counterterrorism legislation. Again, we worked collectively. It was beginning to be a model that seemed to work fairly well. We responded to each and every one of the stated needs and the agenda that both parties shared with regard to responding to the disaster.

I recall vividly in early meetings at the White House, in discussions with the joint leadership, that is what we needed to do on economic stimulus: Let’s take a model that worked. If it had worked for all of those legislative items, it would work for economic stimulus as well. So let’s do it there as well. We could move ahead, we could negotiate, we could come to the floor. If people had amendments, we could do that.

I recall vividly our Republican colleagues saying: No, on this one we have to draft the line; we are not going to take this one. We are not going to do what is called regular order. We are going to send you something from the House, and you can take it up and deal with it here in the Senate.

I felt it coming. I knew why we were going to go to “regular order.” The reason is because there was an agenda. That agenda had many pieces with which they knew we would not be in agreement. They did not want to negotiate those out before they could roll out that so-called agenda, and that is exactly what has happened.

The House acted. We had hoped we could get bipartisan consensus here in the Senate before we moved to legislation. Those were blocked. Negotiations broke off. We had no option other than to move forward without the benefit of a bipartisan consensus even here in the Senate.

I find it all the more ironic that some of us are accused of obstructing when it was who clearly made the outreach effort at every level, at every stage, with every group. Republicans refused to negotiate for 3 weeks last fall. Time was wasting. We had no other choice but to move forward with the legislation that at least Republican colleagues could join us. We now know that never happened.

In the negotiations after we began moving our legislation forward—and, by the way, we talked to the experts, Alan Greenspan, Bob Rubin, so many experts during that period from September through October. The Budget Committee on a bipartisan basis was doing about the same thing. I found it remarkable, and I remember commenting at the time, based upon the discussions and the discussions we had, how clear it was that the economists, regardless of party, had specific recommendations on which they were
That was not going to break the log-
bills. They were not word for word but
suggested that we take up the House
knew they would not have brought a bill to the floor that we
November and December. We could
other rehash of all the old debate of
Democrats were accused of obstruct-
point of order instead and stopped the
made a point of order stopping the
stimulative, permanent tax change
the evaluative report of the Congres-
sion of the economic experts, ignoring
Budget Office. So overlooking the ad-
stimulus package. They insisted on
stimulus package ought to be tem-
porarily. It was clear that it ought to be
weeks. Both parties agreed to that.

As genuine an effort as I knew how to
make, over the period between the
first and the second session, I thought:
How are we going to break this im-
passe? We could go back and have an-
other rehash of all the old debate of
November and December. We could
have brought a bill to the floor that we
knew didn’t have the 60 votes. Some
suggested that we take up the House
bill. We knew it didn’t have 60 votes.
That was not going to break the log-
jam.

So the idea we came up with was sim-
ply to take the components—admit-
tedly, they were not word for word but
they were components found in both
bills—components dealing with extend-
ing unemployment benefits—both par-
ties profess to be supportive of that.
After all, in 1992 we extended benefits
for up to 59 weeks. In 1982, we extended
benefits for up to 49 weeks. And in 1974,
we extended benefits for up to 65
weeks. Today, we are talking about ex-
tending benefits for an additional 13
weeks. Both parties agreed to that.

Both parties agreed to a bonus depre-
ciation. Both parties believed it was
important to have a bonus deprecia-
tion. We differed in the years, but that
was the second component.

The third component was a recogni-
tion about the rebate—that some got it;
others didn’t. Why not provide a tax
rebate to those who got no help the
first time, last year? Both parties ad-
dressed that as something they could
support.

And both parties acknowledged in differ-
cent States are going to be
exposed to huge costs, first, with the
bonus deprecation, $5 billion, and, sec-
ond, costs they will incur in additional
Medicaid benefits they are going to
have to pay out as a result of people
losing their jobs and incomes going
down. So there was a recognition, No.
4, that we would provide some assist-
tance to those States.

This is the third week on this bill.
One of our Republican colleagues said
in an economic stimulus bill laid down.
Madam President, I don’t know where we go. Our colleagues have
chosen not to try to amend the pending
legislation, this proposal, but the un-
derlying bill. Why? I don’t know. And
they have come up with another propo-
sal and have suggested, now, other amendments that have nothing
do with stimulus in the short term—
absolutely nothing.

A couple of examples: Some want to
make the estate tax repeal permanent.
That takes place, not now in 2002, but
in 2010. The Bush tax cut passed last
year. Some suggest we make that per-
manent.

That is not a stimulative approach to
the economic circumstances we are
facing right now. You can argue philo-
sophically whether they are good or
bad, but what that tells me is that our
Republican colleagues are not inter-
erested in economic stimulus bill
right now. I am not sure why. If they
were interested, we would come up
with stimulative proposals that do not
permanently amend the Tax Code.

The economic experts told us: Don’t
do anything short term, don’t do any-
thing long term, don’t do anything
that takes place a decade from now; do
something that affects the economy
now.

They also said: Try to contain the
cost. But making the estate tax repeal
permanent costs $104 billion over 10
years. It would not take effect until
the year 2010. Making the Bush tax cut
permanent costs $350 billion over the
first 10 years and $4 trillion over the
next 10. That wouldn’t take effect until
2011.

Here you have the economic experts
saying do something stimulative, do
something immediate, do something
that does not exacerbate the long-term
fiscal picture. Yet Republican col-
leagues are doing just the opposite.
They are doing something that takes
effect in 2011. They are not doing some-
thing temporary. They are doing some-
thing permanent. They are racking up
debt.

On those two issues alone, we are
talking about $350 billion in the first 10
years alone and $4 trillion in the sec-
ond 10 years when the baby boomers re-
tire. That is just permanent tax cuts,
and much of this is Social Security and
Medicare money that we are talking about.

We only have two choices. The first
choice is to pass them. Those are the
only two choices.

It appears the Republicans want to
begin by passing. You don’t want an
economic stimulus bill for 3 weeks.
They all tell me it is important for us
to take up the agriculture bill. I am
told it is important to take up the elec-
tion reform bill. We all heard the pas-
sionate speeches about taking up the
energy bill. The longer we are on the
economic stimulus bill, the longer it
will be before we can take up these
other very important pieces of legisla-
tion.

I know there is plenty of opportunity
for the blame game. How easy it is to
say, well, they haven’t taken up these
bills, and it is their fault. We will take
our share of the responsibility, but I
don’t want to hear that in the Senate
Chamber. It isn’t us holding up this bill
for 3 weeks.

I have no other choice but to file clo-
ture today for a vote on Wednesday on
this bill. That is the only way I know
how to bring this to a close. If the cloture
motion is agreed to, we will finish the
bill this week. Regrettably, it will
probably take most of the week. If we
fail to get cloture, I will have no other
choice but to pull the bill and to move
to other legislation. It will then be-
come clear that we will not have a
stimulus bill in the short term. I be-
lieve it will become clear who it is that
doesn’t want one.

We have done all we know how to do.
In good faith, I have put a bill down.
In good faith, I offered it for debate.
In good faith, we have entertained amend-
ments on both sides. In good faith, we
have had little schedule to accommo-
date Senators who have other schedul-
ing priorities. We have little time left
to do much else. That beginning Wednesday we will know what it is we will be able to do.

Madam President, I send the cloture
motion to the desk.

The PRESIDING OFFICER. The clo-
ture motion having been presented
under rule XXII, the Chair directs the
clerk to read the motion.

The assistant legislative clerk read as follows:

We, the undersigned Senators, in accord-
ance with the provisions of rule XXII of the
Standing Rules of the Senate, hereby move
that the debate on the amendment of Senator DASCHLE
and others substitute amendment No. 2698 for
Calendar No. 71, H.R. 622, the adoption credit bill.

Max Baucus, Mark Dayton, Richard J. Dur-
bin, Harry Reid, Tim Johnson, John F.
Kerry, Daniel K. Inouye, Patrick J. Leahy,
Patty Murray, Byron L. Dorgan, Jack Reed,
David V. un, Ann Stabion, J. Harper,
expli Cantwell, John B. Breaux, Jean
Carnahan, Herb Kohl.
Mr. DASCHLE. Madam President, pursuant to past practice, I ask unanimous consent that the live quorum with respect to the cloture vote be waived.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DASCHLE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

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

Mr. GRASSLEY. Madam President, it is really above my pay grade to respond to what the distinguished Senate majority leader said because there are other Republicans who are likely to do that. I don’t do it as a leader, but I want to observe some things which have been said and to respond to them kind of in the sense of how I see it as one Senator, the Senator from Iowa.

I happen to be the ranking Republican on the Senate Finance Committee that has jurisdiction over tax legislation, tax credits, health insurance, unemployment compensation, and most issues that deal with the stimulus package.

My involvement, particularly with Senator Baucus as chairman of the committee, and obviously the top Democrat on the committee, has been in trying to arrive at some sort of bipartisan agreement on a stimulus package. We are not given much credit for what we have tried to do, if you compare the environment laid out by the Senate majority leader.

For instance, I don’t think it takes into consideration the fact that sometimes during our negotiations Senator Baucus was under an unwritten rule laid down by the Senate majority leader that if two-thirds of the Democrat caucus didn’t agree with what he was negotiating or what he had agreed to, then it could not be accepted. That probably wasn’t meant as a hard and fast rule, but it was surely interpreted as putting Senator Baucus in an impossible position to negotiate.

If Senator Lott, as my leader, told me to not negotiate for anything if you do not have two-thirds of the Republican caucus behind it, effectively that would end negotiations. I wouldn’t want to be negotiating under those circumstances. I do not know how you can arrive at agreement.

If both political parties had a rule that you couldn’t negotiate anything unless at least two-thirds of each caucus was behind it, that would be like saying you ought to have two-thirds of the Senate to pass any bill. We have some very conservative Members in the Republican Party—one-third of our group would be about 16 or 17 people—who could nullify anything I was negotiating because I am not as conservative as they are. If they had a veto over it, nothing could be done. On the same hand, there are probably 16 to 17 very liberal Members of the Democrat Party. If they have a veto over some of the things we are trying to get and which the Senate can arrive at agreement to, nothing is going to be negotiated on that side either. That was the situation we had sometimes during the debate last fall.

Mr. REID. Madam President, could I ask my friend to yield for a brief second?

Mr. GRASSLEY. I yield without giving up the floor.

Mr. REID. Of course.

Madam President, no one questions the fairness of the Senator from Iowa. I was present in the LBJ Room when Senator DASCHLE explained to the Democrat Senators the process that was taking place to try to come up with a compromise on the stimulus package. He said he wanted to make sure when negotiations take place it comes back here and by more than a majority. I may be paraphrasing. The two-thirds was never mentioned. That is something that just kind of developed, I was there, and I think the President was there. But “two-thirds” has come up, and it is really not valid.

Maybe Senator DASCHLE could be criticized for saying he needed more than a majority. I say to my friend from Iowa, in that the procedure was a little unique, but Senator DASCHLE—I really can’t speak for him, but I was at the meeting—wanted to make sure that everybody understood that this was an unusual process, and he would make sure, when he brought it back, that he would go over it with everybody before it was approved.

Again, I say to my friend from Iowa, there was no two-thirds rule that Senator DASCHLE set. I was at the meeting.

Mr. GRASSLEY. Madam President, whether it is a majority or whether it is two-thirds, if I had to go back to my Republican colleagues and say that I had a certain percentage of the caucus behind me, there would be no point in negotiating.

I do not dispute what the Senator from Nevada just said, because he is an honest person and he would state it as he sees it, but it was widely interpreted and it was printed in the press as “two-thirds.” Even some people from the other side of the aisle seemed to indicate that in the press. So that is what my statement is.

The point is, a caucus appoints people to negotiate something that can get through the Senate. That means 51 votes. Whatever restrictions were put upon the specific percentage aside—it is an implied restriction which to negotiate. That was the environment that was present during these negotiations, during this period of time that the Senate majority leader is trying to use as an excuse when nothing could be done and blaming that Republicans were holding it up.

Another comment that was made during the debate, within the last couple weeks this bill has been up, is when the Senate majority leader referred to Republicans offering amendments. We had this agreement between the two sides to have an even number of amendments offered: Republicans will offer amendments, Democrats will offer amendments, it would be in the Senate that would offer an amendment and then a Democrat would offer an amendment. This is so we each have an equal opportunity to get our ideas on the Senate floor for debate. That isn’t something used just for this bill. It has been in this body, just so this body functions and functions in a fair way.

There may not be, at this point, as many Democrat amendments filed as Republican amendments, but under the procedure in which we are operating there can surely be an equal number of amendments if the Democrats want to have an equal number of amendments. I would like to respond to the argument that Republicans are delaying and not cooperating. I would like to point out the proposition that and look at each side and their movement.

We had a stimulus package, suggested by the President of the United States, in early October, which was before there was a consensus even within this body that the Finance Committee or those of us who lead that committee ought to be working on one.

The President, as a Republican—but he did not do it because he is a Republican; he did it because of the anxiety that had been in the country at that time, and is still there because of the September 11 terrorist attack—needed to do what he could to stimulate the economy as well as helping people who were unemployed and who had health care problems. So the President put a proposal on the table.

He would like to have you look at the President’s proposal. President Bush took issues off the table that maybe just Republicans would want more than Democrats. For instance, he took the capital gains reduction off the table. At the same time he was taking issues off the table, he purposely put some on the table that appealed to Democrats, such as the extended 13 weeks of unemployment benefits and rebates for payroll taxpayers.

What I am speaking about occurred in October when he first put his proposition on the table. That was not well received in the Congress, even among Republicans. So the President has moved a long ways to do even more than what he suggested.

But I want to say upfront, the President of the United States was trying to be as bipartisan as he could by suggesting things that he knew Democrats would want.

In early December, he encouraged the centrists—they are a group of Democrats and Republicans who are more in the center of the political spectrum—to push to get a compromise package and indicated that he would work with them. They came up with something.
The President met with them, both before it was finalized and after it was finalized. The President said: If the Senate passes it and if the House passes it, I will sign it.

So I think the President of the United States—albeit he is a Republican—was out in front on this issue, both from the standpoint of the original proposals and from the standpoint of trying to get something that could pass the Senate that he could sign.

We heard from the distinguished majority leader a little earlier about how Republicans objected to help for unemployed workers and having health insurance for unemployed workers coming to the airline bailout bill. But we were following the consensus of people who were suggesting that if we were going to have a stimulus package, that there should not be anything in it that was industry specific—industry specific means fuel, if you are talking about the unemployed people in the airline industry when you have other unemployed people who would not get help. Consequently, we were following the advice of people such as Chairman Greenspan to be very generic in our approach to helping business or to helping individuals.

On the other hand, I do not like the accusation that somehow helping the airline industry did not help the workers. If those airlines had gone under, instead of there being 30,000 people unemployed, there would have been 330,000 people unemployed. Keeping the airlines flying kept workers on the job and kept them off.

We recognize that laid-off workers need help. Obviously, that is why the President came out with a proposal. It was not an industry-specific proposal but was a generic approach to help workers in the airline industry but from all industries—with the additional 13 weeks of unemployment benefits.

It was also said that Republicans refused to negotiate for 3 weeks. That was that period of time when there were shackles put on Democrat negotiators when we negotiated with them. That was part of it. But also that does not give credit to the hours and hours that Senator Baucus and I spent negotiating prior to a bill ever coming up on the floor of the Senate. It does not take into consideration, also, the fact that, at the instigation of the majority leader, the Senate Finance Committee met, and contrary to how we normally do our business in a bipartisan way, there was a push to get a very partisan bill out of the Senate Finance Committee. And it did come out on a party-line vote.

So it seems to me that if we are going to be accusatory, we ought to take into consideration that when there was an opportunity to develop a bill in a committee—the Senate Finance Committee, which almost always does things in a bipartisan way—there was an effort to go strictly partisan and the result was to go strictly partisan.

We have the President of the United States pushing more than anyone else, and the House Republicans passed a bill in early fall. That was a bill not very many people liked. The House accepted that. They scaled the bill back and agreed to go to conference a quasiconference, not a formal conference such as we used to have.

The House of Representatives, in this informal setting, along with representatives of the White House, made this deal with the Senate centrists, what I call the White House-centrist bipartisan package that would have a majority vote of the Senate, albeit not the 60 votes that are required.

The bottom line is that the President of the United States, in saying he would sign the bill, and the House of Representatives, in passing it, took up the challenge and did what needed to be done. Here we are, once again, in the Senate ignoring something that had a majority bipartisan vote in December before we went home for the holidays. Here we are again. Presumably, it has the same bipartisan votes we had then.

Look with me at the other side of the aisle. I already mentioned the partisan bill in the Finance Committee. I already mentioned the intractable position in conference over non-COBRA eligible, meaning when you are unemployed, you only have to take the insurance from where you were laid off, and if you did not have that insurance, you would not get any other insurance under that proposal.

We allow people to continue the insurance from where they worked with 60-percent credit, but we also allow people who are unemployed who did not have insurance where they last worked to get the same 60-percent credit. It is ideological to block to that on the part of Democrats who were negotiating. Then we had the refusal of a vote in December on the White House-centrist agreement.

I think the Democratic leadership has resisted movement to the center represented by a bipartisan group of Republicans and Democrats who call themselves the centrists. Even though I am more conservative, I have bought into that plan as one we ought to pass in the Senate. Many amendments have been filed, debated, and voted on, so we have been trying to move this bill along.

I am going to finish where I started last December. Let’s have a vote on the White House-centrist agreement. If we pass it, the President will sign it. The unemployed will get their unemployment checks, payroll taxpayers will get relief, the Federal Treasury, middle-income taxpayers will get more money in their paychecks, and the unemployed will get help with health care.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. REID. Madam President, I ask unanimous consent that the Senate proceed to executive session at 5:15 p.m. today to consider Executive Calendar No. 643, the nomination of Callie V. Granade, to be United States District Judge; that the votes be equally divided between the chairman and ranking member of the Judiciary Committee or their designees, for debate on the nomination; that at 5:30 p.m., the Senate vote on the nomination: that the motion to reconsider be dispensed with; that any statements related to the nomination be printed in the RECORD; that the President be immediately notified of the Senate’s action; and that the Senate return to legislative session.

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

Mr. REID. As in executive session, I ask unanimous consent that it be in order to request the yeas and nays on the nomination at this time.

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

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. The yeas and nays were ordered.

HOPE FOR CHILDREN ACT—Continued

Mr. REID. Madam President, I have the greatest respect for my friend from Iowa. He is a person who has always been very deliberate and never hides his positions. I have no doubt if he were the one calling the shots and, as he said—and I am using his words—if it was in his pay grade, I am confident this legislation, the economic recovery bill, would have moved much further along.

I have to say in response to my friend from Iowa that he is really looking at this matter, as he set out on the record, with a pair of glasses that do not magnify properly. They want to do what they want rather than go through the regular process and have legislation that we can amend, the so-called centrist package. The problem in all this—and the majority leader laid this out very well earlier this afternoon—in this Senate, whether we like it or not, it takes 60 votes to pass legislation. If someone opposes what you are trying to do, then you have to have 60 votes to break a filibuster and, in some cases, to overcome a point of order.

The fact is, the item on the Senate from Iowa mentioned, about which he feels so strongly, do not have 60 votes. The two leaders know that.

Senator DASCHLE, after literally months of wrangling on this, said: OK, all this out here would not agree on, but there are four things which we can agree; why don’t we pass something that has those four measures in it?
That is what we have been debating since we came back into session on January 23. It does not matter what we try to do, it is not quite right with the other side. Even though these four matters in Senator Daschle’s bill are matters everyone is saying publicly they will not allow us to move forward on this legislation.

They are even offering their amendments to the underlying measure so that at some time they can raise a point of order against Senator Daschle’s measure that is before the Senate.

To show how sincere the majority has been on this issue, they raised a point of order against the Senate Republican Proposals measure that is before the Senate.

We could have, if we did not want to do an economic recovery package, raised a point of order on their legislation, but we chose not to do that because we wanted to keep this before the Senate. We wanted to do something with the stimulus package. Had we not wanted to, we could have raised a point of order on their legislation, and it would have fallen just like ours.

I understand the majority leader’s frustration. It does not matter what he comes up with, it is not quite good enough. I suggest when the political scientists, the historians, go over what has happened on the economic stimulus package late last year and this year, the record will tell us the effect that Senator Daschle has been unable to move not because of anything he has done or not done but simply because the minority has not wanted to move forward.

In the Senate, if there are 49 people, 45 people, 41 people who do not want to move legislation, legislation cannot be moved. That is the problem we have had.

If we define what it means to vitiate, does that involve every seventh person? If we define what it means to move legislation, it means 50 percent. Therefore, it is a point of order that we cannot do something. That is what we are seeking to do.

I indicated earlier today almost a half million people have been laid off in the travel and tourism business since September 11. These are people who have no jobs. A lot of these people are people who are on the Welfare-to-Work Program. They were trained because they could no longer be on welfare. I support the Welfare-to-Work Program.

They were trained to be a housekeeper, a maid, maybe a cook, an assistant to a cook in a restaurant. Many of these people had never worked before in their life. They had a job, but they lost those jobs and now they have fallen through the cracks. They did not qualify for unemployment, and they are really out on the street.

All we are trying to do is move forward on legislation to stimulate this economy. We have so many important things to do. We have to finish the farm bill. We have to do something about election reform. We have a bipartisan bill to do that. We also have energy legislation that must go forward in the immediate future. So I hope when the vote is called on cloture on Wednesday that my colleagues on the other side of the aisle will vote in favor of cloture and bring debate to a close on this economic stimulus package so we can move forward with the legislation.

I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

Mr. Thomas. 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 ask unanimous consent that the pending amendment be considered.

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

AMENDMENT NO. 278

Mr. Thomas. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. Thomas] proposes an amendment numbered 2728 to the language proposed to be stricken by amendment No. 2727.

Mr. Thomas. Mr. President, I ask unanimous consent that the pending amendment be considered.

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

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to modify the qualified small issue bond provisions)

At the appropriate place, insert the following:

SEC. 7. MODIFICATIONS TO SMALL ISSUE BOND PROVISIONS.

(a) INCREASE IN AMOUNT OF QUALIFIED SMALL ISSUE BONDS PERMITTED FOR FACILITIES TO BE USED BY RELATED PRINCIPAL USERS—

(1) IN GENERAL.—Clause (1) of section 144(a)(4)(A) (relating to $10,000,000 limit in certain cases) is amended by striking "$10,000,000" and inserting "$20,000,000".

(2) COST-OF-LIVING ADJUSTMENT.—Section 144(a)(4) is amended by adding at the end the following:

“(G) COST-OF-LIVING ADJUSTMENT.—In the case of a taxable year beginning in a calendar year after 2002, the $20,000,000 amount under subparagraph (A) shall be increased by an amount equal to—

(i) such dollar amount, multiplied by—

“(ii) the cost-of-living adjustment under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘calendar year 2001’ for ‘calendar year 1992’ in subparagraph (b)(3)”.

(3) CEREMONIAL AMENDMENT.—The heading of paragraph (4) of section 144(a) is amended by striking "$10,000,000" and inserting "$20,000,000".

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to—

(A) obligations issued after the date of the enactment of this Act;

(B) capital expenditures made after such date with respect to obligations issued on or before such date;

(b) DEFINITION OF MANUFACTURING FACILITY—

(1) IN GENERAL.—Section 144(a)(12)(C) (relating to definition of manufacturing facility) is amended to read as follows:

“(C) MANUFACTURING FACILITY.—For purposes of this paragraph, the term ‘manufacturing facility’ means any facility which is used in—

(i) the manufacturing or production of tangible personal property (including the processing resulting in a change in the condition of such property),

(ii) the manufacturing, development, or production of specified software products or processes if—

(I) it takes more than 6 months to develop or produce such products or processes;

(II) the development or production could not with due diligence be reasonably expected to occur in less than 6 months, and

(III) the software product or process comprises programs, routines, and attendant documentation developed and maintained for use in computer and telecommunications technology, or

(iii) the manufacturing, development, or production of products of special scientific, industrial, or technological interest or usefulness.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to obligations issued after the date of the enactment of this Act.

Mr. Thomas. Mr. President, one of the things we are seeking to do, of course, in an economic stimulus package is to cause some jobs to be created. The amendment which I have offered increases the expenditure limitation on small issue bonds for manufacturing facilities. This is an amendment which...
would go back and readjust the limits that are in law which allow for issuing of bonds for manufacturing facilities. The amount of the bonds that can be issued in any one particular time were set in 1977 and 1978 so, obviously, things have changed since that time — in fact, many times over — as the equivalent has been changed.

This amendment would make adjustments to industrial revenue bond rules and regulations for manufacturing facilities. The amendment would not increase the amount of bonding capacity available to individual States. In other words, it would not be an increase of expenditures but, rather, would give more flexibility to those who are making grants to make them for a larger amount.

Actually, the industrial revenue bonding capacity available to an individual State is the greater of an amount equal to $75 per State resident or $225 million. The formula is not affected by this amendment. Therefore, the amount of bonding available would not be affected.

The maximum bond capital expenditure limitation on small issue bonds for manufacturing facilities has been $10 million. This amendment would increase it to $30 million. It does not change the amount of money available. It simply makes more flexible the amount that could be offered for a particular facility. It provides for an inflation adjustment. This was established in 1978. The purchasing power of $10 million today is much higher, of course. This amendment provides that inflation adjuster we discussed.

We have had some experience with this in our State where people seek to develop new facilities, new manufacturing facilities, which create new jobs. This amendment would increase the amount which is then guaranteed, which gives them a much lower rate, and encourages the development of new businesses and new bonds. It is designed primarily for software biotech manufacturing and production. It is something we ought to consider. It is not an expense but, rather, an adjustment to an existing program that makes it more consistent with today’s change in the value of dollars.

It addresses the financial problems caused by inflation. It amends the definition of manufacturing facilities to include new economy, biotech and software. It allows companies to use industrial revenue bonds for research and development facilities which is a critical component.

I think this can be accepted by both sides. It does not affect the cost of this bill. It does make what is available now much more flexible.

I yield the floor.

The PRESIDING OFFICER. The dep- uty whip.

EXECUTIVE SESSION

nomination of Callie V. Granade, of Alabama, to be United States District Judge for the Southern District of Alabama.

Mr. REID. The Senator from Alabama is here to speak on behalf of the judge he worked so hard to nominate. I ask unanimous consent we immediately move to the motion relating to the nomination of Judge Callie V. Granade.

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

The clerk read the nomination of Callie V. Granade, of Alabama, to be United States District Judge for the Southern District of Alabama.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. I thank the Senator from Nevada for his courtesy. I will speak about Callie — known as Ginny — Granade, who is shortly for the U.S. district judgeship for the southern district of Alabama. Ginny Granade is a nominee of the highest order. President Bush has nominated her to be the judge in the southern district of Alabama. She has the temperament, integrity, legal knowledge, and experience that will make her an outstanding jurist on the Federal bench. I know this from firsthand experience.

She served as assistant U.S. attorney when I was U.S. attorney for 12 years. She had been originally appointed assistant U.S. attorney by my predecessor in the late 1970s. She served with great skill and distinction. I was there when she was named one of the first senior litigation counsels in the Department of Justice, a position that recognized her extraordinary skill and integrity in prosecuting throughout the country.

Later, she became the chief of the criminal section of the U.S. Attorney’s Office under my tenure, and then she became the acting U.S. attorney, until recently, when the new U.S. attorney was confirmed by the Senate.

Ginny is levelheaded, fair minded, trustworthy, and very smart. She has tremendous capabilities. She graduated from the University of Texas School of Law. After graduation she served as a law clerk to the Honorable John Godbold for the U.S. Court of Appeals for the Fifth Circuit. Judge Godbold was chief judge of the Fifth Circuit. When the Fifth Circuit split, he became chief judge of the Eleventh Circuit. He was one of the great jurists in the American system. The old Fifth Circuit is the same circuit in which her grandfather served, one of the grand judges of the old Fifth Circuit. He is widely credited as being part of a group of judges on that court who wrestled with and made the South out of its days of segregation into a new day of racial relations. He certainly is a champion of those causes.

As Senator DURBIN recognized in the hearings, his was a contribution to harmony and integration in the South.

Her experience has been particularly valuable for her to serve on the bench. She served for 20 years in the U.S. Attorney’s Office where on a regular basis, in the very same district court for which she has been nominated, as well as her experience in appellate work in the Eleventh Circuit where she always wrote her briefs and argued her cases. The cases she tried have given her extraordinary exposure to understand how a Federal district court works, and more importantly, how a Federal district judge should conduct herself.

Since Ginny joined the U.S. Attorney’s Office in 1977 as the first female assistant U.S. attorney in the southern district of Alabama, she has proven her merit as an extraordinary prosecutor and leader. Her abilities in the courtroom have been demonstrated time and again in her prosecution of complex white-collar fraud cases, tax cases, public corruption cases, cases of every kind — cases she not only tried but supervised.

I remember one case very distinctly. It was the longest criminal case in my knowledge ever tried in the district. 11 weeks. She was the lead attorney. It was a very intense case, with prominent attorneys on the defense side representing prominent defendants. It was well and intensely litigated.

At the end of the case, she made, without a doubt in my mind, the finest closing argument I have ever heard. It was down to earth, simple, not emotional, but logical. She took every allegation, every contentment of the Government’s case and explained patiently and in detail, with that incredibly bright mind of hers, why the allegations in the indictment were true, and obtained a conviction in that case.

That is an unusual ability she possesses. I have never in my many years of practice seen anything better.

The American Bar Association has unanimously rated her well qualified, the highest rating one can receive. I thought that was a great testament to her reputation with the attorneys in the southern district of Alabama. They know her. They know her reputation. They are the ones to whom the Bar Association talks. It was a tremendous asset in addition of the excellent legal skills she possesses. It is an unusual ability she possesses. I have never in my many years of practice seen anything better.

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southern district of Alabama where I practiced for many years. I received a letter from our chief district judge, Judge Charles Butler, who underscored the need to get this position filled.

He is the only active judge who is serving now in that district. The district is authorized three judges with a fourth approved by the Judicial Conference of the United States. One of these vacancies—the one being filled today—will be the longest district court emergency vacancy in the country. I think that is a crisis because we have so few judges and such a heavy caseload. So I really appreciate the willingness of the Senate to move this nomination forward today.

One of the things I think is most valuable as a judicial characteristic is that a judge should have good judgment at the basic level.

You can tell people who have good judgment. When people have good judgment, people ask them for their opinion. They want their judgment.

When I was U.S. attorney and I had a tough question and a difficult matter to wrestle with, and I often did, I went to Ginny Granade’s office and asked her opinion, as did every other lawyer in that region. Judges were aware of that. Young lawyers also sought her opinion before they went to court, to ask how they should handle a case or what she thought was the legal answer to this, or is this evidence admissible, or once evidence is going to be excluded. They would get her opinion first.

The story is often told that young assistant U.S. attorneys who appeared before Federal judges in the district, who were cornered about the way the Federal judge thought about the law, would say, “Well, Ginny told me that is what it was.” That was generally enough to get at least a respectful hearing by the judge.

I support the filling of this vacancy with Ginny Granade as a Federal judge, we are going to have done a good day’s work. The district will have a person of integrity and ability, a person who has never been politically engaged in any way but who always has loved the law, has been a person of absolute integrity, a person who worked exceedingly hard, who I know respects the position of a Federal judge, who will work to master it in every conceivable way, and who the people will have with the most wonderful temperament but in charge at all times. She has had the experience to do this.

I am excited that the lawyers and the litigants in the Southern District of Alabama will enjoy and appreciate their opportunity to be in the courtroom she will control and preside over. She will represent the Federal Government and the laws of the United States in an exemplary manner, and her nomination will be before this body shortly. I am confident she will receive the same unanimous vote that the ABA gave her, with their highest recommendation.

I yield the floor.

Mr. President, 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. CONRAD. 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. LEAHY. Mr. President, I begin by thanking the nominees’ home State Senators for working with us on this nomination and by commending the majority leader and our assistant majority leader for bringing this matter to successful conclusion today.

Callie Granade has been considered from Alabama in the last several weeks and the second confirmed to fill an emergency vacancy. On November 6, the Senate confirmed Judge Karon Bowdre by a vote of 98 to 0 in an action to fill a vacancy on the Northern District of Alabama District Court. Today the Senate will take final action to fill a longstanding vacancy on the Southern District of Alabama District Court.

This nomination was received on September 5 and reported favorably to the Senate by the Judiciary Committee just a few days before the Senate adjourned last December. It is being taken up in the first days of our return. These Alabama district court vacancies I have persisted for years while Senators were unable to agree on acceptable nominees with the previous administration. Unlike the nomination of Ken Simon, which languished for more than 6 months in 2000 without a hearing, both Karon Bowdre and Callie Granade have been considered promptly. I congratulate the nominee and her family on her confirmation today.

Confirmation of Ms. Granade will be the seventh in addition filling a vacancy designated as a judicial emergency since I became chairman last summer. Unfortunately, the White House has yet to work with home-State Senators to send nominees for an additional 15 judicial emergency vacancies and 31 federal trial court vacancies.

With today’s confirmation, the Senate has confirmed three additional judges since returning late last month. The Senate will have confirmed 31 judges since the change in majority last summer.

Of course, I have yet to chair the Judiciary Committee for a full year; it has been barely 6 months. But the confirmations we have achieved in those 6 months are already comparable to the year-end totals for 1997, 1999 and 2000 and nearly twice as many as were confirmed under a Republican majority in the Senate in 1996.

This 1996 session was the second year of the last Republican chairmanship. In that 1996 session, only 17 judges were confirmed all year and none were confirmed to the Court of Appeals—none, I expect and intend to work hard on adding judicial nominations through this session and to exceed the number of judges confirmed during the 1996 session.

The Judiciary Committee held its first hearing of the session on our second day in session, January 24, for Judge Michael Melloy, a nominee to the 8th Circuit from Iowa, and district court nominees from Arizona, Iowa, Texas, Louisiana and the District of Columbia, a total of six judicial nominations.

I have set another hearing on the nomination of Judge Charles Pickering for the 5th Circuit for this Thursday, February 7, 2002.

I am working to hold another confirmation hearing for judicial nominations, as well, before the end of February, even though it is a short month with a week’s recess.

I noted on January 25 in my statement to the Senate that we inherited a faster ground speed, a speed to repair the damage of the last several years.

I have already laid out a constructive program of suggestions that would help in that effort and help return the confirmation process to one that is a cooperative, bipartisan effort. I have included suggestions for the White House, that it work with Democrats as well as Republicans, that it encourage rather than forestall the use of bipartisan selection commissions, and that it consider carefully the views of home-State Senators.

This past summer, by the time I became chairman of the Judiciary Committee, Federal court vacancies already topped 100 and were rising to 111. Since July, we have worked hard and the Senate has been diligent in considering and confirming 31 judges, thereby beginning the process of lowering the vacancies on our federal courts. Since I became chairman, 26 additional vacancies have arisen. Still, we have been able to outpace this high level of attrition and lower the vacancies to under 100.

During the last 6 1/2 years when a Republican majority controlled the process, the vacancies rose from 45 to over 100, an increase of almost 60 percent.

By contrast, we are now working to keep these numbers moving in the right directions. Our majority leader, with the help of the assistant majority leader, is clearing the calendar of judicial nominations and the Senate has proceeded to vote on every one of them. This is one of the reforms that
signals a return to normalcy for the Senate, which had gotten away from such practices over the past 6 years. Since the change in majority, judicial nominees have not been held on the calendar for months or held over without action or returned to the President without action.

I have observed that to make real progress will take the cooperation of the White House. The most progress can be made quickly if the White House would begin working with home-State Senators to identify fair-minded, nonideological, consensus nominees to fill these court vacancies. One of the reasons the committee was able to work quickly is that it has and the Senate has been able to confirm 31 judges in the last few months is because the nominations were strongly supported as consensus nominees.

I have heard of too many situations in the past involving too many reasonable and moderate home-State Senators in which the White House has demonstrated no willingness to work with home-state Senators to fill judicial vacancies cooperatively. As we move ahead, the White House can choose to show greater inclusiveness and flexibility and to help make this a truly bipartisan enterprise. Logjams exist in a number of settings.

To make real progress, repair the damage that has been done over previous years, and build bridges toward a nonideological, consensus nominees to the Federal trial court vacancies, 31, as quickly as it has and has the Senate in the previous 6 years. Majority leader Daschle has moved swiftly on judicial nominees reported to the calendar.

I thank all Senators who have helped in our efforts and assisted in the hard work to review and consider the dozens of judicial nominations we have reported and confirmed. I thank, in particular, the Senators who serve on the 'judicial hearings' on judges at a pace not only for their kind words, but for their helpful action since this summer.

As our action today demonstrates, again, we are moving ahead to fill judicial vacancies with nominees who have strong bipartisan support of their home-State Senators to identify fair-minded, reasonable and moderate home-State Senators to work with the White House. The most progress we have made has been with the 24 nominees that have been confirmed. I thank all Senators who have helped in our efforts and assisted in the hard work to review and consider the dozens of judicial nominations we have reported and confirmed. I thank, in particular, the Senators who serve on the 'judicial hearings' on judges at a pace not only for their kind words, but for their helpful action since this summer.

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The nomination was confirmed.

Mr. WELLSTONE. Mr. President, I ask that the RECORD show that I was present for this evening’s vote on the nomination of Callie Granade to be U.S. district judge for the Southern District of Alabama. I was attending the visitation for Minnesota State Representative Darline Luther, who passed away last week. Had I been here, I would have voted in favor of the nomination.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, what is the current order of business?

The PRESIDING OFFICER. Under the previous order, the President will be notified of the Senate’s action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

HOPE FOR CHILDREN ACT—Continued

The PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 279

Mr. CRAIG. Mr. President, I have an amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Idaho [Mr. CRAIG], for himself, Mr. TORRICELLI, Mr. GRASSLEY, Mr. SANTORUM, Mr. FEIST, Mr. ENSIGN, and Mr. HUTCHINSON, proposes an amendment numbered 2770 to the language proposed to be stricken by amendment No. 2696.

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

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

The amendment is as follows:

(Topic: To amend the Internal Revenue Code of 1986 and the Archer medical savings accounts)

(To be stricken by amendment No. 2696)

At the appropriate place, insert the following:

SEC. 1. EXPANSION OF AVAILABILITY OF ARCHER MEDICAL SAVINGS ACCOUNTS.

(a) REPLACING LIMITATIONS ON NUMBER OF MEDICAL SAVINGS ACCOUNTS—

(1) IN GENERAL.—Subsections (i) and (j) of section 220 of the Internal Revenue Code of 1986 are hereby repealed.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 220(c) of such Code is amended by striking subparagraph (D).

(B) Section 138 of such Code is amended by striking subsection (f).

(b) AVAILABILITY NOT LIMITED TO ACCOUNTS FOR EMPLOYEES OF SMALL EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS—

(1) IN GENERAL.—

Subparagraph (A) of section 220(c)(1) of such Code is amended to read as follows:

"(A) IN GENERAL.—The term ‘eligible individual’ means, with respect to any month, any individual if—

(1) such individual is covered under a high deductible health plan as of the 1st day of such month, and

"(i) such individual is not, while covered under a high deductible health plan, covered under any other health plan—

(1) which is not a high deductible health plan, and

(2) which provides coverage for any benefit which is covered under the high deductible health plan.

"(ii) which provides coverage for any benefit which is covered under the high deductible health plan."

(2) CONFORMING AMENDMENTS.—

(A) Section 220(c)(1) of such Code is amended by striking subparagraph (C).

(B) Section 220(c) of such Code is amended by striking paragraph (2), inserting the word "small" before the word "employer" and by redesigning paragraph (5) as paragraph (4).

(C) Section 220(b)(2) of such Code is amended by striking paragraph (4) (relating to deduct limitation by compensation) and by redesigning paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(D) INCREASE IN AMOUNT OF DEDUCTION ALLOWED FOR CONTRIBUTIONS TO MEDICAL SAVINGS ACCOUNTS.—

(1) IN GENERAL.—Paragraph (2) of section 220(b)(2) of such Code is amended to read as follows:

"(2) MONTHLY LIMITATION.—The monthly limitation for any month is the amount equal to 1/12 of the annual deductible (as of the first day of such month) of the individual’s coverage under the high deductible health plan."

(2) CONFORMING AMENDMENT.—Clause (ii) of section 220(d)(1)(A) of such Code is amended by striking "small employer" and inserting "small employers and employees"

(d) BOTH EMPLOYERS AND EMPLOYEES MAY CONTRIBUTE TO MEDICAL SAVINGS ACCOUNTS.—

(1) AMOUNTS ALLOWED FOR CONTRIBUTIONS UNDER HIGH DEDUCTIBLE HEALTH PLANS.

(A) IN GENERAL.—Paragraph (2) of section 220(b)(2) of such Code (as redesignated by section (b)(2)(C)) is amended to read as follows:

"(2) MONTHLY LIMITATION.—The monthly limitation for any month is the amount equal to 1/12 of the annual deductible (as of the first day of such month) of the individual’s coverage under the high deductible health plan."

(2) CONFORMING AMENDMENT.—Clause (ii) of section 220(d)(1)(A) of such Code is amended by striking "small employer" and inserting "small employers and employees"

(e) REDUCTION OF PERMITTED DEDUCTIBLES UNDER HIGH DEDUCTIBLE HEALTH PLANS.

(1) IN GENERAL.—

(A) Paragraph (A) of section 220(c)(2) of such Code (defining high deductible health plan) is amended—

(i) by striking 

"(A) by striking $5,000 in clause (1) and inserting "$1,000;" and

(ii) by striking "$3,000" in clause (1) and inserting "$2,000;"

(B) Conforming amendment—Subsection (g) of section 220 of such Code is amended to read as follows:

"(g) COST-OF-LIVING ADJUSTMENT.—

(1) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1996, each dollar amount in subsection (c)(2) shall be increased by an amount equal to—

(A) such dollar amount, multiplied by

(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which such taxable year begins by substituting ‘calendar year 1997’ for ‘calendar year 1992’ in subparagraph (B) thereof.

(2) SPECIAL RULE—

(A) In the case of the $1,000 amount in subsection (c)(2)(A)(i) and the $2,000 amount in subsection (c)(2)(A)(ii), paragraph (1)(B) shall be applied by substituting ‘calendar year 2000’ for ‘calendar year 1997.’

(3) ROUNDING.—If any increase under paragraph (1) or (2) is not a multiple of $50, such increase shall be rounded to the nearest multiple of $50.

(f) PROVIDING INCENTIVES FOR PREFERRED PROVIDER ORGANIZATIONS TO OFFER MEDICAL SAVINGS ACCOUNTS.

(1) IN GENERAL.—

(A) Section 125 of such Code is amended by striking "preventive care if" and all that follows and inserting "and".

(B) MEDICAL SAVINGS ACCOUNTS MAY BE OFFERED UNDER CAFETERIA PLANS.—

(1) IN GENERAL.—
this amendment, make it a part of the stimulus package to not allow this very important program to expire and for these citizens to lose it, and, more importantly, that we should be adding citizens by giving them the opportunity to have medical savings accounts as a part of their insurance portfolio.

I yield the floor.

I suggest the absence of a quorum.

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

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum be suspended.

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

AMENDMENT NO. 2764, AS MODIFIED

Mr. REID. Mr. President, I ask that amendment No. 2764 that I offered earlier today be the pending matter.

Mr. President, I send a modification to the desk.

The PRESIDING OFFICER. The Senator has that right. The amendment is so modified.

The amendment, as modified, is as follows:

(1) Amend—

SECTION 02. PERSONAL TRAVEL CREDIT.

(a) General—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 section 25B the following new section:

``SEC. 25C. PERSONAL TRAVEL CREDIT.

``(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 6 percent of the qualified personal travel expenses which are paid or incurred by the taxpayer during the 90-day period beginning on the date of the enactment of this section.

``(b) LIMITATIONS.—

``(1) MAXIMUM CREDIT.—The credit allowed a taxpayer under subsection (a) for any taxable year shall not exceed $600 ($1,200, in the case of a joint return).

``(2) PER TRIP LIMITATION.—The expenses taken into account under subsection (a), with respect to any trip, shall not exceed $300.

``(c) QUALIFIED PERSONAL TRAVEL EXPENSES.—For purposes of this section—

``(i) travel by aircraft, rail, watercraft, or commercial motor vehicle, and

``(ii) lodging while away from home at any commercial lodging facility.

Such term does not include expenses for meals, entertainment, amusement, or recreation.

``(2) QUALIFYING PERSONAL TRIP.—

``(A) In general.—The term ‘qualifying personal trip’ means travel within the United States (including the Commonwealth of Puerto Rico and the possessions of the United States) to the farthest destination of which is at least 100 miles from the taxpayer’s residence.

``(ii) involves an overnight stay at a commercial lodging facility and

``(iii) which begins after the date of the enactment of this section.

``(B) ONLY PERSONAL TRAVEL INCLUDED.—Such term shall not include travel if, without regard to this section, any expenses in connection with such travel are deductible in connection with a trade or business or activity for the production of income.

``(c) COMMERCIAL LODGING FACILITY.—The term ‘commercial lodging facility’ includes any hotel, motel, resort, rooming house, watercraft, or campground.

``(d) SPECIAL RULES.—

``(1) DENIAL OF CREDIT TO DEPENDENTS.—No credit shall be allowed under this section to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual’s taxable year begins.

``(2) EXPENSES MUST BE SUBSTANTIATED.—

No credit shall be allowed by subsection (a) unless the taxpayer substantiates by adequate records the amount of the expenses described in subsection (a).

``(e) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any expense for which credit is allowed under this section.

``(f) CONFORMING AMENDMENTS.—


(2) Section 25(e)(1)(C) of such Code is amended by inserting ‘‘25C’’, after ‘‘25B’’.

(3) Section 264(h)(7)(B)(ii) of such Code is amended by striking ‘‘section 23’’ and inserting ‘‘sections 23 and 25C’’.

(4) Section 262(a)(1) of such Code is amended by striking ‘‘and 25B’’ and inserting ‘‘and 25C’’.

(5) Section 162(h)(1)(A) of such Code is amended by striking ‘‘25B’’ and adding ‘‘and 25C’’.

(6) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting before the item relating to section 26 the following new item:

``Sec. 25C. Personal travel credit.

``(d) EXPENSES IN CONNECTION WITH A QUALIFIED PERSONAL TRAVEL EXPENSE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 03. TEMPORARY RESTORATION OF DEDUCTION FOR SPOUSES ACCOMPANYING TAXPAYER ON BUSINESS TRAVEL.

(a) In General.—Section 274(m) of the Internal Revenue Code of 1986 (relating to limitations on travel expenses) is amended by adding at the end the following:

``(d) TEMPORARY RESTORATION OF LIMITATION.—With respect to any travel expense paid or incurred on or after the date of enactment of this paragraph, and before the date that is 180 days after such date, paragraph (3) shall not apply.’’."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, is it necessary for me to ask unanimous consent to set the pending amendment aside?

The PRESIDING OFFICER. For the purposes of calling up a new amendment, it is necessary to set the pending amendment aside.

Mr. GRASSLEY. I ask unanimous consent that the pending amendment be set aside.

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

AMENDMENT NO. 2773

(Purpose: To amend the Internal Revenue Code of 1986 to provide a nonrefundable credit for recreational travel, to modify the business expense limits, and for other purposes)

Mr. GRASSLEY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will read.

The legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY], for himself, Ms. SNOWE, and Mr. LOTT, proposes an amendment numbered 2773 to the language proposed to be stricken by amendment No. 2698.

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

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

(The text of the amendment is printed in today’s Record under “Amendments Submitted.”)

CLOTURE MOTION

Mr. GRASSLEY. I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the pending Grassley amendment, proposed by Charles E. Grassley, Bob Smith, Craig Thomas, Pat Roberts, Jeff Sessions, Ben Nighthorse Campbell, George Allen, Larry E. Craig, Jim Bunning, Robert Bennett, Jon Kyl, John Ensign, Michael D. Crapo, Frank Murkowski, Olympia J. Snowe, and Don Nickles.

Mr. GRASSLEY. Mr. President, is the amendment filed and the cloture motion filed?

The PRESIDING OFFICER. Yes, the amendment and the cloture motion have been received.

Mr. GRASSLEY. For the sake of my colleagues, the amendment that is pending on the desk is the White House-centrist bipartisan bill that was pending in the Senate—not pending but was filed after it passed the House of Representatives
before the holidays with one slight modification that represents the Bond amendment on expensing, which was adopted. Otherwise, the amendment is the same as what has passed the House of Representatives and the President said he would sign.

I hope we have an opportunity to get 60 votes for cloture on the amendment and that we are able to get that amendment adopted, get the bill to the President for signature, and consequently, then, immediately—not 3 or 4 months down the road when we have a conference committee trying to reach some agreement—get help to stimulate the economy through accelerated depreciation for business, through middle-income-tax reduction, making it permanent the 27-percent bracket down to 25-percent bracket, and tax rebates for low-income people to stimulate the economy on the demand side, consumer spending. All three are meant to create jobs and will create the jobs.

Also, this amendment is for the displaced workers; those mostly affected because of what happened on September 11 will get an increase of unemployment compensation of 13 weeks and a 60-percent tax credit for health insurance, and we do it in a way that people can have the option, if they do not want COBRA, to have other insurance, and also to help those who did not have any COBRA insurance where last employed.

It is a well-rounded stimulus package that will get the job done. The fact that it passed the House of Representatives and will be signed by the President is reason enough for this body to adopt it, particularly because in this body nothing gets done that is not bipartisan. This has bipartisan support. I yield the floor and 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. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

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

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent the Senate now proceed to a morning business with Senators allowed to speak for a period not to exceed 5 minutes each.

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

ALLIANCE FOR YOUTH PROGRAM

Mr. ROCKETT. Mr. President, last Friday the children in my State of West Virginia had reason to celebrate. I am delighted to announce that the Communities In Schools Program and America’s Promise have joined to form a new partnership aimed at giving our children resources that help them to stay in school and be successful in life. This exciting new program, launched on January 31, 2002, is called the Alliance for Youth.

Bill Milliken, Communities in Schools CEO and West Virginia Governor Bob Wise joined together last week to signal the start of a major initiative to help students. The Alliance for Youth combines the missions of education and community service with the goal of making each more accessible to students in West Virginia. Through the Alliance, communities can connect with concerned adults and have a safe place where they can develop useful life skills, have a wholesome start in life, and have the opportunity to become involved in their communities. As a former VISTA worker, I personally know how public service can change and improve someone’s life. Providing more opportunities for public service will help both the communities served and the students involved. By helping to shape the lives of our children, the Alliance for Youth Program is making the most important investment in our future.

Years ago, the National Commission on Children which I chaired, challenged society in general to create a moral climate for our children. The Alliance for Youth Program responds to this challenge. We all understand that the chances for children’s success are tied to quality education, strong child development, and strong support from families and caring adults. It is my hope that the Alliance for Youth will continue the worthy and important work of providing children with extra support for a successful start in life. I applaud this new partnership, and I look forward to seeing the results of its valuable work.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator Kennedy in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred August 30, 1997 in Chicago, IL. A woman and two gay men were attacked by several men who were shouting anti-gay epithets. The assailants, Matthew W. Polley, 21, Jason C. Polley, 22, and Kenneth A. Schultz, 20 were each charged with a felony hate crime in connection with the incident.

I believe that Government’s first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that we care. I believe that by passing this legislation, we can change hearts and minds as well.

CONGRATULATIONS TO SOUTH DAKOTA’S SUPER BOWL XXXVI PARTICIPANTS

Mr. JOHNSON. Mr. President, today I congratulate Adam Vinatieri of the New England Patriots. Adam, a native of Rapid City and a South Dakota State University graduate, was instrumental in the Patriots Super Bowl XXXVI. With a field goal in the fourth quarter and the score tied at 17, Adam kicked the game winning 48-yard field goal.

Adam has had a long and very successful football career. During his NFL tenure, Adam has been to two Super Bowls and numerous playoff games. Prior to Adam’s professional career, he played for the Jackrabbits from 1991–1994 and was all-North Central Conference punter and kicker from 1992–1994. Also, during Adam’s early athletic years at Central High School in Rapid City, I was pleased to have nominated him for a service academy appointment.

Although Adam will be remembered for his Super Bowl winning kick, his two field goals during the playoff game against the Oakland Raiders may have been even more impressive. During a snowstorm, he kicked a 45-yard field goal to send the game to overtime, and then kicked the game winning field goal in overtime to win the Divisional Playoff game. Without his leadership and resolve, the New England Patriots would not have been in a position to play in the Super Bowl, let alone win it. Adam reflects the best of South Dakota, and I know I speak for the entire State when I say congratulations on the great victory. We are all very proud of you.

Also, I would like to congratulate several other participants from Super Bowl XXXVI who have South Dakota ties, including Adam Timmerman, a guard for the St. Louis Rams and a SDSU graduate; Matt Chatham, a University of South Dakota standout and backup linebacker for the Patriots; Brad Seely, a Baltic native and Special Teams coach for the New England Patriots; and Mike Martz who was born in Sioux Falls and is the head coach of the Rams.

It is very satisfying to know that even though South Dakota has no professional or Division I sports, we were very well represented in the biggest sporting event in America. Congratulations to all who played and participated in one of the best Super Bowls ever played.

BLACK HISTORY MONTH

Mr. SMITH of Oregon. Mr. President, I rise today to honor February as Black History Month. Each February since 1926, our Nation has paused to recognize the contributions of black Americans to the history of our Nation. February is a significant month in black American history. Abolitionist Frederick Douglass, President Abraham Lincoln, and
scholar and civil rights leader W.E.B.
DuBois were born in the month of Feb-
ruary. The 15th Amendment to the
Constitution was ratified 132 years ago
this month, giving black Americans
the right to vote. The National Asso-
ciation for the Advancement of Colored
People was founded in February in New
York City. Last Friday, February 1,
was the forty-second anniversary of the
Greensboro Four’s historic sit-in. And
on February 25, 1870, this body wel-
comed its first black Senator, Hiram R.
Revels of Mississippi.
I want to take time during this im-
portant month to celebrate some of the
contributions made by black Ameri-
cans in my home State of Oregon.
Since Marcus Lopez, who sailed with
Captain Robert Gray in 1788, become
the first person of African descent to
set foot in Oregon, a great many black
Americans have helped shape the his-
tory of my State. Throughout this
month, I will come to the floor to high-
light some of their stories.
One important story in the history of
the Pacific Northwest belongs to a
black pioneer named George W. Bush.
George Washington Bush, a veteran of
the War of 1812, was one of the first to
explore the Oregon Trail in 1844 hoping
to escape the racism of Missouri behind
him. A wealthy farmer, Bush purchased
six wagons, packed up his friends and
family, including his Irish wife, and set-
led in The Dalles. Upon arrival, Bush dis-
covered that the racism he was trying
to escape was, tragically, alive and
well in the Oregon Territory.
While slavery was illegal in Oregon,
my State shamefully tried to drive out
blacks through the enactment of exclu-
sion laws, including a disgraceful “lash
law.” The lash law required that a
black person be whipped twice a year
“until [they] shall quit the territory.” As
a result of this law, Bush was forced
to move across the Columbia River to
live with the most hospitable tribe for
the Hudson’s Bay Company. Bush thrived
as a farmer and rancher in the
Puget Sound area, and his success at-
tracted a large number of settlers to
the Northwest. Because his prosperity
helped spur the tremendous growth of
settlements north of the Columbia,
Bush, one of the first black Oregonians,
is now credited by some historians for
bringing the land north of the Colum-
bia River, present-day Washington
State, to the United States.
Bush might never have completed his
journey to Oregon had it not been for
one of the first Oregon Trail guides, a
black man named Moses Harris. Harris
spent years trapping in the Northwest,
and was one of the explorers who chris-
tened Independence Rock in what is
now the State of Wyoming. Harris was
renowned for his knowledge of the re-
gion, and, on more than one occasion,
saved lost or stranded wagon parties
from certain death along the treach-
erous mountain passes and rivers.
He guided thousands to the Pacific
Northwest, including the famous Whitman party, and did
so until his death of cholera in 1849.

Without Moses Harris, and people like
him, Oregon, as we know it, would not
exist today.

Moses Harris and George Bush are
only two early examples of the black
men and women who changed the
course of history in Oregon and in the
United States. On the occasion of the
Black History Month, I will return to
the floor to celebrate more Oregonians
like Harris and Bush, whose contribu-
tions, while great, have not received
the attention they deserve.

ADDITIONAL STATEMENTS

MAJOR STEWART H. HOLMES

- Mr. COCHRAN. Mr. President, I am
pleased to congratulate Major Stewart
H. Holmes upon the completion of his
career of service in the United States
Marine Corps. Throughout his 22 years
of military career, Major Holmes served
with distinction and dedication.

He joined the Marine Corps when he
was 17 years of age and rose from pri-
ivate to major, serving in a wide variety
of assignments along the way. He has
served on bipartisan appropriation
committees to both the U.S. Senate
and U.S. House of Representatives, and
he has been a legislative fellow in my
office. He has carried out his respon-
sibilities with great ability and dedica-
tion.

His parents, Wilhelmina and Jacob
Holmes, and his fellow Marines can be
proud of his distinguished service.
Major Holmes, and his wife Deborah,
have made many sacrifices during his
Marine career, and we appreciate their
contribution of conscientious service
to our country.

I am also pleased that Major Holmes
will continue his work in my office as
a Legislative Assistant with respon-
sibilities for defense and military pro-
grams in the Armed Services and for
the creation of reading programs, ini-
tenatives to improve teachers’ abilities
in teaching the humanities and many,
other meaningful projects.

The importance of Victor’s influence
in Vermont for more than twenty-eight
years of a century cannot be overemphasized. I
congratulate Victor on his retirement
and I sincerely wish him the best of
luck in whatever he may do next.

THE TRIUMPH OF THE NEW
ENGLAND PATRIOTS

- Mr. KERRY. Mr. President, today I
salute the New England Patriots for
their amazing win in Super Bowl
XXXVI. We are so proud of our Patriots
for bringing home this championship
and for the manner in which they
achieved it: through determination,
class and teamwork. Some followers
of the Pats through their startling season
have deemed New England a team of
destiny. I agree with that characteriza-
tion if one defines team of destiny as a
collection of individuals who worked
together as an efficient, loyal combina-
tion in the face of adversity and doubt.

From Port Kent, ME, to Waterbury,
CT, from Williamstown to Wellfleet,
New England sports fans have hungered
for a sports title since 1986. Few would
have guessed that it would be the Pa-
triots who would end this drought by
bringing home their first champ-
ionship. Although blessed with four de-
cades of star players such as Gino
Cappelletti, Jim Nance and Babe
Connor, they have always lacked the
leadership of a great quarterback.

This month, I would like to recognize
the leadership of Tom Brady, the
young quarterback of the Patriots. He
played his entire college career at
Cunningham, Russ Francis, and Jim
Plunkett in the 1970s; John Hannah,
Mike Haynes, and Stanley Morgan in
the 1980s; and Irving Fryar, Curtis Martin, and Chris Slade in the 1990s, the Patriots had never won the big game.

Thanks to the dedicated ownership of longtime season ticket holder and local philanthropist Bob Kraft and his family, the Patriots became a better, stronger franchise both off and on the field. Faced with an untenable stadium situation, Kraft, using his own money, eventually built a wonder in CMGI Field, which will open this fall as the new home of world champions. Forced to replace the legendary coach Bill Parcells, Kraft eventually hired Bill Belichick, a low-key mastermind who has justly earned a reputation for devising pro football’s most devious defensive schemes.

Still, in spite of Coach Belichick and his team of heady assistants coordinated by Romeo Crennel and Charlie Weis, few expected the Patriots, 5-11 last season, to even contend for pro football’s ultimate prize. Indeed, the Pats were a 0-2 start, Josiah’s quarterback Bledsoe, and appeared, behind unheralded Tom Brady, a sixth round draft choice who had begun 2001 as a third-string quarterback who had thrown but three passes as a rookie fall to 1-1 against San Diego. But Brady led a remarkable comeback to overcome San Diego and its Massachusetts quarterback Doug Flutie of Natick and Boston College.

This turnaround heralded a season in which the Pats would overcome obstacles in step-by-step fashion. After falling to the St. Louis Rams 24-17 in Foxboro, the Pats refused to lose again, reeling off six regular season and three playoff wins in shockingly methodical succession. Rather than serving as a distraction, a healthy Bledsoe served as a rallying point for Belichick to demonstrate his decisiveness, Brady to show his skills, and Bledsoe to reveal his class.

Troy Brown put the Patriots on the scoreboard first, but then disaster seemed to strike in the form of an ankle injury to Brady. Fortunately, Bledsoe, although inactive for more than four months, came off the bench to spark the Patriots to an upset that returned them to the Super Bowl in New Orleans for the third time.

Backed by Bledsoe and Brady, the strongest QB combination that the NFL had seen since the Rams rotated Norm Van Brocklin and Bob Waterfield in the mid 1950s. As the Patriots nevertheless found themselves an overwhelming underdog to lose by double digits to the record-setting St. Louis Rams and their offensive machine. But Tedy Bruschi, Ty Law, and Lawyer Milloy led a hard-hitting defense. Brady, David Patten, and Antowain Smith controlled the ball on offense, and the Patriots led their fine and worthy opponent for most of the game. When the Rams tied the score with 90 seconds to go, other teams might have panicked, but not this club.

The Patriots played with poise, relying on the youthful Brady to sling the short passes that put the Pats in position for another heart stopping kick, this time against Denver in Super Bowl history, a game ended with a winning offensive play, a field goal. While worth just three points, this kick meant so much more, a Super Bowl win for the players, coaches, owners, and fans. It was a reminder of the timeless value of believing in yourselves and your teammates.

Mr. President, I commend the champion Patriots and the run-up Rams for their achievements.

REPORT RELATIVE TO EXTENDING THE AGREEMENT OF JUNE 24, 1985 TO JULY 1, 2004, CONCERNING FISHERIES OFF THE COASTS OF THE UNITED STATES—MESSAGE FROM THE PRESIDENT—PM 66

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committees on Appropriations; and the Budget.

To the Congress of the United States:

Americans will never forget the murderous events of September 11, 2001. They are for us what Pearl Harbor was to an earlier generation of Americans: a terrible wrong and a call to action.

With courage, unity, and purpose, we met the challenges of 2001. The budget for 2003 recognizes the new realities confronting our nation, and funds the war against terrorism and the defense of our homeland.

The budget for 2003 is much more than a tabulation of numbers. It is a plan to fight a war we did not seek—but a war we are determined to win.

In this war, our first priority must be the security of our homeland. My budget provides the resources to combat terrorism at home, to protect our people, and preserve our constitutional freedoms. Our new Office of Homeland Security will coordinate the efforts of the federal government, the 50 states, the territories, the District of Columbia, and hundreds of local governments: all to produce a comprehensive and far-reaching plan for securing America against terrorist attack.

Next, America’s military—which has fought so boldly and decisively in Afghanistan—must be strengthened still
further, so it can act still more effec-
tively to find, pursue, and destroy our
enemies. The 2003 Budget requests the
biggest increase in defense spending in
20 years, to pay the cost of war and the
price of transforming our Cold War
military into a new 21st Century fight-
ing force.

We have priorities at home as well—
restoring health to our economy above
all. Our economy had begun to weaken
over a year before September 11th, but
the terrorist attack dealt it another se-
vere blow. This budget advances a bi-
partisan economic recovery plan that
provides much more than greater un-
employment benefits: it is a plan to
speed the return of strong economic
growth, to generate jobs, and to give
unemployed Americans the dignity and
security of a paycheck instead of an
unemployment check.

The plan also calls for maintaining
low tax rates, freer trade, restraint in
government spending, regulatory and
tort reform, providing a sound energy
policy, and funding key priorities in
education, health, and compassionate
social programs.

It is a bold plan—and it is matched
by a bold agenda for government re-
form. From the beginning of my Ad-
ministration, I have called for better
management of the federal govern-
ment. Now, with all the new demands
on our resources, better management is
needed more sorely than ever. Just as
the No Child Left Behind Act of 2001
needed more sorely than ever. Just as
I called for better environmental pro-
grams, key environmental programs,
improved performance at low-income
schools, key environmental programs,
low tax rates, freer trade, restraint in
social programs.

Where government programs are suc-
ceeding, their efforts should be rein-
forced—and the 2003 Budget provides
resources to do that. And when objec-
tive measures reveal that government
programs are not succeeding, those
programs should be reinvented, re-
directed, or retired.

By dropping unsuccessful programs
and moderating the growth of spending
in the rest of government, we can well
afford to fight terrorism, take action
to restore economic growth, and offer
substantial increases in spending for
improved performance at low-income
schools, key environmental programs,
health care, science and technology re-
search, and many other areas.

We live in extraordinary times—but
America is an extraordinary country.
Americans have risen to every chal-
enge they have faced in the past.
Americans are rising again to the chal-
enges of today. And once again, we
will prevail.

GEORGE W. BUSH.
February 4, 2002.

MESSAGE FROM THE HOUSE

ENROLLED BILLS SIGNED
Under the authority of the order of
the Senate of January 3, 2001, the Sec-
retary of the Senate, on February 1,
2002, during the recess of the Senate,
received a message from the House of
Representatives announcing that the
Speaker has signed the following en-
rolled bills:

H.R. 400. An act to authorize the Secretary
of the Interior to establish the Ronald
Reagan Boyhood Home National Historic
Site, and for other purposes.

H.R. 1937. An act to require the Secretary
of the Interior to engage in certain
feasibility studies of water resource projects
in the State of Washington.

Under the authority of the order of
the Senate of January 3, 2001, the en-
rolled bills were signed by the Presi-
dent pro tempore (Mr. BYRD) on Feb-
ruary 1, 2002.

EXECUTIVE AND OTHER
COMMUNICATIONS
The following communications were
laid before the Senate, together with
accompanying papers, reports, and doc-
uments, which were referred as indi-
cated:

EC—5248. A communication from the De-
puty Secretary of Defense, transmitting, a
report on the approval of a retirement; to the
Committee on Armed Services.

EC—5249. A communication from the Direc-
tor of the Congressional Budget Office,
transmitting, pursuant to law, a report rel-
ating to the growth of real gross national
product during the fourth calendar quarter
of 2001; to the Committee on the Budget.

EC—5250. A communication from the Direc-
tor of the Office of Policy Directives and
Instructions Branch, Immigration and
Naturalization Service, Department of Justice,
transmitting, pursuant to law, the report of a rule
entitled “New Classification for Victims of
Sever Forms of Trafficking in Persons; Elig-
ibility for T Nonimmigrant Status” (RIN1115–AG19) received on January 31, 2002; to the
Committee on Judiciary.

EC—5251. A communication from the Chair-
man of the Federal Election Commission,
transmitting, pursuant to law, the report of a rule
entitled “Allocation of Candidate Travel Expenses” received on February 1, 2002; to the Committee on Rules
and Administration.

EC—5252. A communication from the Direc-
tor of Financial Management, General Ac-
counting Office, transmitting, pursuant to
law, the Annual Report of the Comptrollers’
General Retirement System for Fiscal Year
2001; to the Committee on Governmental Af-
fairs.

EC—5253. A communication from the Sec-
retary, Division of Market Regulation, Secu-
rities and Exchange Commission, transmit-
ting, pursuant to law, the report of a rule en-
titled “Amendment to the Securities Exchange Act of 1934” (RIN32825–A328) received on January 31, 2002; to the
Committee on Banking, Housing, and Urban
Affairs.

EC—5254. A communication from the Prin-
cipal Deputy Associate Administrator of the
Environmental Protection Agency, transmit-
ting, pursuant to law, the report of a rule en-
titled “Zeta-Cypermethrin and its Inactive
R-isomers; Pesticide Tolerance” (FRL6818–3) received on January 30, 2002; to the Com-
mittee on Agriculture, Nutrition, and
Forestry.

EC—5255. A communication from the Prin-
cipal Deputy Associate Administrator of the
Environmental Protection Agency, transmit-
ting, pursuant to law, the report of a rule en-
titled “Acquisition Regulation; Empower
Procurement Officials and Miscellaneous
Technical Amendments” (FRL7128–7) received on January 30, 2002; to the Committee on
Environment and Public Works.

EC—5257. A communication from the Prin-
cipal Deputy Associate Administrator of the
Environmental Protection Agency, transmit-
ting, pursuant to law, the report of a rule en-
titled “Approval and Promulgation of Air
Quality Implementation Plans; Alabama Up-
date to Materials Incorporated by Refer-
ence” (FRL7131–5) received on January 30,
2002; to the Committee on Environment and
Public Works.

EC—5259. A communication from the Prin-
cipal Deputy Associate Administrator of the
Environmental Protection Agency, transmit-
ting, pursuant to law, the report of a rule en-
titled “Approval and Promulgation of State
Implementation Plans; Ohio” (FRL7114–1) received on January 30, 2002; to the Committee on En-
vironment and Public Works.

EC—5260. A communication from the Prin-
cipal Deputy Associate Administrator of the
Environmental Protection Agency, transmit-
ting, pursuant to law, the report of a rule en-
titled “Approval of Section 112/1 Authority for
Hazardous Air Pollutants; State of Mary-
land; Department of the Environment” (FRL7135–9) received on January 30, 2002; to the Committee on Environment and
Public Works.

EC—5261. A communication from the Prin-
cipal Deputy Associate Administrator of the
Environmental Protection Agency, transmit-
ting, pursuant to law, the report of a rule en-
titled “Clean Air Act — Full Approval of Oper-
ating Permit Program; District of Columbia;
Correction” (FRL7136–3) received on January 30, 2002; to the Committee on Environment and
Public Works.

EC—5262. A communication from the Prin-
cipal Deputy Associate Administrator of the
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EC—5256. A communication from the Prin-
cipal Deputy Associate Administrator of the
Environmental Protection Agency, transmit-
ting, pursuant to law, the report of a rule en-
Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Clean Air Act Approval and Promulgation of State Implementation Plan; Wyoming; Emissions and Pollution Control Actions” (FRL7130–3) received on February 1, 2002; to the Committee on Environment and Public Works.

EC–5264. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Revisions to the California State Implementation Plan, Imperial County Air Pollution Control District” (7131–1) received on January 31, 2002; to the Committee on Environment and Public Works.

EC–5265. A communication from the President's Special Envoy, transmitting, pursuant to law, Presidential Determination Number 99–28, relative to Air Force operations near Groom Lake, Nevada; to the Committee on Environment and Public Works.

EC–5266. A communication from the Acting Director of the Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled “Kentucky Regulatory Program” (KY–229–FOR) received on January 31, 2002; to the Committee on Energy and Natural Resources.

EC–5267. A communication from the Acting Director of the Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled “Alabama Regulatory Program” (AL–471–FOR) received on January 31, 2002; to the Committee on Energy and Natural Resources.

EC–5268. A communication from the Acting Director of the Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled “Individual Civil Penalties—Change of Address” (FRL7133–1) received on January 31, 2002; to the Committee on Energy and Natural Resources.

EC–5269. A communication from the Chair- man of the Federal Energy Regulatory Commission, transmitting, pursuant to law, a report entitled “Report on the Economic Impacts on Western Utilities and Ratepayers of the establishment of a Class E Airspace; Peninsula Regional Medical Center” (FRL7133–1) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5270. A communication from the F ederal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Standard Instrument Approach Procedures; Miscellaneous Amendments (6); Amdt. No. 2087” (RIN2120–AA65)(2002–0001) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5271. A communication from the Pro gram Analyst of the Federal Aviation Admin-istration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives: Rolls Royce plc. RB 211 Transports” (FRL7133–7) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5272. A communication from the Pro gram Analyst of the Federal Aviation Admin-istration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives: Turbomeca S A Arrius 1 A Turboshaft Engines” (RIN2120–AA64)(2002–0047) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.


EC–5274. A communication from the Pro gram Analyst of the Federal Aviation Admin-istration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Amendment of Class E Airspace: Ankeny, IA; Final Rule; Correction” (RIN2120–AA64)(2002–0005) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5275. A communication from the Pro gram Analyst of the Federal Aviation Admin-istration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Amendment of Class E Airspace: Peninsula Regional Medical Center, MD” (RIN2120–AA64)(2002–0005) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5276. A communication from the Pro gram Analyst of the Federal Aviation Admin-istration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives: Bombardier Model CL–600–2B19 Series Airplanes” (RIN2120–AA64)(2002–0052) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5277. A communication from the Pro gram Analyst of the Federal Aviation Admin-istration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives: Air Force Aircraft, A19, A30, and A221 Series Airplanes” (RIN2120–AA64)(2002–0052) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5278. A communication from the Pro gram Analyst of the Federal Aviation Admin-istration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Amendment of Class E Airspace: Enmore Domestic Airspace Area, Iron Moun- tain, CA; Final Rule” (RIN2120–AA66)(2002–0005) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5279. A communication from the Pro gram Analyst of the Federal Aviation Ad- ministration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Amendment of Class E Airspace: Bristol Mountains, CA’’ (RIN2120–AA66)(2002–0007) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5280. A communication from the Pro gram Analyst of the Federal Aviation Ad- ministration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Amendment to Class E Air- space: Ankeny, IA; Final Rule; Confirmation of Effective Date” (RIN2120–AA66)(2002–0005) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5281. A communication from the Pro gram Analyst of the Federal Aviation Ad- ministration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Amendment to Class E Airspace: Peninsular ’ 90” (RIN2120–AA65)(2002–0003) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5282. A communication from the Pro gram Analyst of the Federal Aviation Ad- ministration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Amendment of Class E Air- space: Phoenix; Final Rule” (RIN2120–AA65)(2002–0003) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5283. A communication from the Pro gram Analyst of the Federal Aviation Ad- ministration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives: Miscellaneous Approaches; Miscellaneous Amend-ments (30); Amdt. No. 2084” (RIN2120–AA64)(2002–0002) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5284. A communication from the Pro gram Analyst of the Federal Aviation Ad- ministration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Amendment of Class E Airspace; Other Approaches; Miscellaneous Amendments (29); Amdt. No. 2086” (RIN2120–AA65)(2002–0002) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5285. A communication from the Pro gram Analyst of the Federal Aviation Ad- ministration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Amendment of Class E Airspace: El Monte, CA; Final Rule” (RIN2120–AA65)(2002–0003) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.
February 4, 2002

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CONGRESSIONAL RECORD — SENATE

The following reports of committees were submitted:

By Mr. LIEBERMAN, from the Committee on Governmental Affairs:

Special Report entitled ‘‘Phony Identification And Credentials Via The Internet’’ (Rept. No. 107–125).

By Mr. BAUCUS, from the Committee on Finance, with an amendment in the nature of a substitute:

S. 1290: A bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes. (Rept. No. 107–134).

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. Bunning:

S. 1008: A bill to exclude the receipts and disbursements of the Abandoned Mine Reclamation Fund from the budget of the United States Government, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order August 4, 1977, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

By Mr. Bond:

S. 1009: A bill to amend title 10, United States Code, to require the establishment of a unified combatant command for homeland security of the United States, and for other purposes; to the Committee on Armed Services.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KENNEDY (for himself, Mr. KERRY, and Mr. Reid):


By Mr. Daschle:

S. Res. 203. A resolution making temporary majority appointments to the Select Committee on Ethics; considered and agreed to.

ADDITIONAL COSPONSORS

By Mr. Reid, the name of the Senator from Kentucky (Mr. McConnell) was added as a cosponsor of S. 1, 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. 160

At the request of Mr. Thompson, the name of the Senator from Wyoming (Mr. Enzi) was added as a cosponsor of 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.

S. 694

At the request of Mr. Leahy, the name of the Senator from Illinois (Mr. Durbin) was added as a cosponsor of S. 694, a bill to amend the Internal Revenue Code of 1986 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.

S. 795

At the request of Mr. Thompson, the name of the Senator from New Jersey (Mr. Torricelli) was added as a cosponsor of S. 795, a bill to amend the Internal Revenue Code of 1986 to permit the consolidation of life insurance companies with other companies.

S. 808

At the request of Mr. Baucus, the name of the Senator from Oklahoma (Mr. Inhofe) was added as a cosponsor of S. 808, a bill to amend the Internal Revenue Code of 1986 to repeal the occupational taxes relating to distilled spirits, wine, and beer.

S. 1023

At the request of Mr. Warner, the names of the Senator from Georgia (Mr. Cleland) and the Senator from Louisiana (Ms. Landrieu) were added as cosponsors of S. 1022, a bill to amend the Internal Revenue Code of 1986 to allow Federal civilian and military retirees to pay health insurance premiums on a pretax basis and to allow a deduction for TRICARE supplemental premiums.

S. 1098

At the request of Mr. Hutchison, the names of the Senator from Mississippi (Mr. Sindi), the Senator from Oklahoma (Mr. Bunning) and the Senator from Illinois (Mr. Durbin) were added as cosponsors of S. 1058, a bill to amend the Internal Revenue Code of 1986 to provide tax relief for farmers and the producers of biodiesel, and for other purposes.

S. 1140

At the request of Mr. Hatch, the name of the Senator from Kansas (Mr. Brownback) was added as a cosponsor of S. 1140, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1299

At the request of Mr. Bingaman, the names of the Senator from Maryland (Mr. Sarbanes), the Senator from Hawaii (Mr. Inouye), and the Senator from Louisiana (Ms. Landrieu) were added as cosponsors of S. 1299, a bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

S. 1274

At the request of Mr. Kennedy, the name of the Senator from California (Mrs. Feinstein) was added as a cosponsor of S. 1274, a bill to amend the Public Health Service Act to provide programs for the prevention, treatment, and rehabilitation of stroke.

S. 1482

At the request of Mr.arkin, the name of the Senator from California (Mrs. Feinstein) was added as a cosponsor of S. 1482, a bill to consolidate and revise the authority of the Secretary of Agriculture relating to protection of animal health.

S. 1644

At the request of Mr. Campbell, the names of the Senator from Louisiana (Mr. Voinovich), the Senator from Alaska (Mr. Murkowski), and the Senator from New Hampshire (Mr. Smith) were added as cosponsors of S. 1644, a bill to further the protection and recognition of veterans’ memorials, and for other purposes.

S. 1707

At the request of Mr. Jeffords, the name of the Senator from California (Mrs. Boxer) was added as a cosponsor of S. 1707, a bill to amend title XVIII of the Social Security Act to specify the update for payments under the Medicare payment Advisory Commission to conduct a study on replacing the use of the sustainable growth rate as a factor in determining such update in subsequent years.

S. 1709

At the request of Mr. Bayh, the name of the Senator from Missouri (Mrs. Carnahan) was added as a cosponsor of S. 1792, a bill to further facilitate service for the United States, and for other purposes.

S. 1828

At the request of Mr. Leahy, the name of the Senator from Maryland (Ms. Mikulski) was added as a cosponsor of S. 1828, a bill to amend subchapter III of chapter 83 and chapter 84 of title 5, United States Code, to include Federal prosecutors within the definition of a law enforcement officer, and for other purposes.

S. 1838

At the request of Mrs. Boxer, the name of the Senator from Maryland (Ms. Mikulski) was added as a cosponsor of S. 1838, a bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to ensure that individual account plans protect workers by limiting the amount of employer stock.
each worker may hold and encouraging diversification of investment of plan assets, and for other purposes.  

S. 1893  

At the request of Mr. ALLARD, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 1893, a bill to amend the Bank Holding Company Act of 1956, and the Revised Statutes of the United States to prohibit financial holding companies and national banks from engaging, directly or indirectly, in real estate brokerage or real estate management activities, and for other purposes.

S. 1873  

At the request of Mr. KERRY, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1873, a bill to amend the Internal Revenue Code of 1986 to allow credits for the installation of energy efficiency home improvements, and for other purposes.

S. 1881  

At the request of Mr. DODD, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1881, a bill to require the Federal Trade Commission to establish a list of consumers who request not to receive telephone sales calls.

S. RES. 109  

At the request of Mr. REID, the names of the Senator from Indiana (Mr. BAYH), the Senator from Louisiana (Mr. LANDRY) and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. Res. 109, a resolution designating the second Sunday in the month of December as “National Children’s Memorial Day” and the last Friday in the month of April as “Children’s Memorial Flag Day.”

S. RES. 182  

At the request of Mrs. FEINSTEIN, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. Res. 182, a resolution expressing the sense of the Senate that the United States should allocate significantly more resources to combat global poverty.

S. CON. RES. 81  

At the request of Mr. SCHUMER, the names of the Senator from New Jersey (Mr. CORZINE), the Senator from Vermont (Mr. SANDERS), and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of S. Con. Res. 81, a concurrent resolution providing for a joint session of Congress to be held in New York City, New York.

S. CON. RES. 84  

At the request of Mr. SARBANES, his name was added as a cosponsor of amendment No. 2790 proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENT NO. 2732  

At the request of Mr. ALLARD, the names of the Senator from Idaho (Mr. CRAIG) and the Senator from New Hampshire (Mr. SMITH) were added as cosponsors of amendment No. 2722 proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.  

AMENDMENT NO. 2735  

At the request of Mrs. HUTCHISON, the name of the Senator from Idaho (Mr. AKAKA) was added as a cosponsor of amendment No. 2722 proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS  

By Mr. BUNNING:  

S. 1908. A bill to exclude the receipts and disbursements of the Abandoned Mine Reclamation Fund from the budget of the United States Government, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee have thirty days to report or be discharged.

Mr. BUNNING. 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. 1908

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled:

SECTION 1. ABANDONED MINE RECLAMATION FUND.

(a) EXCLUSION FROM BUDGET.—Notwithstanding any other provision of law, the receipts and disbursements of the Abandoned Mine Reclamation Fund shall not be counted as new budget authority, outlays, receipts, or deficit or surplus for purposes of—

(1) the budget of the United States Government as submitted by the President; or

(2) the congressional budget; or

(b) BALANCE BUDGET AND DEFICIT CONTROL ACT OF 1985.

Whereas, the victory is the first world championship for the Patriots, and it could not have come at a more poignant time for our country;

Whereas, at a time when our entire country is banding together, the Patriots set a wonderful example of self-sacrifice and unity, showing us all what is possible when we work together, believe in each other, and collaborate for the greater good;

Whereas, coach Bill Belichick stressed teamwork, saying that only by working together could the Patriots overcome their opponent, the best team in the NFL’s regular season, the St. Louis Rams;

Whereas, the team was led by Tom Brady. Ty Law, Tedy Bruschi, Mike Vrabel, and Troy Brown, but played together to forge a victory for the whole team;

Whereas, the Patriots showed their true spirit, using running back Kevin Faulk, receiver Troy Brown, and intelligent play from Brady to drive from inside their own 20 yard line to give kicker Adam Vinatieri the chance to win the game with only 7 seconds left on the clock.

Whereas, the Patriots won the game as the clock expired;

Whereas, all of us in Massachusetts, and indeed all who live in New England, are proud of the Patriots and their extraordinary season;

Whereas, eight years ago Bob Kraft bought the Patriots, and today he brings the Lombardi trophy home to fans who have been waiting for 42 years;

Whereas, in Massachusetts, April 15th is Patriot’s Day—a day when we celebrate the brave men and women who fought for our nation’s independence—but, for generations of New England sports fans yesterday will always be our Patriot’s Day; now therefore, be it

Resolved. That the Senate commends the World Champion New England Patriots for their extraordinary victory in Super Bowl XXXVI.

SEMINARE RESOLUTION 203—MAKING TEMPORARY MAJORITY APPOINTMENTS TO THE SELECT COMMITTEE ON ETHICS  

Mr. DASHIEL submitted the following resolution; which was considered and agreed to:  

S. Res. 203

Resolved, That for matters before the Select Committee on Ethics involving the investigation of Senator TERRICELLI, and the Senator from Nevada (Mr. REID) and the Senator from Hawaii (Mr. AKAKA) be replaced by the Senator from Hawaii (Mr. DUCKWORTH) and the Senator from Rhode Island (Mr. REID) with the Senator from Hawaii (Mr. INOUYE) acting as Chairman in matters regarding such investigation.

That for all other matters before the Select Committee on Ethics the committee membership shall be unchanged.

AMENDMENTS SUBMITTED AND PROPOSED  

SA 2762. Mr. ENZI (for himself, Mr. COCHRAN, and Mr. CRAIG) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table.

SA 2763. Mr. ENZI (for himself, Mr. COCHRAN, and Mr. CRAIG) submitted an amendment intended to be proposed by him to the
bill H.R. 622, supra; which was ordered to lie on the table.

SA 2764. Mr. REID (for himself, Mr. KYL, Mr. NELSON, of Florida, Mr. HATCH, and Mr. MILLER) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra.

SA 2765. Mr. GREGG submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2766. Mr. REID (for Mr. DURBIN (for himself, Mr. WELLSTONE, Mr. DAYTON, Ms. LANDRICH, and Mrs. LINCOLN)) proposed an amendment. SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra.

SA 2767. Mrs. LINCOLN (for herself, Mr. GEHRKE of Florida, Mr. MILLER, Mr. CORZINE, Mr. DAYTON, Mr. KERRY, Mrs. MURRAY, Mr. TORRICELLI, Mrs. CLINTON, and Mr. SCHUMER) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra.

SA 2768. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2769. Mr. ENZI submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2770. Mr. CRAIG (for himself, Mr. TORRICELLI, Mr. GRASSLEY, Mr. SANTORUM, Mr. Frist, Mr. ENENK, and Mr. HUTCHINSON) proposed an amendment to the bill H.R. 622, supra.

SA 2771. Mr. DORGAN (for himself, Mr. SMITH, of Oregon, and Mr. REID) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2772. Mr. DORGAN submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2773. Mr. GRASSLEY (for himself, Ms. SHOWKE, and Mr. LOTZ) proposed an amendment to the bill H.R. 622, supra.

SA 2774. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2775. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2776. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2777. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2778. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2779. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2780. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2781. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2782. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2762. Mr. ENZI (for himself, Mr. COCHRAN, and Mr. CRAIG) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the deduction for the interest on home equity indebtedness for any purpose, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert:

SECTION 1. REPEAL OF OCCUPATIONAL TAXES RELATING TO DISTILLED SPIRITS, WINE, AND BEER.

(a) REPEAL OF OCCUPATIONAL TAXES.—

(1) IN GENERAL.—The following provisions of part II of subchapter A of chapter 51 of the Internal Revenue Code of 1986 (relating to occupational taxes) are hereby repealed:

(A) Section 5102 of such Code is hereby repealed.

(B) Subpart B (relating to brewers).

(C) Subpart D (relating to wholesale dealers) (other than sections 5114 and 5116).

(D) Subpart E (relating to retail dealers) (other than section 5121).

(2) REPEAL OF OCCUPATIONAL TAXES ON WINE AND BEER.—

Section 5131 of such Code is hereby amended by striking “, on payment of a special tax per gallon,”.

(3) INDUSTRIAL USE OF DISTILLED SPIRITS.—

Section 5276 of such Code is hereby repealed.

(b) CONFORMING AMENDMENTS.—

(1) The heading for part II of subchapter A of chapter 51 of such Code and the table of subparts for such part are amended to read as follows:

“PART II—MISCELLANEOUS PROVISIONS

Subpart A. Manufacturers of stills.

Subpart B. Nonbeverage domestic drawback claimants.

Subpart C. Recordkeeping by dealers.

Subpart D. Other provisions.”

(2) The table of parts for such subchapter A is amended by striking the item relating to part II and inserting the following new item:

“Part II. Miscellaneous provisions.”

(3) Subpart C of part II of such subchapter relating to nonbeverage domestic drawback claimants is redesignated as subpart A.

(4) Subpart F of such part II (relating to nonbeverage domestic drawback claimants) is redesignated as subpart B and sections 5311 through 5314 are redesignated as sections 5111 through 5114, respectively.

(B) The table of sections for such subpart B, as so redesignated, is amended—

(i) by redesignating the items relating to sections 5311 through 5314 as relating to sections 5111 through 5114, respectively, and

(ii) by striking “and rate of tax” in the item relating to section 5111, as so redesignated.

(C) Section 5111 of such Code, as redesignated by subparagraph (A), is amended—

(i) by striking “and rate of tax” in the section heading,

(ii) by striking the subsection heading for subsection (a), and

(iii) by striking subsection (b).

(D) Part II of subchapter A of chapter 51 of such Code is amended by adding after subpart B, as so redesignated, by paragraph (3), the following new subpart:

Subpart C—Recordkeeping by Dealers

“Sec. 5121. Recordkeeping by wholesale dealers.

Sec. 5122. Recordkeeping by retail dealers.

Sec. 5123. Preservation and inspection of records, and entry of premises.

Sec. 5124. Records to be preserved; rules governing records.

Sec. 5125. Prohibited purchases by dealers.”

(4) Subpart D of part II of subchapter A of chapter 51 of such Code is redesignated as subpart E, and amended by inserting “as defined in section 5121(c)” after “dealer” in subsection (a).

(B) Subpart D of part II of subchapter A of chapter 51 of such Code is redesignated as subpart E, and amended by inserting “as defined in section 5121(c)” after “dealer” in subsection (a).

(C) Amendment of section 5126 of such Code is moved to subpart C of part II of subchapter A of chapter 51 of such Code, inserted after section 5122, and redesignated as section 5123.

(D) Subpart E of part II of subchapter A of chapter 51 of such Code is amended by inserting after subpart C the following new subpart:

“Subpart D—Other Provisions

Sec. 5131. Packaging distilled spirits for in-internal use.

Sec. 5132. Prohibited purchases by dealers.”

(9) Section 5116 of such Code is moved to subpart D of part II of subchapter A of chapter 51 of such Code, inserted after the table of sections, redesignated as section 5131, and amended by inserting “as defined in section 5121(c)” after “dealer” in subsection (a).

(B) Subpart D of part II of subchapter A of chapter 51 of such Code is redesignated as subpart E, and amended by inserting “as defined in section 5121(c)” after “dealer” in subsection (a).

(C) Amending section 5126 of such Code is moved to subpart C of part II of subchapter A of chapter 51 of such Code, inserted after section 5122, and redesignated as section 5123.

(D) Subpart E of part II of subchapter A of chapter 51 of such Code is redesignated as subpart D, and inserted after subsection (b) the following new subsection:

“Subpart D—Other Provisions

Sec. 5131. Packaging distilled spirits for in-internal use.

Sec. 5132. Prohibited purchases by dealers.”

(1) RETAIL DEALER IN LIQUORS.—The term “retail dealer in liquors” means any dealer (other than a wholesale dealer in beer) who sells, or offers for sale, distilled spirits, wines, or beer, to any person other than a dealer.

(2) WHOLESALE DEALER IN BEER.—The term “wholesale dealer in beer” means any dealer who sells, or offers for sale, beer, but not distilled spirits or wines, to any person other than a dealer.

(3) DEALER.—The term “dealer” means any person who sells, or offers for sale, any distilled spirits, wines, or beer.

(4) WHOLESALE DEALER IN LIQUORS.—The term “wholesale dealer in liquors” means any dealer (other than a wholesale dealer in beer) who sells, or offers for sale, distilled spirits, wines, or beer.

(5) WHOLESALE DEALER IN BEER.—The term “wholesale dealer in beer” means any dealer who sells, or offers for sale, beer, but not distilled spirits or wines.

(6) RECORDKEEPING BY DEALERS.—For purposes of this section:

(1) RESELLER.—The term “wholesale dealer in liquors” means any dealer (other than a wholesale dealer in beer) who sells, or offers for sale, distilled spirits, wines, or beer, to any person other than a dealer.

(2) WHOLESALE DEALER IN BEER.—The term “wholesale dealer in beer” means any dealer who sells, or offers for sale, beer, but not distilled spirits or wines.

(3) DEALER.—The term “dealer” means any person who sells, or offers for sale, any distilled spirits, wines, or beer.

(4) PENALTY AND FORFEITURE.—
At the appropriate place, insert:

SECTION 1. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT ACCOUNTS FOR CHARITABLE PURPOSES.

(a) In General.—(1) Subsection (d) of section 408 of the Internal Revenue Code of 1986 (relating to individual retirement accounts) is amended by adding at the end the following new paragraph:

(8) DISTRIBUTIONS FOR CHARITABLE PURPOSES.—

(A) IN GENERAL.—No amount shall be includible in gross income by reason of a qualified charitable distribution from an individual retirement account to an organization described in section 170(c).

(B) SPECIAL RULES RELATING TO CHARITABLE REMAINDEER TRUSTS, POOLED INCOME FUNDS, AND CHARITABLE GIFT ANNUITIES.—

(1) In general.—No amount shall be includible in gross income by reason of a qualified charitable distribution from an individual retirement account—

(D) to a charitable remainder annuity trust or a charitable remainder unitrust (as such terms are defined in section 564(d)),

(E) (I) to a pooled income fund (as defined in section 5131(a)),

(E)(II) which is maintained by an individual for whose benefit such account is maintained, the spouse of such individual, or any organization described in section 170(c).

(2) Deduction.—No deduction shall be allowed by subsection (a) with respect to any distribution described in paragraph (1).

(3) Qualification.—For purposes of paragraphs (1) and (2), the term ‘qualified charitable distribution’ means any distribution from an individual retirement account—

(i) which is made on or after the date that the individual for whose benefit the account is maintained has attained age 701/2,

(ii) which is made directly from the account described in subsection (c)(1).

SA 2763. Mr. ENZI (for himself, Mr. COCHRAN and Mr. CRAIG) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

SA 2764. Mr. REID (for himself, Mr. KYL, Mr. NELSON of Florida, Mr. HATCH, and Mr. MILLER) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

SA 2765. Mr. ENZI (for himself, Mr. COCHRAN and Mr. CRAIG) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

SA 2766. Mr. KYL (for himself, Mr. NELSON of Florida, Mr. HATCH, and Mr. MILLER) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

SA 2767. Mr. ENZI (for himself, Mr. COCHRAN and Mr. CRAIG) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

SA 2768. Mr. KYL (for himself, Mr. NELSON of Florida, Mr. HATCH, and Mr. MILLER) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

SA 2769. Mr. ENZI (for himself, Mr. COCHRAN and Mr. CRAIG) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:
(b) **CONFORMING AMENDMENTS.—**

(1) Section 23(b)(3)(B) of the Internal Revenue Code of 1986 is amended by striking "23 and 25B" and inserting "23, 25B, and 25C".

(2) Section 25(b)(1)(C) of such Code is amended by inserting "25C," after "25B."

(3) Section 25B of such Code is amended by striking "section 23 and inserting "sections 23 and 25C."

(4) Section 26(a)(1) of such Code is amended by striking "and 25B" and inserting "25B, and 25C."

(5) Section 14000(d) of such Code is amended by striking "and 25B" and inserting "25B, and 25C."

(6) The table of sections for subpart A of part IV of chapter 25B of such Code is inserted by amending before the item relating to section 26 the following new item:

"Sec. 25C. Personal travel credit.

(c) **EFFECTIVE DATE.—**The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

**SEÇ. 02. TEMPORARY INCREASE IN DEDUCTION FOR BUSINESS MEAL EXPENSES.**

(a) **IN GENERAL.—**Subsection (n) of section 274 of the Internal Revenue Code of 1986 (relating to limitations on meal entertainment expenses allowed as deduction) is amended by adding at the end the following:

"(4) **TEMPORARY INCREASE IN LIMITATION.—**With respect to meal expenses for food or beverages paid or incurred on or after the date of enactment of this paragraph, and before the date that is 180 days after such date, paragraph (1) shall be applied by substituting '90 percent' for '50 percent'."

(b) **EFFECTIVE DATE.—**The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

**SEC. 03. TEMPORARY RESTORATION OF DEDUCTION FOR SPOUSES ACCOMPANYING TAXPAYER ON BUSINESS TRAVEL.**

(a) **IN GENERAL.—**Section 274(m) of the Internal Revenue Code of 1986 (relating to limitations on travel expenses) is amended by adding at the end the following:

"(4) **TEMPORARY REPEAL OF LIMITATION.—**With respect to any meal expense paid or incurred on or after the date of enactment of this paragraph, and before the date that is 180 days after such date, paragraph (1) shall be applied by substituting '90 percent' for '50 percent'."

(b) **EFFECTIVE DATE.—**The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

**SEC. 04. SHORT TITLE.**

This title may be cited as the "Temporary Unemployment Compensation Act of 2002."

**SEC. 05. FEDERAL-STATE AGREEMENTS.**

(a) **IN GENERAL.—**Any State which desires to enter into an agreement with the Secretary of Labor (in this title referred to as the "Secretary") for purposes of, and in connection with, this title may request the Secretary to enter into an agreement under this title with the Secretary of Labor to expand the adoption credit, and for other purposes; as follows:

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**SA 2765. Mr. Reid (for Mr. Durbin (for himself, Mr. Wellstone, Mr. Dayton, Ms. Landrieu, and Mrs. Lincoln)) proposed an amendment to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:**

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**TITtLE IV—TEMPORARY ENHANCED UNEMPLOYMENT BENEFITS**

**SEC. 401. TEMPO'ARY ENHANCED UNEMPLOYMENT BENEFITS.**

(a) **IN GENERAL.—**Any State which desires to do so may enter into and participate in an agreement with the Secretary for purposes of, and in connection with, this title.

(b) **PROVISIONS OF AGREEMENT.—**

(1) **IN GENERAL.—**Any agreement under subsection (a) shall provide that the State agency of the State will make:

(A) payments of temporary enhanced unemployment compensation to individuals;

(B) payments of temporary supplemental unemployment compensation to individuals who—

(i) have—

(I) exhausted all rights to regular compensation under the State law (or, as the case may be, all rights to temporary enhanced compensation under the State law); and

(II) received 26 weeks of regular compensation (or, as the case may be, 13 weeks of temporary enhanced compensation) under the State law; and

(ii) do not have any rights to regular compensation under the State law of any other State (or to temporary enhanced unemployment compensation); and

(iii) are not receiving compensation under the unemployment compensation law of any other country.

(2) **SPECIAL RULES RELATING TO TEMPORARY ENHANCED UNEMPLOYMENT COMPENSATION.—**

(A) **IN GENERAL.—**Subject to subparagraphs (B) and (C), eligibility for, and the amount of, temporary enhanced unemployment compensation shall be determined in the same manner as eligibility for, and the amount of, regular unemployment compensation determined under the State law.

(B) **ELIGIBILITY FOR TRUC.—**In the case of an individual who is not eligible for regular unemployment compensation under the State law because—

(i) the individual has not had sufficient earnings in a base period; or

(ii) the amount of unemployment compensation payable to such individual under the State law will be less than the amount of regular unemployment compensation payable to such individual (as determined under subparagraph (A) for the week), plus an amount equal to the greater of—

(I) 15 percent of the amount so determined; or

(II) $25.

(C) **INCREASED BENEFITS.—**In the case of an individual who is eligible for temporary enhanced unemployment compensation under this paragraph, the amount of temporary enhanced unemployment compensation payable to such individual for any week shall be equal to the amount of regular unemployment compensation payable to such individual (as determined under subparagraph (A) for the week, plus an amount equal to the greater of—

(I) 15 percent of the amount so determined; or

(II) $25.

(D) **ROUNDING.—**For purposes of determining the amount under clause (1)(I) or (1)(II), such amount shall be rounded to the dollar amount specified under the State law.

(E) **NONREDUCTION RULE.—**Under an agreement entered into under this title, subsection (b)(2)(C) shall not apply (or shall cease to apply) with respect to a State upon a determination by the Secretary that the method governing the computation of regular compensation under the State law of that State has been modified in a way such that the average weekly amount of regular compensation which will be payable during the period of the agreement (determined disregarding any temporary enhanced unemployment compensation) will be less than the average weekly amount of regular compensation which would otherwise have been payable during such period under the State law, as in effect on September 11, 2001.

(F) **COORDINATION RULES.—**

(1) **REGULAR COMPENSATION PAYABLE UNDER A FEDERAL LAW.—**Rules similar to the rules under subsection (b)(2) shall apply in determining the amount of benefits payable under any Federal law to the extent that those benefits are determined by reference to regular compensation payable under the State law of the State involved.

(2) **TEMPORARY SUPPLEMENTAL UNEMPLOYMENT BENEFITS.—**Notwithstanding any other provision of law, neither regular compensation,
temporary enhanced unemployment compensation, extended compensation, or additional compensation under any Federal or State law shall be payable to any individual for a period of less than 26 weeks when any temporary supplemental unemployment compensation is payable to such individual.

(3) TREATMENT OF OTHER UNEMPLOYMENT COMPENSATION.—The date on which a State enters into an agreement under this title, any regular compensation (or, as the case may be, temporary unemployment compensation) and any extended compensation, and any additional compensation under any Federal or State law shall be payable to an individual in accordance with the State law after such individual has exhausted any rights to temporary supplemental unemployment compensation under the agreement.

(e) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(B)(i)(I), an individual shall be considered to have exhausted such individual’s rights to regular compensation (or, as the case may be, rights to temporary enhanced unemployment compensation) under a State law (or agreement under this title) when—

(1) Payments of regular compensation (or, as the case may be, rights to temporary enhanced unemployment compensation) can be made under such law (or such agreement) because such individual has received benefits available to the individual on employment or wages during the individual’s base period; or

(2) the individual’s rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(f) AMOUNTS TERMS AND CONDITIONS, ETC. RELATING TO TEMPORARY SUPPLEMENTAL UNEMPLOYMENT COMPENSATION.—For purposes of any agreement under this title—

(A) the amount of regular compensation (including dependents’ allowances) payable under such law shall be payable to the individual for such week for total unemployment; plus

(B) the amount of any temporary enhanced unemployment compensation payable under such law shall be payable to the individual for such week for total unemployment.

SEC. 404. PAYMENTS TO STATES HAVING AGREEMENTS UNDER THIS TITLE.

(a) General Rule.—Amounts shall be paid to each State which has entered into an agreement under this title an amount equal to—

(1) 100 percent of any temporary enhanced unemployment compensation paid to any individual under this title for such week for total unemployment; plus

(2) 100 percent of any temporary unemployment compensation paid to any individual under this title for such week for total unemployment; plus

(3) 100 percent of the temporary supplemental unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) DETERMINATION OF AMOUNT.—Sums under subsection (a) payable to any State by reason of such agreements having an amount under this title shall be payable, either in advance or by way of reimbursement as determined by the Secretary, in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary’s estimate of the amounts which should have been paid to the State for such month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as the Secretary determines may be agreed upon by the Secretary and the State agency of the State involved.

(c) ADMINISTRATIVE EXPENSES, ETC.—There is hereby appropriated without fiscal year limitation, out of the employment security administration account of the Unemployment Trust Fund (as established by section 903(a)(1) of the Social Security Act (42 U.S.C. 601(a))) $500,000,000 to reimburse States for the costs of the administration of agreements under any improvements in technology in connection therewith and to provide reemployment services to unemployment compensation claimants in agreements under this title. Each State’s share of the amount appropriated by the preceding sentence shall be determined by the Secretary according to the formula established by section 932(a) of the Social Security Act (42 U.S.C. 601(a)) and certified by the Secretary to the Secretary of the Treasury.

SEC. 405. FINANCING PROVISIONS.

(a) In General.—Amounts in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a))), and the Federal unemployment account (as established by section 904(g) of such Act (42 U.S.C. 1104(g))), of the Unemployment Trust Fund (as established by section 904(h) of such Act (42 U.S.C. 1104(h))) shall be used, in accordance with subsection (b), for the making of payments (described in section 404(a)) to cover the amounts agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums described in section 404(a) which are payable to such State under this title. The Secretary of the Treasury, prior to audit or certification, may by any amount by which the Secretary determines that there are insufficient funds in that account, from the Federal unemployment account, as so established, to the account of such State in the Unemployment Trust Fund (as so established).

SEC. 406. FRAUD AND OVERPAYMENTS.

(a) In General.—If an individual knowingly has made, or caused to be made by another, any false statement, representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, for the purpose of obtaining payment or representation or of such nondisclosure such individual has received any temporary enhanced unemployment compensation or temporary supplemental unemployment compensation under this title to which such individual was not entitled, such individual—

(1) shall be ineligible for any further benefits under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REIMBURSEMENT.—In the case of individuals who have received any temporary enhanced unemployment compensation or temporary supplemental unemployment compensation under this title to which such individuals were not entitled, the State shall require such individuals to repay those benefits to the State agency, except that the Secretary may waive such repayment if it determines that—

(1) the payment of such benefits was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—In General.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any regular compensation, temporary enhanced unemployment compensation, or any lump sum payment or temporary supplemental unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individual received a payment under this section or under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency, which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individual received a payment under such a law.

(d) LIMIT ON FRAUD AND OVERPAYMENTS.—No more than 50 percent of the weekly benefit amount from which such deduction is made.
(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a hearing have been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 407. DEFINITIONS.

In this title the terms “compensation”, “regular compensation”, “extended compensation”, “benefit year”, “base period”, “State”, “State agency”, “State law”, and “week” have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

SEC. 408. APPLICABILITY.

(a) IN GENERAL.—An agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 1, 2003.

(b) SPECIFIC RULES.—

(1) IN GENERAL.—Under such an agreement, the following rules shall apply:

(A) Tentative Base Periods.—The payment of temporary enhanced unemployment compensation by reason of section 402(b)(1)(B) (relating to alternative base periods) shall not apply except in the case of initial claims filed on or after the first day of the week that includes September 11, 2001.

(B) Paying Unemployment Insurance and Increased Benefits.—The payment of temporary enhanced unemployment compensation by reason of subparagraphs (B)(1)(i) and (C) of section 402(b)(2) (relating to part-time employment and increased benefits, respectively) shall apply to weeks of unemployment described in subsection (a), regardless of the date on which an individual’s initial claim for benefits is filed.

(C) Eligibility for Temporary Supplemental Unemployment Compensation.—The payment of supplemental unemployment compensation pursuant to section 402(b)(1)(B) shall not apply except in the case of individuals who first meet either the conditions of clause (I) or clause (i) of such section on or after the first day of the week that includes September 11, 2001.

(2) Reappllication Process.—

(A) Alternative Base Periods.—In the case of an individual who filed an initial claim for regular compensation or on or before the first day of the week that includes September 11, 2001, and before the date that the State entered into an agreement under subsection (a)(1) that was denied regular compensation under the State law’s provisions relating to availability for work, active search for work, or refusal to accept work, solely by reason of being on furlough or laying off, or being available, or available for, only part-time (and not full-time) work, such individual—

(i) may file a claim for temporary enhanced unemployment compensation based on section 402(b)(2)(B)(i) (relating to part-time employment) on or after the date on which the State enters into the agreement under this section, and before the date on which such agreement terminates; and

(ii) if eligible, shall be entitled to such compensation only for weeks of unemployment that have been determined under this section, on or after the date on which the individual files such claim.

(3) No Retroactive Payments for Weeks Prior to Agreement.—No amounts shall be payable to an individual under an agreement entered into under this title for any week of unemployment prior to the week beginning after the date on which such agreement is entered into.

SEC. 409. RULE OF CONSTRUCTION REGARDING CHANGES TO STATE LAW.

Nothing in this title shall be construed as requiring a State to modify the laws of such State in order to enter into an agreement under this title. The adoption of provisions of the agreement described in section 402(b).

SA 2767. Mrs. LINCOLN (for herself, Mr. GRAHAM, Mr. NELSON of Florida, Mr. MILLER, Mr. CORZINE, Mr. DAYTON, Mr. KERRY, Mrs. MURRAY, Mr. TORRICELLI, Mrs. CLINTON, and Mr. SCHUMACHER) submitted an amendment proposed by amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H. R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. 01. LIVESTOCK ASSISTANCE PROGRAM.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this title as the "Secretary") shall make available to the Commodity Credit Corporation to make and administer payments for livestock losses to producers for 2001 losses in a county that has received an emergency designation by the President or the Secretary after January 1, 2001, of which $12,000,000 shall be made available for the American Indian livestock program under section 966 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–277; 114 Stat. 1549A–).
in the same manner as provided under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106-256—114 Stat. 3874—51).

SEC. 02 COMMODITY CREDIT CORPORATION.

The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this title.

SEC. 03 REGULATIONS.

(a) IN GENERAL.—The Secretary may promulgate such regulations as are necessary to implement this title.

(b) PROCEDURE.—The promulgation of the regulations and administration of this title shall be made without regard to:

(1) comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemakings and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary is authorized to promulgate and enforce regulations and to carry out this title, without regard to section 8 of the Congressional Review Act. (19) CONFORMING AMENDMENTS.—(A) Paragraph (1) of section 220(c) of such Code is amended by striking subparagraph (A).

SEC. 04 EMERGENCY DESIGNATION.

Congress makes an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(a) amounts equal to the amount by which revenues are reduced by this title below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(b) amounts equal to the amounts of new budget authority and outlays provided in this title in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

SA 2770. Mr. CRAIG (for himself, Mr. TORICELLI, Mr. GRASSLEY, Mr. SANTORUMLR. MR. FRIST, Mr. ENSIGN, and Mr. DORGAN) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 5-YEAR EXTENSION OF CREDIT FOR PRODUCING ELECTRICITY FROM WIND.

Section 45G(a) of the Internal Revenue Code of 1986 (relating to wind facilities) is amended by adding "January 1, 2002" and inserting "January 1, 2007".

SA 2772. Mr. DORGAN submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. CARRYBACK OF CERTAIN NET OPERATING LOSSES ALLOWED FOR 5 YEARS.

(a) IN GENERAL.—(1) Subsection (b) of section 172 of the Internal Revenue Code of 1986 (relating to net operating loss carrybacks) shall be applied by substituting "5" for "2" and subparagraph (F) shall not apply.

(b) ELECTION TO DISREGARD 5-YEAR CARRYBACK.

(E) ELECTION TO DISREGARD 5-YEAR CARRYBACK FOR CERTAIN NET OPERATING LOSSES —Any taxpay—

SEC. 5-YEAR EXTENSION OF CREDIT FOR PRODUCING ELECTRICITY FROM WIND.
Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer’s return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.

(c) Temporary Suspension of 90 Percent Limit on Carrying Back NOL Carrybacks.—Subparagraph (A) of section 56(d)(1) of the Internal Revenue Code of 1986 (relating to general rule defining alternative tax net operating loss deduction) is amended to read as follows:

“(A) the amount of such deduction shall not exceed the sum of—

(1) the lesser of—

(I) the amount of such deduction attributable to net operating losses (other than the deduction attributable to carrybacks described in clause (ii)(I)), or

(II) 90 percent of alternative minimum taxable income determined without regard to such deduction, plus

(ii) the lesser of—

(I) the amount of such deduction attributable to carrybacks of net operating losses for taxable years ending in 2000, 2001, or 2002, or

(II) alternative minimum taxable income determined without regard to such deduction reduced by the amount determined under clause (i) thereof.

(d) Effective Date.—The amendments made by this section shall apply to net operating losses for taxable years ending after 1999.

SA 2773. Mr. Grassley (for himself, Ms. Snowe, and Mr. Lott) proposed an amendment to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the end, add the following:

TITLE I—INDIVIDUAL PROVISIONS

SEC. 101. SUPPLEMENTAL STIMULUS PAYMENTS.

(a) In General.—Section 6228 (relating to acceleration of 10 percent income tax rate bracket benefit for 2001) is amended by adding at the end the following new subsection:

“(f) Supplemental Stimulus Payments.—

“(1) In General.—Each individual who was an eligible individual for such individual’s first taxable year beginning in 2000 and who, before October 16, 2001, filed a return of tax imposed by section 14 of the Social Security Act, shall be treated as having made a payment against the tax imposed by chapter 1 for such first taxable year in an amount equal to the supplemental refund amount for such taxable year.

“(2) Supplemental Refund Amount.—For purposes of this subsection, the supplemental refund amount is an amount equal to the excess (if any) of—

“(A) $600 in the case of taxpayers to whom section 1(b) applies,

“(B) $300 in the case of taxpayers to whom subsection (c) or (d) of section 1 applies, over

“(B) the taxpayer’s advance refund amount under subsection (e).

“(3) Timing of Payments.—In the case of any overpayment attributable to this subsection, the Secretary shall, subject to the provisions of this title, refund or credit such overpayment as rapidly as possible.

“(4) No Interest.—No interest shall be allowed on any overpayment attributable to this subsection.

(b) Conforming Amendments.—

(1) Section 6242(d)(1) is amended by striking “subsection (e)” and inserting “subsections (e) and (f)”.

(2) Subparagraph (B) of section 6242(d)(1) is amended by striking “subsection (e)” and inserting “subsection (e) or (f)”.

(3) Paragraph (3) of section 6242(e) is amended by inserting before the period “(or, if earlier, the date of the enactment of the Economic Security and Worker Assistance Act of 2002)”.

(c) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 102. ACCELERATION OF 25 PERCENT INCOME TAX RATE.

(a) In General.—The table contained in paragraph (2) of section 1(b) (relating to reductions in rates after June 30, 2001) is amended to read as follows:

<table>
<thead>
<tr>
<th>Taxable Income</th>
<th>Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 to $30,000</td>
<td>25.0%</td>
</tr>
<tr>
<td>$30,001 to $50,000</td>
<td>28.0%</td>
</tr>
</tbody>
</table>

(b) Conforming Amendments.—

(1) Section 168 (relating to depreciation) is amended by adding at the end the following new subparagraph:

“(k) Special Allowance for Certain Property Acquired After September 10, 2001, and Before September 11, 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’ includes—

“(i) property which was originally placed in service after September 10, 2001, and before September 11, 2004, but only if no written binding contract for the acquisition was in effect before September 10, 2001, and

“(ii) property which was acquired by the taxpayer pursuant to a written binding contract which was entered into after September 10, 2001, and before September 11, 2004, and

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

“(B) Certain Property Having Longer Production Periods Treated as Qualified Property.—

“(i) in general.—The term ‘qualified property’ includes—

“(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 if pre-september 11, 2004, basis eligible for additional tax deduction. 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 attributable to manufacturing, construction, or production before September 11, 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 not include any property to which the alternative depreciation system under subsection (g) applies, determined—

“(I) without regard to paragraph (1) of subsection (g) (relating to election to have system apply), and

“(II) after application of section 280F(b) (relating to listed property with limited business use).

“(ii) Election Out.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, the election shall not apply to all property in such class placed in service during such taxable year.

“(iii) Qualified Leasehold Improvement Property.—The term ‘qualified property’ shall not include any qualified leasehold improvement property (as defined in section 168(k)).

“(D) Special Rules.—

“(i) Self-constructed Property.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer’s own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after September 10, 2001, and before September 11, 2004.

“(ii) Sale-Leases Back.—For purposes of subparagraph (A)(ii), property—

“(I) is originally placed in service after September 10, 2001, by a person, and

“(II) sold and leased back by such person within 3 months after the date such property was originally placed in service, such property shall be treated as originally placed in service not earlier than the date on which such property is conveyed under the lease-back referred to in clause (ii).

“(E) Coordination with section 280F.—For purposes of section 280F—

“(1) in general.—The term ‘qualified property’—

“(A) includes the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the
Secretary shall increase the limitation under section 263A(a)(1)(A)(i) by $4,600.

(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account only if the property was placed in service after September 10, 2001. In the case of any person related to another, the amount of any liability attributable to the use of any real property by the other person shall be taken into account only if the property was placed in service by the other person after September 10, 2001.

(b) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—

(i) IN GENERAL.—Section 56(a)(1)(A) (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end of clause (i) the following new clause:

(ii) The amount of such deduction shall not exceed the sum of—

(1) the lesser of—

(A) the amount of such deduction attributable to new tangible personal property placed in service during 2001 or 2002, or

(B) alternative minimum taxable income determined without regard to such deduction, plus

(ii) the lesser of—

(A) the amount of such deduction attributable to new tangible personal property placed in service during 2001 or 2002, or

(B) the amount of such deduction attributable to improvements to an interior portion of a leasehold improvement property placed in service during 2001 or 2002, and

(iii) any structural component benefiting a leasehold improvement property placed in service during 2001 or 2002, and

(2) the deduction attributable to carrybacks described in clause (ii)(1), or

(3) 90 percent of alternative minimum taxable income determined without regard to such deduction, plus

(iii) the lesser of—

(A) the amount of such deduction attributable to carrybacks of net operating losses for taxable years ending during 2001 or 2002, or

(B) alternative minimum taxable income determined without regard to such deduction, reduced by the amount determined under clause (i), and

(iii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such property, and

(iv) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

(1) by the lessee (or any sublessee) of such property, or

(2) by the lessor of such property.

(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such property, and

(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

(b) ELECTION TO DISREGARD 5-YEAR CARRIAGE FOR CERTAIN NET OPERATING LOSSES.—Any taxpayer entitled to a 5-year carryback under subsection (b)(1)(B) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (a)(3), provided that such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer’s return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.

(c) TEMPORARY SUSPENSION OF 90 PERCENT LIMIT ON CERTAIN NOL CARRYBACKS.—

(i) IN GENERAL.—Section 56(d)(1) (relating to general rule defining alternative minimum net operating loss deduction) is amended to read as follows:

(A) the amount of such deduction shall not exceed the sum of—

(1) the lesser of—

(A) the amount of such deduction attributable to new tangible personal property placed in service during 2001 or 2002, or

(B) alternative minimum taxable income determined without regard to such deduction, plus

(ii) the lesser of—

(A) the amount of such deduction attributable to new tangible personal property placed in service during 2001 or 2002, or

(B) alternative minimum taxable income determined without regard to such deduction, reduced by the amount determined under clause (i), and

(iii) the lesser of—

(A) the amount of such deduction attributable to carrybacks of net operating losses for taxable years ending during 2001 or 2002, or

(B) alternative minimum taxable income determined without regard to such deduction, reduced by the amount determined under clause (i), and

(iv) the lesser of—

(A) the amount of such deduction attributable to carrybacks of net operating losses for taxable years ending during 2001 or 2002, or

(B) alternative minimum taxable income determined without regard to such deduction, reduced by the amount determined under clause (i), and

(c)(2) and (3), respectively.

(ii) LISTED PROPERTY.—Subparagraph (F) shall not apply.

(iii) any structural component benefiting a leasehold improvement property placed in service during 2001 or 2002, and

(iv) any qualified leasehold improvement property.

(b) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—Subsection (e) of section 168 is amended by adding at the end of subsection (e) the following new subparagraph:

(6) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—

(A) IN GENERAL.—The term ‘qualified leasehold improvement property’ means any improvement to an interior portion of a building which is nonresidential real property if—

(1) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

(1) by the lessee (or any sublessee) of such property, or

(2) by the lessor of such property.

(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such property, and

(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

(b) ELECTION TO DISREGARD 5-YEAR CARRIAGE FOR CERTAIN NET OPERATING LOSSES.—Any taxpayer entitled to a 5-year carryback under subsection (b)(1)(B) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (a)(3), provided that such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer’s return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.

(c) TEMPORARY SUSPENSION OF 90 PERCENT LIMIT ON CERTAIN NOL CARRYBACKS.—

(i) IN GENERAL.—Section 56(d)(1) (relating to general rule defining alternative minimum net operating loss deduction) is amended to read as follows:

(A) the amount of such deduction shall not exceed the sum of—

(1) the lesser of—

(A) the amount of such deduction attributable to new tangible personal property placed in service during 2001 or 2002, or

(B) alternative minimum taxable income determined without regard to such deduction, plus

(ii) the lesser of—

(A) the amount of such deduction attributable to new tangible personal property placed in service during 2001 or 2002, or

(B) alternative minimum taxable income determined without regard to such deduction, reduced by the amount determined under clause (i), and

(iii) the lesser of—

(A) the amount of such deduction attributable to carrybacks of net operating losses for taxable years ending during 2001 or 2002, or

(B) alternative minimum taxable income determined without regard to such deduction, reduced by the amount determined under clause (i), and

(iv) the lesser of—

(A) the amount of such deduction attributable to carrybacks of net operating losses for taxable years ending during 2001 or 2002, or

(B) alternative minimum taxable income determined without regard to such deduction, reduced by the amount determined under clause (i), and

(c)(2) and (3), respectively.

(ii) LISTED PROPERTY.—Subparagraph (F) shall not apply.

(iii) any structural component benefiting a leasehold improvement property placed in service during 2001 or 2002, and

(iv) any qualified leasehold improvement property.

(b) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—Subsection (e) of section 168 is amended by adding at the end of subsection (e) the following new subparagraph:

(6) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—

(A) IN GENERAL.—The term ‘qualified leasehold improvement property’ means any improvement to an interior portion of a building which is nonresidential real property if—

(1) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

(1) by the lessee (or any sublessee) of such property, or

(2) by the lessor of such property.

(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such property, and

(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

(b) ELECTION TO DISREGARD 5-YEAR CARRIAGE FOR CERTAIN NET OPERATING LOSSES.—Any taxpayer entitled to a 5-year carryback under subsection (b)(1)(B) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (a)(3), provided that such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer’s return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.

(c) TEMPORARY SUSPENSION OF 90 PERCENT LIMIT ON CERTAIN NOL CARRYBACKS.—

(i) IN GENERAL.—Section 56(d)(1) (relating to general rule defining alternative minimum net operating loss deduction) is amended to read as follows:

(A) the amount of such deduction shall not exceed the sum of—

(1) the lesser of—

(A) the amount of such deduction attributable to new tangible personal property placed in service during 2001 or 2002, or

(B) alternative minimum taxable income determined without regard to such deduction, plus

(ii) the lesser of—

(A) the amount of such deduction attributable to new tangible personal property placed in service during 2001 or 2002, or

(B) alternative minimum taxable income determined without regard to such deduction, reduced by the amount determined under clause (i), and

(iii) the lesser of—

(A) the amount of such deduction attributable to carrybacks of net operating losses for taxable years ending during 2001 or 2002, or

(B) alternative minimum taxable income determined without regard to such deduction, reduced by the amount determined under clause (i), and

(c)(2) and (3), respectively.

(ii) LISTED PROPERTY.—Subparagraph (F) shall not apply.

(iii) any structural component benefiting a leasehold improvement property placed in service during 2001 or 2002, and

(iv) any qualified leasehold improvement property.
(A) by striking “December 31, 2001,” and inserting “December 31, 2003,” and
(B) in subparagraphs (A), (B), and (C), by striking “2002,” “2003,” and “2004,” respectively, and inserting “2004,” “2005,” and “2006,” respectively, and

(2) in subsection (e), by striking “December 31, 2004” and inserting “December 31, 2006.”

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 301. CREDIT FOR NATURAL GAS PRODUCED FROM RENEWABLE RESOURCES.

SEC. 302. WORK OPPORTUNITY CREDIT.

SEC. 303. CREDIT FOR ELECTRICITY PRODUCED FROM RENEWABLE RESOURCES.

(a) IN GENERAL.—Subparagraphs (A), (B), and (C) of section 45(c)(3) are each amended by striking “2002” and inserting “2004.”

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 304. WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Section 45(e)(3) of section 51(d) is amended by striking “2001” and inserting “2003.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2001.

SEC. 305. WELFARE-TO-WORK CREDIT.

(a) IN GENERAL.—Subsection (f) of section 51A is amended by striking “2001” and inserting “2003.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2001.

SEC. 306. DEDUCTION FOR CLEAN-FUEL VEHICLES AND CERTAIN REFINING PROPERTY.

(a) IN GENERAL.—Section 179A is amended—

(1) in subsection (b)(1)(B)—

(A) by striking “December 31, 2001,” and inserting “December 31, 2003,” and

(B) in clauses (i), (ii), and (iii), by striking “2002” and inserting “2004,” “2005,” and “2006,” respectively, and

(2) in subsection (f), by striking “December 31, 2002,” and inserting “December 31, 2006.”

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 307. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARITIME VERTICALITIES.

(a) IN GENERAL.—Paragraph (H) of section 613A(c)(6) is amended by striking “2002” and inserting “2004.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001.

SEC. 308. QUALIFIED ZONE ACADEMY BONDS.


(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001.

SEC. 309. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended by striking “January 1, 2002,” and inserting “January 1, 2004.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 310. PARITY IN THE APPLICATION OF CERTAIN TAXES TO MENTAL HEALTH BENEFITS.

(a) IN GENERAL.—Subsection (f) of section 9812, as amended by the Departments of Labor, Health and Human Services, Education, and Related Agencies Appropriations Act, 2002, is amended to read as follows:


(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

SEC. 311. TEMPORARY SPECIAL RULES FOR TAXATION OF LIFE INSURANCE COMPANIES.

(a) REDUCTION IN MUTUAL LIFE INSURANCE COMPANY DEDUCTIONS NOT TO APPLY IN CERTAIN YEARS.—Section 891 (relating in certain deductions of material life insurance companies) is amended by adding at the end the following:

((j) DIFFERENTIAL EARNINGS RATE TREATED AS ZERO FOR CERTAIN YEARS.—Notwithstanding subsection (c) or (f), the differential earnings rate shall be treated as zero for purposes of computing both the differential earnings amount and the recomputed differential earnings amount for a mutual life insurance company’s taxable years beginning in 2001, 2002, or 2003.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

(b) EFFECTIVE DATE.—Section 403(e)(3)(B) of the Social Security Act (42 U.S.C. 603(e)(3)) is amended by adding at the end the following:

((H) REAUTHORIZATION OF GRANTS FOR FISCAL YEAR 2002.—Notwithstanding any other provision of this paragraph—

(i) any State that was a qualifying State under this paragraph for fiscal year 2001 or any prior fiscal year shall be entitled to receive a grant from the Secretary for fiscal year 2002 at an amount equal to the amount required to be paid to the State under this paragraph for the most recent fiscal year in which the State was a qualifying State;

(ii) the paragraph shall be applied as if ‘‘2002’’ were substituted for ‘‘2001’’; and

(iii) out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal year 2002 such sums as are necessary for grants under this subparagraph.

(c) EFFECTIVE DATE.—The amendments made by this section shall be in effect for taxable years beginning after December 31, 2001.

SEC. 313. INCENTIVES FOR INDIAN EMPLOYMENT AND PROPERTY ON INDIAN RESERVATIONS.

(a) EMPLOYMENT.—Subsection (f) of section 45A is amended by striking “December 31, 2003,” and inserting “December 31, 2004.”

(b) PROPERTY.—Paragraph (3)(B) of section 181(h)(3) is amended by striking “December 31, 2003,” and inserting “December 31, 2004.”

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 314. SUBPART F EXEMPTION FOR ACTIVE MILITARY VETERANS.

(a) IN GENERAL.—Section 935(e)(10)—

(1) Section 935(e)(10)—

(A) by striking “January 1, 2002,” and inserting “January 1, 2002,” and

(B) by inserting “December 31, 2001,” and inserting “December 31, 2006.”

(2) Section 935(e)(9) is amended by striking “January 1, 2002,” and inserting “January 1, 2007.”

(b) LIFE INSURANCE AND ANNUITY CONTRACTS.—

(1) IN GENERAL.—Subparagraph (B) of section 20(d)(4) is amended to read as follows:

(B) LIFE INSURANCE AND ANNUITY CONTRACTS.—

(2) (A) by striking “a qualifying insurance company branch for any life insurance or annuity contract shall be equal to the greater of—

(i) the net surrender value of such contract (as defined in section 807(e)(1)(A)), or

(ii) the reserve determined under paragraph (5);

(B) by striking “any such credit or annuity contract shall be equal to the greater of—

(i) the net surrender value of such contract (as defined in section 807(e)(1)(A)), or

(ii) the reserve determined under paragraph (5); and

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 315. REPEAL OF REQUIREMENT FOR APPROVED DIESEL OR KEROSENE TERMINALS.

(a) IN GENERAL.—Subsection (e) of section 4101 is hereby repealed.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 2002.

Title IV—Tax Benefits for Area of New York City Damaged in Terrorist Attacks on September 11, 2001

SEC. 401. TAX BENEFITS FOR AREA OF NEW YORK CITY DAMAGED IN TERRORIST ATTACKS ON SEPTEMBER 11, 2001.

(a) IN GENERAL.—Chapter 1 is amended by adding at the end the following new subchapter:

“Subchapter Y—New York Liberty Zone Benefits

“Sec. 1400L. Tax benefits for New York Liberty Zone.

“Sec. 1400L. Tax benefits for New York Liberty Zone.

(b) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001.—

(i) ADDITIONAL ALLOWANCE.—In the case of any qualified New York Liberty Zone 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 such property, and

(’B) the adjusted basis of the qualified New York Liberty Zone 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 NEW YORK LIBERTY ZONE PROPERTY.—For purposes of this subsection—

(A) IN GENERAL.—The term ‘qualified New York Liberty Zone property’ means property—

(i) to which section 168 applies (other than railroad grading and tunnel bores), or
(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) substantially all of the use of which is in the New York Liberty Zone and in the active conduct of a trade or business by the taxpayer in such Zone,

(iv) the original use of which in the New York Liberty Zone commences with the taxpayer,

(v) which is acquired by the taxpayer by purchase (as defined in section 179(d)) after September 10, 2001, but only if no written binding contract for such acquisition was in effect before September 11, 2001, and

(vi) which is placed in service by the taxpayer before the termination date.

The term ‘termination date’ means December 31, 2006 (December 31, 2009, in the case of nonresidential real property and residential rental property).

(B) EXCEPTIONS.—

(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term ‘qualified New York Liberty Zone Property’ shall not include property to which the alternative depreciation system under section 168(g) applies, determined—

without regard to paragraph (7) of section 168(g) (relating to election to have system apply), and

(ii) after application of section 280B (relating to listed property with limited business use).

(ii) 30 PERCENT ADDITIONAL ALLOWANCE PROPERTY.—Such term shall not include property to which section 168(g) applies, determined—

(iii) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—Such term shall not include any qualified leasehold improvement property (as defined in section 168(e)(6)).

(iv) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

(C) SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer, the requirements of clause (iv) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after September 10, 2001, and before the termination date.

(D) SAIL-LEASEBACKS.—For purposes of subparagraph (A)(iii), if property—

(I) is originally placed in service after September 10, 2001, by a person, and

(II) sold and leased back by such person within 3 months after the date such property was originally placed in service, such property shall be treated as originally placed in service not earlier than the date on which such property was used under the leaseback arrangement.

(D) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—The deduction allowed by this subsection shall be allowed in determining alternative minimum taxable income under section 55.

(’B) 5-YEAR RECOVERY PERIOD FOR DEPRECIATION OF CERTAIN LEASEHOLD IMPROVEMENTS.—

(i) IN GENERAL.—For purposes of section 168, the term ‘5-year property’ includes any qualified New York Liberty Zone leasehold improvement property.

(ii) LIMITATIONS.—

(A) IN GENERAL.—The term ‘qualified New York Liberty Zone leasehold improvement property’ means qualified leasehold improvement property (as defined in section 168(e)(6)) if—

(I) such building is located in the New York Liberty Zone,

(II) such improvement is placed in service after September 10, 2001, and

(iii) no written binding contract for such improvement was in effect before September 11, 2001.

(III) REQUIREMENT TO USE STRAIGHT LINE METHOD.—The applicable depreciation method under section 168 shall be the straight line method in the case of qualified New York Liberty Zone leasehold improvement property.

(iv) 9-YEAR RECOVERY PERIOD UNDER ALTERNATIVE SYSTEM.—In the case of qualified New York Liberty Zone leasehold improvement property placed in service during the taxable year, and

(B) the amount taken into account under section 179(b) with respect to any section 179 property which is qualified New York Liberty Zone property shall be 50 percent of the cost thereof.

(2) RECIPROCITY.—Rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified New York Liberty Zone property which ceases to be in the New York Liberty Zone.

(3) TAX-EXEMPT BOND FINANCING.—

(i) IN GENERAL.—For purposes of this title, any qualified New York Liberty Bond shall be treated as an exempt facility bond.

(ii) QUALIFIED NEW YORK LIBERTY BOND.—For purposes of this subsection, the term ‘qualified New York Liberty Bond’ means any bond issued under section 148(f)(5)(A) with respect to property substantially all of the use of which is in the New York Liberty Zone and is in the active conduct of a trade or business by the taxpayer in such Zone.

(iii) REIMBURSEMENTS.—Reimbursements of principal on financing provided by the issuer—

(A) may not be used to provide financing, and

(B) must be used not later than the close of the 1st semiannual period beginning after the date of the repayment of bonds which are part of such issue.

(B) REQUIREMENTS.—

(i) AGGREGATE AMOUNT DESIGNATED.—The aggregate amount designated for any issue of bonds described in this section shall not exceed $3,000,000,000, and

(ii) PROPORTION.—The portion of such aggregate amount designated for any issue of bonds described in this section shall not exceed 33 1/3 percent of the aggregate amount designated for all issues of bonds described in this section.

(2) EXTENSION OF REIMBURSEMENT PERIOD FOR支出.—

(A) IN GENERAL.—The term ‘qualified New York Liberty Bond’ means any bond issued under section 148(f)(5)(A) with respect to property substantially all of the use of which is in the New York Liberty Zone and is in the active conduct of a trade or business by the taxpayer in such Zone.

(B) REQUIREMENTS.—

(i) AGGREGATE AMOUNT DESIGNATED.—The aggregate amount designated for any issue of bonds described in this section shall not exceed $3,000,000,000, and

(ii) PROPORTION.—The portion of such aggregate amount designated for any issue of bonds described in this section shall not exceed 33 1/3 percent of the aggregate amount designated for all issues of bonds described in this section.

(3) SECURITIES.—The term ‘qualified New York Liberty Bond’ includes any bond issued under section 148(f)(5)(A) with respect to property substantially all of the use of which is in the New York Liberty Zone and is in the active conduct of a trade or business by the taxpayer in such Zone.

(4) TAX-EXEMPT BOND FINANCING.—

(i) IN GENERAL.—For purposes of this title, any qualified New York Liberty Bond shall be treated as an exempt facility bond.

(ii) QUALIFIED NEW YORK LIBERTY BOND.—For purposes of this subsection, the term ‘qualified New York Liberty Bond’ means any bond issued under section 148(f)(5)(A) with respect to property substantially all of the use of which is in the New York Liberty Zone and is in the active conduct of a trade or business by the taxpayer in such Zone.

(iii) REIMBURSEMENTS.—Reimbursements of principal on financing provided by the issuer—

(A) may not be used to provide financing, and

(B) must be used not later than the close of the 1st semiannual period beginning after the date of the repayment of bonds which are part of such issue.

(B) REQUIREMENTS.—

(i) AGGREGATE AMOUNT DESIGNATED.—The aggregate amount designated for any issue of bonds described in this section shall not exceed $3,000,000,000, and

(ii) PROPORTION.—The portion of such aggregate amount designated for any issue of bonds described in this section shall not exceed 33 1/3 percent of the aggregate amount designated for all issues of bonds described in this section.
applied by substituting ‘5 years’ for ‘2 years’ with respect to property which is compulsorily or involuntarily converted as a result of the terrorist attacks on September 11, 2001 in New York City or only if substantially all of the use of the replacement property is in the City of New York, New York.

‘(f) NEW YORK LIBERTY ZONE.—For purposes of this section, the term ‘New York Liberty Zone’ means the area located on or south of Canal Street, East Broadway (east of its intersection with Canal Street), or Grand Street (east of its intersection with East Broadway) in the Borough of Manhattan in the City of New York, New York.”

TITLE VI—MISCELLANEOUS AND TECHNICAL PROVISIONS

Subtitle A—General Miscellaneous Provisions

SEC. 601. ALLOWANCE OF ELECTRONIC 1099’S.

Any person required to furnish a statement under section 6104 of subpart B of part III of subchapter A of chapter 61 of the Internal Revenue Code of 1986 for any taxable year ending after the date of the enactment of this Act, may electronically furnish such statement (without regard to any first class mailing requirement) to any recipient who has consented to the electronic provision of the statement in a manner similar to the one permitted under regulations issued under section 6051 of such Code or in such other manner as provided by the Secretary.

SEC. 602. EXCLUDED CANCELLATION OF INDEBTEDNESS

INCOME OF S CORPORATION NOT TO RESULT IN ADJUSTED BASIS OF STOCK OF SHAREHOLDERS.

(a) IN GENERAL.—Subparagraph (A) of section 108(c)(7) (relating to certain provisions to be applied at corporate level) is amended by inserting before the period “, including by not taking into account under section 1366(a) any amount excluded under subsection (a) of this section.”

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to transactions occurring after the date of the enactment of this Act.

(2) EXCLUSIONS.—Subparagraph (A) of section 1366(a) (as amended by this section) shall not apply in the case of a discharge of indebtedness entered into which clearly reflects the taxpayer’s experience.

‘(c) REGULATIONS.—The Secretary shall prescribe regulations to permit taxpayers to determine amounts referred to in subparagraph (A) using computations or formulas which will clearly reflect the amount of income that will not be collected by such person. A taxpayer may adopt, or request consent of the Secretary to adopt, any formula that clearly reflects the taxpayer’s experience. A request under the preceding sentence shall be approved if such computation or formula clearly reflects the taxpayer’s experience.’

‘(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to discharges occurring after the date of the enactment of this Act.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any person required by the amendments made by this section to change its method of accounting for its first taxable year ending after the date of the enactment of this Act, (A) such change shall be treated as initiated by the taxpayer, and (B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

‘(e)net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period of 4 years (or if less, the number of taxable years in which the taxpayer used the method permitted under section 484(d)(5) of such Code as in effect before the date of the enactment of this Act) beginning with such first taxable year.’

‘SEC. 604. EXCLUSION FOR FOSTER CARE PAYMENTS TO QUALIFIED PLACEMENT AGENCIES.

(a) IN GENERAL.—The matter preceding subparagraph (B) of section 131(b)(1) (defining qualified foster care payment) is amended to read as follows:

‘(1) IN GENERAL.—The term ‘qualified foster care payment’ means any payment made pursuant to a foster care program of a State or political subdivision thereof—

‘(A) which is paid by—

‘(i) a State or political subdivision thereof, or

‘(ii) a qualified foster care placement agency, and

‘(B) qualified foster care placement agency.

(b) QUALIFIED FOSTER INDIVIDUALS TO INCLUDE PERSONS PROVIDING FOSTER CARE SERVICES.—Subparagraph (B) of section 131(b)(2) (defining qualified foster individual) is amended to read as follows:

‘(B) a qualified foster care placement agency.

The term ‘qualified foster care placement agency’ means any placement agency which is licensed or certified by—

‘(A) a State or political subdivision thereof, or

‘(B) an agency designated by a State or political subdivision thereof, for the foster care program of such State or political subdivision to make foster care payments to providers of foster care.”

‘(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 605. INTEREST RATE RANGE FOR ADDITIONAL FUNDING REQUIREMENTS.

(a) AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.—

(1) SPECIAL RULE.—Clause (i) of section 432(b)(1) (relating to interest rate) is amended by adding at the end the following new subclause:

‘(III) SPECIAL RULE FOR 2002 AND 2003.—For a plan year beginning in 2002 or 2003, notwithstanding subclause (I), in the case that the rate of interest used under subsection (b)(10)(A) is less than the highest rate permitted under subclause (I), the rate of interest used to determine current liability under this subsection may exceed the rate of interest otherwise permitted under subclause (I) to the extent that such rate of interest shall not exceed 120 percent of the weighted average referred to in subsection (b)(5)(B)(ii).’

(b) DETERMINATION OF CURRENT LIABILITY UNDER DIVISION E—

(1) IN GENERAL.—In the case of any person required to determine current liability under subsection (d)(7)(C)(i)(III),—

‘(A) 2002.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2002, the current liability for the preceding plan year shall be determined using 120 percent as the specified percentage determined under subsection (d)(7)(C)(i)(II).

(B) 2004.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2004, the current liability for the preceding plan year shall be determined using 120 percent as the specified percentage determined under subsection (d)(7)(C)(i)(II).’

(2) AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974—

(1) SPECIAL RULE.—Clause (i) of section 302(b)(1) of such Act (29 U.S.C. 1082(d)(7)(C)) is amended by adding at the end the following new subclause:

‘(III) SPECIAL RULE FOR 2002 AND 2003.—For a plan year beginning in 2002 or 2003, notwithstanding subclause (I), in the case that the rate of interest used under subclause (b)(5) exceeds the highest rate permitted under subclause (I), the rate of interest used to determine current liability under this section may exceed the rate of interest otherwise permitted under subclause (I); except that such rate of interest shall not exceed 120 percent of the weighted average referred to in subsection (b)(5)(B)(i).’

(2) QUARTERLY CONTRIBUTIONS.—Subsection (e) of section 302 of such Act (29 U.S.C. 1082) is amended by adding at the end the following new paragraph:

‘(7) SPECIAL RULES FOR 2002 AND 2003.—In any case in which the rate of interest used to determine current liability under subsection (b)(5) exceeds the highest rate permitted under subclause (I), the rate of interest used to determine current liability under this section may exceed the rate of interest otherwise permitted under subclause (I); except that such rate of interest shall not exceed 120 percent of the weighted average referred to in subsection (b)(5)(B)(i).’

(b) DETERMINATION OF CURRENT LIABILITY UNDER DIVISION F—

(1) IN GENERAL.—In the case of any person required to determine current liability under subsection (d)(7)(C)(i)(III),—

‘(A) 2002.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2002, the current liability for the preceding plan year shall be determined using 120 percent as the specified percentage determined under subsection (d)(7)(C)(i)(II).

(B) 2004.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2004, the current liability for the preceding plan year shall be determined using 120 percent as the specified percentage determined under subsection (d)(7)(C)(i)(II).’

(3) PBGC.—Clause (iii) of section 4006(a)(3)(E) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1086(a)(3)(E)) is amended by adding at the end the following new subclause:

‘(IV) In the case of plan years beginning after December 31, 2001, and before January 1, 2004, subclause (II) shall be applied by substituting ‘100 percent’ for ‘85 percent’. Subclause (III) shall be applied for such years without regard to the preceding sentence. Amending reference to this clause by any other sections or subsections shall be treated as a reference to this clause without regard to this subclause.”
SEC. 606. ADJUSTED GROSS INCOME DETERMINED BY TAKING INTO ACCOUNT CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Section 62(a)(2)(C) (relating to deductions for charitable contributions by individuals) is amended by adding at the end the following:

"(D) CLAIMED EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.—In the case of taxable years beginning during 2002 or 2003, the deductions allowed by section 162 which consist of expenses, not in excess of $250, paid or incurred by an eligible educator in connection with books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computers (including related software and services) and other equipment, and supplementary materials used by the eligible educator in the classroom.

(b) ELIGIBLE EDUCATOR.—Section 62 is amended by adding at the end the following:

"(d) DEFINITION; SPECIAL RULES.—

(1) ELIGIBLE EDUCATOR.—For purposes of subsection (a)(2)(D), the term 'eligible educator' means, with respect to any taxable year, an individual who is a kindergarten through grade 12 teacher, instructor, counselor, principal, or aide in a school for at least 900 hours during a school year.

(B) SCHOOL.—The term 'school' means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under State law.

(2) COORDINATION WITH EXCLUSIONS.—A deduction shall be allowed under subsection (a)(2)(D) for expenses only to the extent the amount exceeds the amount includable under section 135, 529(d)(1), or 530(d)(2) for the taxable year.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

Subtitle B—Technical Corrections

SEC. 611. AMENDMENTS RELATED TO ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001

(a) AMENDMENTS RELATED TO SECTION 101 OF THE ACT.

(1) IN GENERAL.—Subsection (b) of section 6428 is amended to read as follows:

"(2) CREDIT TREATED AS NONREFUNDABLE

(A) IN GENERAL.—For purposes of subsection (a)(2)(D), the term 'eligible educator' means, with respect to any taxable year, an individual who is a kindergarten through grade 12 teacher, instructor, counselor, principal, or aide in a school for at least 900 hours during a school year.

(B) SCHOOL.—The term 'school' means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under State law.

(2) COORDINATION WITH EXCLUSIONS.—A deduction shall be allowed under subsection (a)(2)(D) for expenses only to the extent the amount exceeds the amount includable under section 135, 529(d)(1), or 530(d)(2) for the taxable year.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(2) AMENDMENTS RELATED TO SECTION 205 OF THE ACT.

(A) Paragraph (1) of section 23(a) is amended to read as follows:

"(1) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter the amount of the qualified adoption expenses paid or incurred by the taxpayer.''

(B) Subsection (a) of section 23 is amended by adding at the end the following new paragraph:

"(D) $10,000 CREDIT FOR ADOPTION OF CHILD WITH SPECIAL NEEDS REGARDLESS OF EXPENSES INCURRED.—In the case of an adoption of a child with special needs which becomes final during a taxable year, the taxpayer shall be treated as having paid during such year qualified adoption expenses with respect to such adoption in an amount equal to the excess (if any) of $10,000 over the aggregate qualified adoption expenses actually paid or incurred by the taxpayer with respect to such adoption during such taxable year and all prior taxable years.''

(C) Paragraph (2) of section 23(a) is amended by striking "subsection (a)(1)(A)" and inserting "subsection (a)(1)".

(D) Paragraph (1) of section 23(b) is amended by striking "subsection (a)(1)(A)" and inserting "subsection (a)(1)".

(E) Subsection (i) of section 23 is amended by striking "the dollar limitation in subsection (b)(1) and inserting "the dollar amounts in subsections (a)(3) and (b)(1)".

(F) Expenses paid during any taxable year beginning before January 1, 2002, may be taken into account in determining the credit under this section if the taxpayer elected under paragraph (2)(C) to waive the application of paragraph (2) and inserted "by application of paragraph (2)(C)(ii)".

(G) AMENDMENTS RELATED TO SECTION 511 OF THE ACT.—Section 251(c) is amended by inserting "taxable gift under section 2503," and inserting "transfer of property by gift,".

(h) AMENDMENT RELATED TO SECTION 532 OF THE ACT.—The Act is amended by striking "any State, any possession of the United States, or the District of Columbia.".

(1) AMENDMENTS RELATED TO SECTION 602 OF THE ACT.

(a) Paragraph (A) of section 408(k) is amended to read as follows:

"(A) QUALIFIED EMPLOYER PLAN.—The term 'qualified employer plan' has the meaning given such term by section 72(p)(4)(A)(ii); except that such term shall also include an eligible deferred compensation plan (as defined in paragraph (b)(1) of an eligible employer described in section 457(e)(1)(A))."

(2) Section 4(c) of Employee Retirement Income Security Act of 1974 is amended—

(A) by inserting "and part 5 (relating to administration and enforcement)" before the period at the end, and

(B) by adding at the end the following new sentence: "Such provisions shall apply to such accounts and annuities in a manner similar to their application to a simplified employee pension under section 408(k) of the Internal Revenue Code of 1986.".

(j) AMENDMENTS RELATED TO SECTION 611 OF THE ACT.

(1) Section 408(k) is amended—

(A) by striking "$500,000" and inserting "$550,000".

(B) in paragraph (8) by striking "$300" and inserting "$500".

(2) Section 408(o)(1)(C)(ii) is amended—

(A) by striking "$500,000" both places it appears and inserting "$800,000".

(B) by striking "$100,000" and inserting "$150,000".

(3) Section 611(i) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is
amended by adding at the end the following new paragraph:

“(3) SPECIAL RULE.—In the case of plan that, on June 7, 2001, incorporated by reference in paragraph (2), the aggregate amount contributed by an employer to any employee's annuity contract or retirement income account described in section 403(b)(9), for the taxable year under consideration described in section 415(b)(3)(B) of the Employee Retirement Income Security Act of 1974, that is not distributable to such employee as other than a lump sum described in paragraph (3)(B) of section 415(b)(3), shall be considered as years of service for purposes of section 414(e)(3)(B) that are considered contributed by such employer.”

(k) AMENDMENTS RELATING TO SECTION 613 OF THE ACT.—

(1) Section 415(c)(1)(C)(ii) is amended by striking “Except for frozen plan” and inserting “For purposes of this paragraph, plans described in paragraphs (1), (2), and (3), if no employee is a key employee (or former key employee) benefiting for plan year.”

(2) Section 416(g)(3)(B) is amended by striking “severance from employment” and inserting “severance from employment, in the case of an eligible participant (as defined by section 403(b)(1) of the Internal Revenue Code of 1986)”

(m) AMENDMENT RELATING TO SECTION 616 OF THE ACT.—Section 25B(d)(2)(A) is amended to read as follows:

“(1) A plan described in section 401(k) of the Internal Revenue Code of 1986, or a plan described in section 403(b)(7) of the Employee Retirement Income Security Act of 1974, shall be treated as a plan of the employer for purposes of section 415(c)(2) for the taxable year if the plan did not exist on the date that such plan was established or the date that such plan is treated as a plan of the employer under section 415(c)(2), whichever is later.”

(2) Section 401(a)(41) and section 401(a)(42) of the Internal Revenue Code of 1986 are amended by striking “$10,000 aggregate limitation” and inserting “$15,000 aggregate limitation.”
or the employee’s includible compensation determined under section 403(b)(3).

“(D) ANNUAL ADDITION.—For purposes of this paragraph, the term ‘annual addition’ has the meaning given such term by paragraph (2).

“(E) CHURCH, CONVENTION OR ASSOCIATION OF CHURCHES.—For purposes of this paragraph, terms ‘church’, ‘convention’ or ‘association of churches’ have the same meaning as when used in section 414(e).”.

(5) Section 457(e)(5) is amended to read as follows:

“(5) INCLUDIBLE COMPENSATION.—The term ‘includible compensation’ has the meaning given under section 3401(a)(2) of the Internal Revenue Code as in effect on the day before the date of the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.”

(6) Section 402(c)(7)(B) is amended by striking “2001,” and inserting “2001,”.

AMENDMENTS RELATING TO SECTION 663 OF THE ACT.—

(1) Section 401(a)(31)(C)(iii) is amended by inserting “a qualified trust which is part of a plan which is a defined contribution plan” before “and before”.  

(2) Section 402(c)(2) is amended by adding at the end the following flush sentence: “In the case of a transfer described in subparagraph (A) or (B), the amount transferred shall be treated as consisting first of the portion of the distribution that is includible in gross income (determined without regard to subparagraph (A) or (B)) and second of the amount that can be distributed without the participant’s consent (as defined in paragraph (7)(B)).”.

AMENDMENTS RELATING TO SECTION 648 OF THE ACT.—

(1) Section 417(e) is amended—

(A) in paragraph (1) by striking “exceed the dollar limit under section 411(a)(1)(A)” and inserting “exceed the amount that can be distributed without the participant’s consent under section 411(a)(1)(A)”.

(B) in paragraph (2)(A) by striking “exceed the dollar limit under section 411(a)(1)(A)” and inserting “exceeds the amount that can be distributed without the participant’s consent under section 411(a)(1)(A)”.

(2) Section 205(g) of the Employee Retirement Income Security Act of 1974 is amended—

(A) in paragraph (1) by striking “exceed the dollar limit under section 203(e)(1)” and inserting “exceed the amount that can be distributed without the participant’s consent under section 203(e)(1)”.

(B) in paragraph (2)(A) by striking “exceeds the dollar limit under section 203(e)(1)” and inserting “exceeds the amount that can be distributed without the participant’s consent under section 203(e)(1)”.

AMENDMENTS RELATING TO SECTION 652 OF THE ACT.—Section 404(a)(1)(D)(iv) is amended by striking “plans maintained by professional service employers” and inserting “special rule for terminating plans”.

AMENDMENTS RELATING TO SECTION 657 OF THE ACT.—Section 404(a)(3) of the Employee Retirement Income Security Act of 1974 is amended—

(1) by striking “the earlier of” in subparagraph (a) of such section and inserting “the close of the taxable year of the corporation to which the plan relates”.

(2) by adding at the end the following new paragraph:

“(f) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 to which they relate.”

SEC. 612. AMENDMENTS RELATED TO THE TAX RELIEF EXTENSION ACT OF 1999.

(a) AMENDMENTS RELATED TO SECTION 311 OF THE ACT.—Section 311 of the Taxpayer Relief Act of 1997 is amended—

(1) in paragraph (2)(A), by striking “recognized” and inserting “recognized and included in gross income”; and

(2) by adding at the end the following new paragraph:

“(D) DISPOSITION OF INTEREST IN PASSIVE ASSET.—Section 469(b)(1)(A) of the Internal Revenue Code of 1986 is amended by adding, after the last period at the end of clause (1), the following new clause:—

“(1) the portion of the passive asset which is subject to the requirements of section 469(b)(1)(B) and determines the reasonable amount by reason of the election made under paragraph (1).”.

SEC. 613. AMENDMENTS RELATED TO THE TAX RELIEF EXTENSION ACT OF 1999.

(a) AMENDMENTS RELATED TO SECTION 545 OF THE ACT.—Section 545(b)(7) is amended—

(1) in clause (i) of subparagraph (B), by striking “the amount of which” and inserting “the extent of the amount of the rents”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 to which they relate.

SEC. 614. AMENDMENTS RELATED TO THE TAX RELIEF EXTENSION ACT OF 1999.

(a) AMENDMENTS RELATED TO SECTION 311 OF THE ACT.—Section 311(e) of the Taxpayer Relief Act of 1997 (Public Law 105–34; 111 Stat. 1965) is amended—

(1) in paragraph (2)(A), by striking “recognized” and inserting “recognized and included in gross income”; and

(2) by adding at the end the following new paragraph:

“(D) DISPOSITION OF INTEREST IN PASSIVE ASSET.—Section 469(b)(1)(A) of the Internal Revenue Code of 1986 is amended by adding, after the last period at the end of clause (1), the following new clause:—

“(1) the portion of the passive asset which is subject to the requirements of section 469(b)(1)(B) and determines the reasonable amount by reason of the election made under paragraph (1).”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 to which they relate.

SEC. 615. AMENDMENTS RELATED TO THE TAX RELIEF EXTENSION ACT OF 1999.

(a) AMENDMENTS RELATED TO SECTION 545 OF THE ACT.—Section 545(b)(7) is amended—

(1) in clause (i) of subparagraph (B), by striking “the amount of which” and inserting “the extent of the amount of the rents”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 to which they relate.

SEC. 616. AMENDMENTS RELATED TO THE TAX RELIEF EXTENSION ACT OF 1999.

(a) AMENDMENTS RELATED TO SECTION 311 OF THE ACT.—Section 311(e) of the Taxpayer Relief Act of 1997 (Public Law 105–34; 111 Stat. 1965) is amended—

(1) in paragraph (2)(A), by striking “recognized” and inserting “recognized and included in gross income”; and

(2) by adding at the end the following new paragraph:

“(D) DISPOSITION OF INTEREST IN PASSIVE ASSET.—Section 469(b)(1)(A) of the Internal Revenue Code of 1986 is amended by adding, after the last period at the end of clause (1), the following new clause:—

“(1) the portion of the passive asset which is subject to the requirements of section 469(b)(1)(B) and determines the reasonable amount by reason of the election made under paragraph (1).”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 to which they relate.
SEC. 702. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (hereinafter referred to as the “Secretary”). Any State which is a party to an agreement under this title may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the Federal-State Agency of the State will make payments of temporary extended unemployment compensation to individuals who—

(1) have exhausted all rights to regular compensation under the State law under Federal law with respect to a benefit year (excluding any benefit year that ended before March 15, 2001);

(2) have no rights to regular compensation or extended compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law;

(3) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(4) filed an initial claim for regular compensation on or after March 15, 2001.

(c) EXHAUSTION OF BENEFITS.—For purposes of section 202(a)(1), it shall be deemed to have exhausted such individual’s rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual’s base period; or

(2) such individual’s rights to such compensation have been terminated by reason of the expiration of the base period with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT, ETC.—For purposes of any agreement under this title—

(1) the amount of temporary extended unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents’ allowances) payable to such individual during such individual’s benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except—

(A) that an individual shall not be eligible for temporary extended unemployment compensation under this title unless, in the base period with respect to which the individual exhausted all rights to regular compensation under the State law, the individual had 20 weeks of full-time insured employment or the equivalent in insured wages, as determined under the provisions of the State law implementing section 201(b) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note); and

(B) where otherwise inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary extended unemployment compensation payable to any individual for whom a temporary extended unemployment compensation account is established under section 703 shall not exceed the amount established in such account for such individual.

(e) ELECTION BY STATES.—Notwithstanding any other provision of Federal law (and if
SEC. 705. FUNDING PROVISIONS.

(a) In General.—Funds in the extended unemployment compensation account (as established by section 901(a) of the Social Security Act (42 U.S.C. 501(a))) of the Unemployment Trust Fund (as established by section 901(a) of such Act (42 U.S.C. 1101(a))) shall be used for the making of payments to States having agreements entered into under this title.

(b) Certification.—The Secretary shall

SEC. 706. FRAUD AND OVERPAYMENTS.

(a) General.—If an individual knowingly makes a false statement or representation of a material fact, or knowingly fails, or causes another to fail, to disclose a material fact, and as a result of such false statement or representation the payment of temporary extended unemployment compensation under this title to such individual is made, until such individual makes restitution of the amount of such payment (as may be determined by the Secretary of Labor and the Federal Reserve Board) to the State, or the Secretary waives such repayment if it determines that it is not in the public interest to require such repayment.

(b) Remuneration.—No payment shall be made to any State under this section in respect of any compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under this section in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) Amount.—Sum payable to any State by reason of such State having an agreement under this title shall be an amount equal to one percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

SEC. 707. SPECIAL REED ACT TRANSFER IN FISCAL YEAR 2002.

(a) Repeal of Certain Provisions Added by the Balanced Budget Act of 1997.—

(b) Special Transfer in Fiscal Year 2002.

(i) (1) The Secretary of the Treasury shall transfer (as of the date determined under paragraph (5) of section 903 of the Social Security Act (42 U.S.C. 1101) to—

(ii) (A) the amount which would have been required to have been transferred under this section to such account at the beginning of fiscal year 2002 if—
(c) T I C H N I C A L  A M E N D M E N T S . — ( 1 )  S e c t i o n s 3 3 9 8 ( a ) ( 4 ) ( B ) a n d 3 3 0 6 ( f ) ( 2 ) o f t h e I n t e r n a l R e c o m m e n d a t e d C o d e o f 1 9 8 6 a r e a m e n t e d b y i n s e r t i n g “ o r 9 0 3 ( d ) ( 5 ) ” b e f o r e o f t h e S o c i a l S e c u r i t y A c t . 

( 2 )  S e c t i o n 3 3 0 3 ( a ) ( 5 ) o f t h e S o c i a l S e c u r i t y A c t i s a m e n t e d i n t h e s e c o n d p r o v i s i o n b y i n s e r t i n g “ o r 9 0 3 ( d ) ( 4 ) ” a f t e r “ o r 9 0 3 ( c ) ( 2 ) ” . 

( e )  R E G U L A T I O N S . — T h e S e c r e t a r y o f L a b o r m a y p r e s c r i b e a n y o p e r a t i n g i n s t r u c t i o n s o r r u l e s n e c e s s a r y t o c a r r y o u t t h i s s e c t i o n . 


S E C . 8 0 1 .  D I S P L A C E D  W O R K E R  H E A L T H  I N S U R A N C E  C R I D I T

( a )  I N  G E N E R A L . — S u b c h a p t e r B o f c h a p t e r 6 5 i s a m e n t e d i n t o s e c t i o n 6 4 2 8 h e r e f o l l o w i n g n e w s e c t i o n . 


( a )  I N  G E N E R A L . — I n t h e c a s e o f a n i n d i v i d u a l , t h e r e s h a l l b e a l l o w e d a s a c r e d i t a g a i n s t t h e t a x i m p o s e d b y t h i s c h a p t e r f o r p u r p o s e s o f t h e d e t e r m i n a t i o n o f t h e a m o u n t o f a n y c r e d i t a l l o w e d u n d e r p a r t I V o f s u b c h a p t e r A o f c h a p t e r 1 . 

( b )  O T H E R  S P E C I F I E D  C O V E R A G E . — I n d i v i d u a l s w h o r e c e i v e p a y m e n t s f r o m t h e U n s e c u r e d S o c i a l S e c u r i t y A c t o r t h e U n s e c u r e d S o c i a l S e c u r i t y B a n k a r e n o t a l l o w e d t o a l l o w a c r e d i t f o r f u n d s t r a n s f e r r e d t o t h e U n s e c u r e d S o c i a l S e c u r i t y B a n k . 

( c )  C E R T A I N  O T H E R  C O V E R A G E . — S u c h i n d i v i d u a l s a r e n o t a l l o w e d t o a l l o w a c r e d i t f o r f u n d s t r a n s f e r r e d t o t h e U n s e c u r e d S o c i a l S e c u r i t y B a n k . 

( f )  S P E C I A L  R U L E S . — ( 1 )  R E C O N C I L I A T I O N  W I T H  A N O T H E R  D E D U C T I O N . — A m o u n t s t a k e n i n t o a c c o u n t u n d e r s u b s e c t i o n ( a ) a r e n o t t a k e n i n t o a c c o u n t i n d e t e r m i n i n g a n y a d d i t i o n a l d e d u c t i o n u n d e r s e c t i o n ( b ) o r ( c ) . 

( 2 )  M S A  D I S T R I B U T I O N S . — A m o u n t s a l l o w e d t u r n o v e r f r o m a n A r c h e r M S A ( a s d e f i n e d i n s e c t i o n 2 2 9 ) a r e n o t t a k e n i n t o a c c o u n t i n d e t e r m i n i n g a n y a d d i t i o n a l d e d u c t i o n u n d e r s e c t i o n ( b ) o r ( c ) .
credit shall be allowed under this section to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the taxable year in which such individual's taxable year begins.

“(4) CREDIT TREATED AS REFUNDABLE CREDIT.—For purposes of this title, the credit allowed under this section shall be treated as a credit allowable under part C of part IV of subchapter A of chapter 1.

“(5) REGULATIONS.—The Secretary may prescribe such regulations and other guidance as may be necessary or appropriate to carry out this section and section 7527.”.

(b) INCREASED ACCESS TO HEALTH INSURANCE FOR ELIGIBLE WORKER HEALTH INSURANCE CREDIT.—Notwithstanding any other provision of law, in applying section 2741 of the Public Health Service Act (42 U.S.C. 300gg-41) and any alternative State mechanism under section 2744 of such Act (42 U.S.C. 300gg-41), in determining who is an eligible individual (as defined in section 2741(b) of such Act) in the case of an individual who may be covered by insurance for which credit is allowable under section 6429 of the Internal Revenue Code of 1986 for an eligible coverage month, if the individual seeks to obtain health insurance coverage under such section during an eligible coverage month under such section—

(1) paragraph (1) of such section 2741(b) shall be applied as if any reference to 18 months is deemed a reference to 12 months, and

(2) paragraphs (4) and (5) of such section 2741(b) shall not apply.

(c) INFORMATION REPORTING.—

(1) GENERAL.—Subpart B of part III of subchapter A of chapter 61 (relating to information concerning transactions with other persons) is amended by inserting after section 6723 the following new section:

“SEC. 6505T. RETURNS RELATING TO DISPLACED WORKER HEALTH INSURANCE CREDIT.”

“(a) REQUIREMENT OF REPORTING.—Every person—

“(1) who, in connection with a trade or business conducted by such person, receives payments during any calendar year from any individual for coverage of such individual or any other individual under qualified health insurance credit described in section 6505S, shall submit an application, for assistance described in subparagraph (B), to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(b) TYPES OF ASSISTANCE.—

“(1) ASSISTANCE FOR UNEMPLOYMENT OR ELIGIBILITY CERTIFICATE.

“(A) IN GENERAL.—To be eligible to receive a grant under subsection (a)(4), a Governor shall submit an application, for assistance described in subparagraph (B), to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(B) ELIGIBILITY CERTIFICATE.

“(i) IN GENERAL.—For purposes of this section, an eligible individual—

(1) certifies that the individual was unemployed and eligible for the receipt of benefits under this Act, or from any other State plan, during the period described in subparagraph (A) and inserting ‘or’, and by adding after subparagraph (AA) the following new subparagraph:

“(BB) section 6050T (relating to returns relating to displaced worker health insurance credit).”.

“(c) CLEANCHEMICAL AMENDMENT.—The table of sections for part III of subchapter A of chapter 61 (relating to information concerning transactions with other persons) is amended by inserting after section 6724 the following:

“——

“(BB) section 6050T (relating to returns relating to displaced worker health insurance credit).”.

“(d) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period “.”, from section 6429 of such Code.

(2) The table of sections for subpart B of chapter 65 is amended by adding at the end the following new item:

“——

“Sec. 6429. Displaced worker health insurance credit.”

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

TITLE IX—EMPLOYMENT AND TRAINING ASSISTANCE AND TEMPORARY HEALTH CARE COVERAGE ASSISTANCE

SEC. 901. EMPLOYMENT AND TRAINING ASSISTANCE AND TEMPORARY HEALTH CARE COVERAGE ASSISTANCE.

(a) IN GENERAL.—

(1) in paragraph (2), by striking “and” at the end and inserting “; and”; and

(2) in paragraph (3), by striking the period at the end and inserting “; and”;

and by adding at the end the following:

“(f) ADDITIONAL RELIEF FOR MAJOR ECONOMIC DISLOCATIONS.—

“(1) GRANT RECIPIENT ELIGIBILITY.—

“(A) IN GENERAL.—To be eligible to receive a grant under subsection (a)(4), a Governor shall submit an application, for assistance described in subparagraph (B), to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(B) TYPES OF ASSISTANCE.—

“(i) IN GENERAL.—Assistance described in this subparagraph is employment and training assistance, including employment and training activities described in section 134; and

(ii) TEMPORARY HEALTH CARE COVERAGE ASSISTANCE described in paragraph (4).

“(ii) MINIMUM ALLOCATION TO TEMPORARY HEALTH CARE COVERAGE ASSISTANCE.—Not less than 20 percent of the total amount requested in any application submitted under this subsection shall consist of the cost for temporary health care coverage assistance described in paragraph (4).

“(iii) ENCOURAGEMENT OF CERTAIN TYPES OF HEALTH CARE COVERAGE.—In publishing requirements for applications under this subsection, the Secretary may encourage the use of private health care coverage alternatives.

“(C) MINIMUM AWARD REQUIREMENT FOR ELIGIBLE STATES AND OUTLYING AREAS.—

“(D) REQUIREMENTS.—In any case in which the requirements of this section are met in connection with one or more applications of the Governor of any State or outlying area for assistance described in subparagraph (B), the Governor—

“(I) shall be awarded at least 1 grant under subsection (a)(4) pursuant to such application, and

“(II) except as provided in clause (ii), shall be awarded not less than $5,000,000 in total grants awarded under (a)(4).

“(D) EXCEPTION TO MINIMUM GRANT REQUIREMENTS.—The Secretary may award to a Governor a total amount less than the minimum total amount specified in clause (ii)(I), and appropriate, if the Governor—

“(I) requests less than such minimum total amount, or

“(II) fails to demonstrate to the Secretary that the grants are a sufficient number of eligible recipients to justify the awarding of grants in such minimum total amount.

Sec. 7527. Advance payment of displaced worker health insurance credit.”
"(2) STATE ADMINISTRATION.—The Governor may designate one or more local workforce investment boards or other entities with the capability to respond to the circumstances relating to the grant under this subsection and other dislocation to administer the grant under subsection (a)(4).

"(3) PARTICIPANT ELIGIBILITY.—An individual eligible to receive assistance described in paragraph (1)(B) under a grant awarded under subsection (a)(4) if such individual is a dislocated worker and the Governor certifies that a major economic dislocation, such as a plant closure, mass layoff, or multiple layoff, including a layoff caused by the terrorist attacks of September 11, 2001, contributed importantly to the dislocation.

"(4) TEMPORARY HEALTH CARE COVERAGE ASSISTANCE.—

"(A) IN GENERAL.—Temporary health care coverage assistance described in this paragraph consists of health care coverage premium assistance provided to qualified individuals under this paragraph with respect to premiums for coverage for themselves, for their spouses, for their dependents, or for any combination thereof, other than premiums for excluded health insurance coverage.

"(B) QUALIFIED INDIVIDUALS.—For purposes of this paragraph—

"(1) A qualified individual is an individual who—

"(II) the Indian Health Care Improvement Act;

"(I) the term 'qualified health care coverage' means coverage under—

"(ii) for a State other than Puerto Rico, the term 'qualified health care coverage' means coverage provided pursuant to this subsection shall supplement and may not supplant any other State or local funds used to provide health care coverage and may not be included in determining the amount of non-Federal contributions required under any program.

"(F) DEFINITIONS.—For purposes of this paragraph—

"(i) such individual is an individual who—

"(I) is in the care of a health care provider who—

"(II) is a qualified individual described in paragraph (1)(B) under a grant awarded under subsection (a)(4) if such individual is a dislocated worker and the Governor certifies that a major economic dislocation, such as a plant closure, mass layoff, or multiple layoff, including a layoff caused by the terrorist attacks of September 11, 2001, contributed importantly to the dislocation.

"(II) LIMITATION.—An individual shall not be treated as a qualified individual if—

"(III) chapter 17 of title 38, United States Code;

"(I) such individual is eligible for coverage under the program under title XIX of the Social Security Act applicable in the State or outlying area, or

"(II) temporary health care coverage assistance described in this paragraph consists of health care coverage premium assistance provided to qualified individuals under this paragraph.

"(II) a dislocated worker referred to in paragraph (3) with respect to whom the Governor has made the certification regarding the dislocation as required under such paragraph, and

"(B) SUCH INDIVIDUAL IS ELIGIBLE FOR COVERAGE UNDER THE PROGRAM UNDER TITLE XXI OF THE SOCIAL SECURITY ACT APPLICABLE IN THE STATE OR OUTLYING AREA, OR

"(C) LIMITATION ON ENTITLEMENT.

"(I) EXCLUDED HEALTH CARE COVERAGE.—The term 'excluded health care coverage' means coverage under—

"(II) the term 'qualified health care coverage' means coverage under—

"(II) LIMITATION.—An individual shall not be treated as a qualified individual if—

"(II) LIMITATION.—An individual shall not be treated as a qualified individual if—

"(II) LIMITATION.—An individual shall not be treated as a qualified individual if—

"(D) CONCURRENCE AND CONSIDERATION.—In connection with any temporary health care coverage assistance provided pursuant to this paragraph—

"(I) if the Secretary determines that health care coverage premium assistance provided pursuant to title XIX or XXI of the Social Security Act is a substantial component of the assistance provided, the Secretary shall act in concurrence with the Secretary of Health and Human Services, and

"(II) in any other case, the Secretary shall consult with the Secretary of Health and Human Services to the extent that such assistance affects programs administered by or under the Secretary of Health and Human Services.

"(E) USE OF FUNDS.—Temporary health care coverage assistance provided pursuant to this subsection shall be charged for the cost of coverage.

"(F) USE OF FUNDS.—Temporary health care coverage assistance provided pursuant to this subsection shall be charged for the cost of coverage.

"(F) USE OF FUNDS.—Temporary health care coverage assistance provided pursuant to this subsection shall be charged for the cost of coverage.

"(G) USE OF FUNDS.—Temporary health care coverage assistance provided pursuant to this subsection shall be charged for the cost of coverage.

"(I) EXCLUDED HEALTH CARE COVERAGE.—The term 'excluded health care coverage' means coverage under—

"(II) title XXV of the Social Security Act;

"(II) chapter 55 of title 10, United States Code;

"(II) chapter 17 of title 38, United States Code;

"(II) chapter 89 of title 5, United States Code (other than coverage which is comparable to continuation coverage under section 4980B of the Internal Revenue Code of 1986), or

"(II) the Indian Health Care Improvement Act;

"(II) PREMIUM.—The term 'premium', means, in connection with health care coverage, the premium which would (but for this section) be charged for the cost of coverage.

"(I) CONSTRUCTION.—

"(I) PERMITTING COVERAGE THROUGH EMPLOYMENT.—Nothing in this subsection shall be construed as prohibiting a State from using funds made available by reason of subsection (a)(4) to provide health care coverage through enrollment in the program under title XIX (relating to Medicaid) or in the program under title XXI (relating to SCHIP) of the Social Security Act, but such enrollment shall not be treated for purposes of this subsection as being eligible for coverage under such program and thereby eligible for assistance under this section.

"(II) LIMITATION.—Nothing in this subsection shall be construed as prohibiting a State from using funds made available by reason of subsection (a)(4) to provide health care coverage through enrollment in the program under title XIX (relating to Medicaid) or in the program under title XXI (relating to SCHIP) of the Social Security Act, but such enrollment shall not be treated for purposes of this subsection as being eligible for coverage under such program and thereby eligible for assistance under this section.

"(II) LIMITATION.—Nothing in this subsection shall be construed as prohibiting a State from using funds made available by reason of subsection (a)(4) to provide health care coverage through enrollment in the program under title XIX (relating to Medicaid) or in the program under title XXI (relating to SCHIP) of the Social Security Act, but such enrollment shall not be treated for purposes of this subsection as being eligible for coverage under such program and thereby eligible for assistance under this section.

"(II) LIMITATION.—Nothing in this subsection shall be construed as prohibiting a State from using funds made available by reason of subsection (a)(4) to provide health care coverage through enrollment in the program under title XIX (relating to Medicaid) or in the program under title XXI (relating to SCHIP) of the Social Security Act, but such enrollment shall not be treated for purposes of this subsection as being eligible for coverage under such program and thereby eligible for assistance under this section.

"(I) CONSTRUCTION.—

"(I) PERMITTING COVERAGE THROUGH EMPLOYMENT.—Nothing in this subsection shall be construed as prohibiting a State from using funds made available by reason of subsection (a)(4) to provide health care coverage through enrollment in the program under title XIX (relating to Medicaid) or in the program under title XXI (relating to SCHIP) of the Social Security Act, but such enrollment shall not be treated for purposes of this subsection as being eligible for coverage under such program and thereby eligible for assistance under this section.

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(b) REPEAL.—Effective as of January 1, 2003, section 2111 of the Social Security Act, as inserted by subsection (a), is repealed.

TITLE XI—SOCIAL SECURITY HELD HARMLESS; BUDGETARY TREATMENT OF ACT

SEC. 1101. NO IMPACT ON SOCIAL SECURITY TRUST FUNDS.

(a) IN GENERAL.—Nothing in this Act (or an amendment made by this Act) shall be construed to alter or amend title II of the Social Security Act (or any regulation promulgated under that Act).

(b) TRANSFERS OF FUNDS.—If, under paragraph (1), the Secretary estimates that the enactment of this Act has resulted in a significant change in the income and balances of the trust funds established under section 210 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general fund of the Treasury, an amount sufficient so as to ensure that the balances of the trust funds are not reduced as a result of the enactment of this Act.

(c) CLARIFICATION OF LIMITATIONS ON OTHER COVERAGE.—The first sentence of section 162(c)(2)(B) of the Internal Revenue Code of 1986 shall not apply to any taxpayer for any calendar month for which the taxpayer participates in any subsidized health plan maintained by an employer described in section 401(c)(4) of the Social Security Act (or the spouse of the taxpayer).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2776. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

SEC. 1102. EMERGENCY DESIGNATION.

Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following:

(1) The amount equal to the amount by which revenues are reduced by this Act below the revenues and balances of the trust funds established under section 210 of the Social Security Act (42 U.S.C. 401), and

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conforming amendments to H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

SEC. 25C. PURCHASE OF A NEW PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYERS.

(a) ALLOWANCE OF CREDIT.—In the case of an individual who is a first-time homebuyer for a new principal residence in the United States during any taxable year, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 10 percent of the purchase price of the residence.

(b) LIMITATIONS.—

(1) MAXIMUM CREDIT.—The credit allowed under subsection (a) shall be $6,500.

(2) LIMITATION TO ONE RESIDENCE.—The credit under this section shall be allowed with respect to only one residence of the taxpayer.

(3) MARRIED INDIVIDUALS FILING JOINTLY.—In the case of a married individual filing a joint return, the credit allowed under this section shall be reduced for any calendar month in which the taxpayer and the spouse of the taxpayer occupy the residence before July 1, 2003.

(4) MARRIED INDIVIDUALS FILING SEPARATELY.—In the case of a married individual filing a separate return, the credit under this section shall be allowed only if both the husband and wife are first-time homebuyers.

(c) DEFINITIONS.—For purposes of this section—

(1) FIRST-TIME HOMEBUYER.—

(A) IN GENERAL.—The term ‘‘first-time homebuyer’’ means an individual who is a first-time homebuyer (as determined by the Secretary of the Treasury). An individual is a first-time homebuyer if—

(i) the individual has no present ownership interest in a principal residence in the United States during the 3-year period ending on the date of the purchase of the principal residence to which this section applies.

(ii) the individual is treated as a first-time homebuyer with respect to any principal residence, such individual may not be treated as a first-time homebuyer with respect to any other principal residence.

(B) NEW PRINCIPAL RESIDENCE.—The term ‘‘new principal residence’’ means a principal residence to which this section applies which begins with the first-time homebuyer.

(C) PRINCIPAL RESIDENCE.—The term ‘‘principal residence’’ has the same meaning as when used in section 26 of the original Act.

(2) PURCHASE AND PURCHASE PRICE.—The terms ‘‘purchase’’ and ‘‘purchase price’’ have the meanings provided by section 1402(c)(5).

(3) CARRYFORWARD OF UNUSED CREDIT.—If the credit allowable under subsection (a) for any taxable year exceeds the limitation imposed by this section, the excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.

(4) REPORTING.—If the Secretary requires information reporting under section 6045 of the Code to be furnished for this section, the Secretary may provide that the information shall be reported in the same manner and at the same time as if it were required under section 6045 for purposes of section 1402.

(5) BASIS ADJUSTMENTS.—The Secretary may reduce the amount of the credit allowable under subsection (a) if the basis of the residence is less than the purchase price of the residence.

(d) CARRYFORWARD OF UNUSED CREDIT.

(e) REPORTING.—If the Secretary requires information reporting under section 6045 of the Code to be furnished for this section, the Secretary may provide that the information shall be reported in the same manner and at the same time as if it were required under section 6045 for purposes of section 1402.

(f) BASIS ADJUSTMENTS.—The Secretary may reduce the amount of the credit allowable under subsection (a) if the basis of the residence is less than the purchase price of the residence.
(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2777. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 1. TEMPORARY REPEAL OF 1993 INCOME TAX INCREASE ON SOCIAL SECURITY BENEFITS.
(a) RESTORATION OF PRIOR LAW FORMULA.—Subsection (a) of section 86 of the Internal Revenue Code of 1986 is amended to read as follows:

"(a) IN GENERAL.—Gross income for the taxable year of any taxpayer described in subsection (b) (notwithstanding section 207 of the Social Security Act) includes social security benefits in an amount equal to the lesser of—

"(1) one-half of the social security benefits received during the taxable year, or

"(2) one-half of the excess described in subsection (b)(1).

(b) RATE OF ADJUSTED BASE AMOUNT.—Subsection (c) of section 86 of such Code is amended to read as follows:

"(c) BASE AMOUNT.—For purposes of this section, "base amount" means—

"(1) except as otherwise provided in this subsection, $25,000,

"(2) $32,000 in the case of a joint return, and

"(3) zero in the case of a taxpayer who—

"(A) is married as of the close of the taxable year (within the meaning of section 7703) and does not file a joint return for such year, and

"(B) does not live apart from his spouse at all times during the taxable year.

(c) CONFORMING AMENDMENTS.—
(1) Subparagraph (A) of section 87(a)(3) of such Code is amended by striking "85 percent" and inserting "50 percent.

(2)(A) Subparagraph (A) of section 121(e)(1) of the Social Security Amendments of 1983 (Public Law 98-92) is amended—

"(A) by striking "(A) There", and inserting "There",

"(B) by striking "(i) immediately following "amounts equivalent to"; and

"(C) by striking ", less (1)", and all that follows through period; and

"(D) Paragraph (1) of section 121(e) of such Act is amended by striking subparagraph (B).

(3) Paragraph (3) of section 121(e) of such Act is amended by striking subparagraph (B) and by redesignating subparagraph (C) as subparagraph (B).

(D) Paragraph (2) of section 121(e) of such Act is amended in the first sentence by striking "paragraph (1)(A)" and inserting "paragraph (1)."

(d) MAINTENANCE OF TRANSFERS TO HOSPITAL INSURANCE TRUST FUND.—There are hereby appropriated to the Hospital Insurance Trust Fund established under section 1817 of the Social Security Act amounts equal to the reduction in revenues to the Treasury by reason of the enactment of this section.

(1) Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund had this section not been enacted.

(e) EFFECTIVE DATE.— Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years beginning after December 31, 2001, and before January 1, 2004.

(2) SUBSECTION (c)(1).—The amendment made by subsection (c)(1) shall apply to benefits paid after December 31, 2001, and before January 1, 2004.

(3) SUBSECTION (c)(2).—The amendments made by subsection (c)(2) shall apply to tax liabilities for taxable years beginning after December 31, 2001, and before January 1, 2004.

SA 2778. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 2. REPEAL OF 1993 INCOME TAX INCREASE ON SOCIAL SECURITY BENEFITS.
(a) RESTORATION OF PRIOR LAW FORMULA.—Subsection (a) of section 86 of the Internal Revenue Code of 1986 is amended to read as follows:

"(a) IN GENERAL.—Gross income for the taxable year of any taxpayer described in subsection (b) (notwithstanding section 207 of the Social Security Act) includes social security benefits in an amount equal to the lesser of—

"(1) one-half of the social security benefits received during the taxable year, or

"(2) one-half of the excess described in subsection (b)(1).

(b) RATE OF ADJUSTED BASE AMOUNT.—Subsection (c) of section 86 of such Code is amended to read as follows:

"(c) BASE AMOUNT.—For purposes of this section, "base amount" means—

"(1) except as otherwise provided in this subsection, $25,000,

"(2) $32,000 in the case of a joint return, and

"(3) zero in the case of a taxpayer who—

"(A) is married as of the close of the taxable year (within the meaning of section 7703) and does not file a joint return for such year, and

"(B) does not live apart from his spouse at all times during the taxable year.

(c) CONFORMING AMENDMENTS.—
(1) Subparagraph (A) of section 87(a)(3) of such Code is amended by striking "85 percent" and inserting "50 percent.

(2)(A) Subparagraph (A) of section 121(e)(1) of the Social Security Amendments of 1983 (Public Law 98-92) is amended—

"(A) by striking "(A) There", and inserting "There",

"(B) by striking "(i) immediately following "amounts equivalent to"; and

"(C) by striking ", less (1)", and all that follows through period; and

"(D) Paragraph (1) of section 121(e) of such Act is amended by striking subparagraph (B).

(3) Paragraph (3) of section 121(e) of such Act is amended by striking subparagraph (B) and by redesignating subparagraph (C) as subparagraph (B).

(D) Paragraph (2) of section 121(e) of such Act is amended in the first sentence by striking "paragraph (1)(A)" and inserting "paragraph (1)."

(d) MAINTENANCE OF TRANSFERS TO HOSPITAL INSURANCE TRUST FUND.—There are hereby appropriated to the Hospital Insurance Trust Fund established under section 1817 of the Social Security Act amounts equal to the reduction in revenues to the Treasury by reason of the enactment of this section.

(1) Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund had this section not been enacted.

(e) EFFECTIVE DATE.— Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years beginning after December 31, 2001.  

(2) SUBSECTION (c)(1).—The amendment made by subsection (c)(1) shall apply to benefits paid after December 31, 2001, and before January 1, 2004.

(3) SUBSECTION (c)(2).—The amendments made by subsection (c)(2) shall apply to tax liabilities for taxable years beginning after December 31, 2001, and before January 1, 2004.
room 465 Russell Senate Building to conduct an oversight hearing on Legislative Proposals relating to the statute of limitations on claims against the United States related to the management of Indian tribal trust fund accounts.

Those wishing additional information may contact the Indian Affairs Committee at (202) 224-2251.

PRIVILEGES OF THE FLOOR

Mr. GRASSLEY. Madam President, I ask unanimous consent that Dariusz Marzec, Stephen Seale, and Jeffrey Griswold, interns from the Senate Finance Committee, be granted the privilege of the floor during debate on the economic stimulus bill.

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

Mr. GRASSLEY. Madam President, I ask unanimous consent that Elmer Ransom, a fellow on the Finance Committee staff, be accorded floor privileges for the remainder of Senate consideration of H.R. 622.

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

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. I ask unanimous consent that the Senate proceed to executive session to consider Calendar No. 634; that the nomination be confirmed, the motion to reconsider be laid on the table, and the Senate return to legislative session.

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

Mr. REID. Mr. President, as in executive session, I ask unanimous consent it be in order to request the yeas and nays on the nomination at this time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. REID. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays were ordered.

CONGRATULATING THE NEW ENGLAND PATRIOTS FOR WINNING SUPER BOWL XXXVI

Mr. REID. Mr. President, I ask unanimous consent the Senate proceed to S. Res. 202 submitted earlier today by Senators KENNEDY, KERRY, and REED.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 202) congratulating the New England Patriots for winning Super Bowl XXXVI.

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to en bloc, the motion to reconsider be laid on the table, and that any statements relating thereto be printed in the RECORD, with no intervening action or debate. The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 202) was agreed to.

The preamble was agreed to.

TEMPORARY MAJORITY APPOINTMENTS TO THE SELECT COMMITTEE ON ETHICS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to S. Res. 203 submitted earlier today by Senator DASCHLE; that the resolution be agreed to, and the motion to reconsider be laid on the table with no intervening action.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 203) making temporary majority appointments to the Select Committee on Ethics.

There being no objection, the Senate proceeded to consider the resolution.

The resolution (S. Res. 203) was agreed to.

(The text of the resolution is printed in today’s RECORD under “Submitted Resolutions.”)

DISCHARGE AND REFERRAL OF H.R. 2595

Mr. REID. Mr. President, I ask unanimous consent that the Armed Services Committee be discharged from further consideration of H.R. 2595, and that the bill be referred to the Committee on Environment and Public Works.

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

ORDERS FOR TUESDAY, FEBRUARY 5, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10 a.m., Tuesday, February 5, that following the prayer and pledge 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 that there be a period of morning business until 10:15 a.m., with Senators permitted to speak for up to 5 minutes each; further, that the Senate recess from 12:30 p.m. until 2:15 p.m. for the weekly party conferences.

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

PROGRAM

Mr. REID. Mr. President, the next rollcall vote will occur at 10:30 tomorrow morning regarding the nomination of Philip Martinez to be U.S. District Judge for the Western District of Texas.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:30 p.m., adjourned until Tuesday, February 5, 2002, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 4, 2002:

FRANCIS JOSEPH RICHARDSON, JR. OF NEW HAMPSHIRE, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLeniPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF THE PHILIPPINES AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLeniPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PALAU.

The above nomination was approved subject to the nominee’s committee to respond to request to appear and to serve, and any duly constituted committee of the Senate.

THE JUDICIARY

CALLIE V. GRANADE, OF ALABAMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF ALABAMA.
HONORING CONTRIBUTIONS OF
CATHOLIC SCHOOLS

SPEECH OF
HON. SAM GRAVES
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. GRAVES. Mr. Speaker, I rise today to honor the Catholic Church for its contributions to American education and charitable service. Catholic schools have been a cornerstone of American society for over 150 years, providing education, faith, and moral values to millions of students.

Mr. Speaker, I am pleased to recognize the contributions of our Catholic schools and look forward to their continued success.

HONORING NURSE EXECUTIVE LORNA BONYHADI

HON. GEORGE RADANOVICH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. RADANOVICH. Mr. Speaker, I rise today to honor Lorna Bonyhadi on the occasion of her retirement as Nurse Executive for the Department of Veterans Affairs. Ms. Bonyhadi has served veterans and nurses for the past 38 years and has been an advocate for both patients and nurses.

Ms. Bonyhadi completed her bachelor’s degree at Ohio State University in Columbus and graduated Summa Cum Laude. She received her master’s degree from California State University in Fresno with distinction.

Ms. Bonyhadi’s career working in VA hospitals has taken her all across the country. The majority of her career, however, has been spent in Fresno. From 1967–1973 she served in the VA Medical Center in 1990 as the Associate Chief of Nursing Service for the Ambulatory and Critical Care units. Since 1997, Ms. Bonyhadi has been the Nurse Executive of the VA Central California Health Care System, Outside Fresno, Ms. Bonyhadi served as Head Nurse, Clinical Coordinator, Clinical Specialist, Educational Coordinator, and other positions in a variety of VA Medical centers in Ohio, San Francisco, Minnesota, Georgia, and Illinois.

Mr. Speaker, I rise today to congratulate Ms. Bonyhadi on her retirement and thank her for her tireless service to our nation’s veterans. I urge my colleagues to join me in honoring Ms. Bonyhadi for a job well done and wishing her many more years of continued success.

HONORING EXECUTIVE DIRECTOR JERRY ADAMS

HON. IRENE SKELETON
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. SKELTON. Mr. Speaker, let me take this opportunity to pay tribute to Jerry Adams, who recently retired from the U.S. Army Corps of Engineers where he served as Executive Director of the Kansas City District. He has distinguished himself, the Corps and our nation with dedicated service.

Mr. Adams began his career with the Corps in 1966 in the drafting section, where he worked with draftsmen and mathematicians on channel stabilization projects. Soon he became leader of this group. In 1975, Mr. Adams served as supervisor and project manager of the Corps’ part in the celebration of the nation’s bicentennial. In this role, Mr. Adams directed the operation and manning of the Sergeant Floyd and two mobile displays. The Sergeant Floyd, a 1932 channel reconnaisance boat, was converted into a floating museum telling the 200-year story of the Corps. Its 13-man crew traveled more than 20,000 miles over 18 months. The Floyd’s multimedia theater was duplicated in two mobile displays that traveled America for 14 months, visiting many of the country’s landmarks. Under Mr. Adams’ leadership, the Corps won the Silver Anvil Award from the Public Relations Society for the bicentennial effort.

Following the bicentennial project, Mr. Adams was appointed chief of the District’s Emergency Management section. During his 12 year tenure, the one-person office became a stand-alone division with six full-time employees. Mr. Adams office was regarded as the premier emergency management office in the Corps. Mr. Adams established associations with the American Red Cross and the Salvation Army which brought great credit upon the Corps and the Office.

In 1989 Mr. Adams assumed duties as the Executive Officer. In this position Mr. Adams was an active member of the senior staff and participated in numerous organization and events. He helped to organize employee’s donations to the combined federal campaign. Mr. Adams was also involved in supporting the creation of Day of Caring, today a nation wide volunteering event.

Mr. Adams is a member of the Society of Government Meeting Planners, having served as president, the Mid-America Regional Council, chairing the Emergency Preparedness Committee, and is active in the Boy Scouts. He is the holder of the Bronze deFleury Medal and numerous other awards from local commanders, community leaders and members of Congress.

Mr. Speaker, Jerry Adams has dedicated over 35 years to the U.S. Army Corps of Engineers. As he prepares for this next stage in his life, I am certain that my colleagues will join me in wishing Jerry all the best.

This “bullet” symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
PERSONAL EXPLANATION

HON. DONALD A. MANZULLO
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. MANZULLO. Mr. Speaker, I rise to inform you that I was unavoidably detained during two votes:

H. Res. 330—rollcall 3—Expressing the Sense of the House Regarding the Benefits of Mentoring. Had I been present I would have voted "yea."

S. 1762—rollcall 4—Extending the Current Index for Student Loan Interest Rates and Extending Current Law with Respect to Special Allowance for Lenders. Had I been present I would have voted "yea."

TRIBUTE TO DEREK E. BROOMES,
CPA

HON. JOSE E. SERRANO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to Mr. Derek E. Broomes, CPA, an esteemed administrator and public policy expert who is being honored on February 1 by the Caribbean American Chamber of Commerce and Industry, Inc. (CACCI) and The Friends of Derek E. Broomes at a Special Black History Month Tribute program in the Bronx.

Mr. Broomes is an influential leader in the Bronx's economic business development, particularly in the area of minority business. Since 1995, when he became the first Chief Financial Officer of the Bronx Overall Economic Development Corporation (BOEDC), Mr. Broomes has been the key component to the bolstering of economic development programs and small business initiatives for the Bronx. Among his many accomplishments is the role that he played in the establishment of the first SBA 504 Certified Development Company in the Bronx, the Bronx Initiative Corporation (BIC). The revitalization of the Bronx is also significantly due to the organizational and financial structure that Mr. Broomes developed for the Bronx Empowerment Zone. The Bronx Empowerment Zone is one of approximately 9 such Zones in the United States. The Empowerment Zone initiative aims to bring communities together through public and private partnerships in order to attract the investment necessary for sustainable economic and community development. Mr. Broomes took this initiative and made it a reality in the Bronx. He helped Bronx leaders identify the specific problems that the community's businesses faced and acted as a consultant to the Bronx borough president to actively address and alleviate these problems.

Mr. Speaker, Mr. Broomes has held myriad important positions throughout his illustrious career. He has served as the Deputy Commissioner and Chief Contracting Officer for the New York City Human Resources administration. He also held the position of Inspector General of the New York City's Department of Investigation. Beyond Mr. Broomes' extensive professional feats, he also possesses a distinguished list of honors and credentials. Originally from Guyana, Mr. Broomes spent his young adulthood being educated at London's esteemed institutions. He received a diploma in Economics and Finance from London's School of Economics and diplomas in Mathematics and Physics from the University of London. Mr. Broomes continued his education in the United States by earning a Masters of Science/CPA degree in Public Accounting and Finance from the Graduate School of the City University of New York and also attending New York University Graduate School of Business.

In 2000, I presented Mr. Broomes with the Congressional Outstanding Achievement Award to commend and thank him for all that he has done to promote economic progress in the Bronx. I feel it necessary to honor him once again for all of the work that he has done in the past two years and for being recognized by the reputable CACCI, an organization that also elected him as Chairman of the Board in 2000. He was also recently appointed Finance Chairman for the Lehman Center for the Performing Arts of Lehman College of City University.

There is no question in my mind as to why Mr. Broomes is being honored by his colleagues and neighbors this February 1. I urge my esteemed colleagues to join me in commending Mr. Derek E. Broomes for his outstanding achievements and invaluable contributions to the Bronx.

HONORING MR. HENRY BROWN,
BROWARD COUNTY’S TEACHER OF THE YEAR AND STATE OF FLORIDA’S TEACHER OF THE YEAR 2002

HON. ALCEE L. HASTINGS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. HASTINGS of Florida. Mr. Speaker, I rise before you today to honor Mr. Henry Brown, Broward County’s Teacher of the Year 2002 and the State of Florida’s Teacher of the Year 2002, being named a finalist for the National Teacher of the Year Award.

Mr. Speaker, Mr. Brown is one of only four teachers from around the United States named as a finalist for the title of the nation’s top teacher! This is the first time in Broward’s history—and only the seventh time for the State—that a Florida teacher has made it to the national level.

Considered an at-risk student when he was in elementary school, Mr. Brown experienced many of the same problems today’s students face. It wasn’t until the day when a teacher saw a spark in young Henry that took an interest that he turned his life around. Because Mr. Brown has “been there, done that,” he understands how to connect with students. It’s his ability to reach students and provide a rich learning environment that makes Mr. Brown an outstanding choice for National Teacher of the Year 2002.

Mr. Brown’s career began eight years ago as a mathematics teacher at Hallandale Adult/Community Center. Over the years, Mr. Brown has learned that the best way to reach students is to give them a sense of industry rather than a sense of inferiority.

Having a classroom filled with students facing a wide variety of challenges, Mr. Brown learned early on that he needed different ways of teaching different students. Some of the “real world” activities he uses include resume writing, practicing interviewing skills and calculating sales tax and sales prices using newspaper ads. His approach has proven successful, with his students increasing standardized test scores by an average of 22 percent.

Mr. Speaker, one thing is clear. Mr. Brown is a shining example that no student is a lost cause and that every student can learn and turn their lives around, given the opportunity. All it takes is a good teacher to see a spark and nurture it until it becomes a fire.

HONORING HIS EMINENCE
METROPOLITAN MAR Enoch

HON. GEORGE RADANOVICH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. RADANOVICH. Mr. Speaker, I rise today to honor His Eminence Mar Enoch on the occasion of the 5th anniversary of his Episcopacy. Mar Enoch serves the Fresno area and the entire Central Valley in his position as Metropolitan Mar Enoch of the Mar Thoma Orthodox Church.

The Mar Thoma Orthodox Church is associated with the Diocese of Thoziyur, India, and the Indian Orthodox Church. Mar Enoch has devoted his life to his faith and the pastoral service of those in the Orthodox Church. However, Mar Enoch’s service extends beyond members of his own faith, to his community and the entire nation.

Mr. Speaker, I rise today to congratulate His Eminence Mar Enoch on this anniversary of his Episcopal elevation. I invite my colleagues to join me in thanking Mar Enoch for his community service and wishing him many more years of continued success.

TRIBUTE TO LAFAYETTE COUNTY C-1 MIDDLE SCHOOL

HON. IKE SKELTON
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. SKELTON. Mr. Speaker, I take this opportunity to honor Lafayette County C-1 Middle School for raising $8,500 for the victims of the tragedy on September 11. These patriotic students and teachers designed, produced and sold t-shirts to honor the victims in New York City and Washington, DC.

After the attacks of September 11, Rhonda Boedeker and Paulette Augustine, teachers at Lafayette County C-1 and Cassie Schmidt, owner of Special Tees decided they wanted to do something to help their fellow Americans. With the help of fifteen local art students, the group worked tirelessly to make their project a success. The students and volunteers donated over 180 hours of their time and sold 2,700 t-shirts. These efforts raised $8,500 that was donated to the American Red Cross.

Mr. Speaker, these philanthropists dedicated their time and efforts to help those in need in New York City and Washington, DC. I know that Members of the House will join me in paying tribute to their outstanding commitment to public service.
PERSONAL EXPLANATION

HON. DONALD A. MANZULLO
OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. MANZULLO. Mr. Speaker, due to a family health emergency, I was unable to be present for roll call vote number 5 on Tuesday, January 29, 2002. Had I been present, I would have voted “yea.”

HONORING CONTRIBUTIONS OF CATHOLIC SCHOOLS

SPEECH OF

HON. TIM ROEMER
OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. ROEMER. Mr. Speaker, I rise in strong support of H. Res. 355, honoring the contributions of Catholic schools. I am pleased to have voted for this bipartisan resolution when it was passed unanimously by the House of Representatives on January 29, 2002.

The successes of Catholic schools can be seen around the country and particularly in my home district. They traditionally have a stronger academic curriculum, greater parental involvement, and few disciplinary problems. Catholic schools teach students not only of the importance of academic achievement, but also provide them with a perspective on life that promotes justice, responsibility and social service. Moreover, Catholic schools have considerable ethnic and racial diversity with 25 percent of school children enrolled in Catholic schools are minorities. More children in Catholic schools, go to college, and give back to the community through volunteer service.

While we are honoring the achievements of Catholic schools, we must also look at the reasons that students in Catholic schools are succeeding at greater rates than children in public schools. Dr. Maureen Hallinan with the Institute of Educational Initiatives at the University of Notre Dame is working to do just that. Dr. Hallinan is conducting a comparative analysis of public and non-public schools and their effects on student achievement. This research will identify the characteristics of those schools that successfully promote student achievement, especially for at-risk students. The results will provide immediate and practical input for school personnel in both the public and private sector in helping them design and implement educational reforms to improve the academic performance of all students.

Mr. Speaker, for these reasons, I support this important resolution and encourage Catholic schools to continue contributing to the development of strong moral, intellectual and social values in America’s young people.

THE INDEPENDENT INVESTMENT ADVISORS ACT OF 2002

HON. ALICE L. HASTINGS
OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. HASTINGS of Florida. Mr. Speaker, I rise today to introduce the Independent Investment Advisors Act of 2002.

The sudden and unexpected bankruptcy of the Enron Corporation has raised a multitude of questions and concerns regarding current auditor independence laws. Furthermore, it highlighted the obvious conflict of interest that arises when an auditor has a financial interest in the company he or she is auditing.

In November, 2001, days before filing for Chapter 11, Enron disclosed to the public that it had overstated its profits by more than $580 million since 1997. This means that for five years, the Enron Corporation lied to its investors and employees about its earnings. At the same time, the company he or she is auditing.

The results will provide immediate and practical input for school personnel in both the public and private sector in helping them design and implement educational reforms to improve the academic performance of all students.

Mr. Speaker, for these reasons, I support this important resolution and encourage Catholic schools to continue contributing to the development of strong moral, intellectual and social values in America’s young people.

rate, and reliable evaluation of publicly owned enterprises. The Independent Investment Advisors Act of 2002 is a good start in accomplishing this difficult task, and I urge the House to pass it quickly.

HONORING JEFFREY DONALD GWARTNEY

HON. GEORGE RADANOVICH
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. RADANOVICH. Mr. Speaker, I rise today to honor Jeffrey Gwartney on the occasion of the end of his term as President of the Chowchilla Chamber of Commerce. Mr. Gwartney has served on the Chowchilla Chamber since 1998. Prior to taking office as President in 2001, Mr. Gwartney first served as the Vice President in 2000.

Mr. Gwartney demonstrated his commitment to his community by returning to where he was raised to serve as a professional photographer. He participated in and studied photography and journalism during his years at Chowchilla Union High School and California State University, Fresno, and on into the business world. While his management positions in the photo labs of Wal-Mart took him to Southern California for a time, Mr. Gwartney moved back to Chowchilla at the earliest opportunity.

Mr. Gwartney opened his own photography studio in Chowchilla in 1998. He continues to be actively involved in his community. His service on the Chowchilla Chamber of Commerce is a testament to his professionalism and commitment to the community. Jeffrey Gwartney and his wife, Jennifer, are the proud parents of three sons, Jonathan, Jordan, and Joshua.

Mr. Speaker, I rise today to recognize Jeffrey Gwartney, for his contribution to Chowchilla and the San Joaquin Valley. I invite my colleagues to join me in wishing him many more years of continued success.

FOXBORO HAILS PATRIOTS SUPER BOWL WIN

HON. BARNEY FRANK
OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. FRANK. Mr. Speaker, sometimes we get blamed for things that are not our fault. This is however often offset by occasions when we can bask in the reflected glory generated by the great deeds of others.

As the House Member representing Foxboro where the New England Patriots play their home games, I am in that happy latter situation today. So I express my congratulations to the Patriots for their incredible season, topped off by their dramatic last-minute examples of how to perform under the greatest pressure. The people in the Fourth Congressional District appreciate being the home of the Super Bowl Champs.
HON. JAMES R. LANGEVIN
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Monday, February 4, 2002

Mr. LANGEVIN. Mr. Speaker, I rise today to bring to the House’s attention a valuable report on the state of the union for Americans with Disabilities.

As a quadriplegic since the age of 16, I believe that the Americans with Disabilities Act has not only helped me and others with disabilities, but has also enabled society to benefit from the skills and talents of the 54 million individuals with disabilities. The landmark legislation has also provided people with disabilities the chance to lead more productive and satisfying lives that include integration into America’s social infrastructure.

However, there is still much to be done so I am pleased to highlight the efforts of the National Organization on Disability, which celebrates the 10th anniversary of the nation and the presidency, the establishment of the disability community, and the passage of the Americans with Disabilities Act.

The State of the Union Address that President George W. Bush delivered on January 29, 2002, examined the terrorist attacks on the country just over four months ago, and the overwhelming national and international response to them. The President also spoke to the country about the core issues of the nation and his presidency, especially the economy; employment; education; access to the goods and services people want and need; and strengthening the social fiber, commitment to service, and protection of civil rights that are core elements of our national pride.

One large segment of the population that is directly impacted by the issues raised in the President’s speech, and the country’s approach, is the disability community. As many as one in five Americans—54 million men, women and children—live with disabilities, as of course do their family members, friends, and service providers. Disabilities run a wide gamut, including mental and physical conditions; visible and non-visible ones; conditions that people are born with, or develop during their lifetimes as a result of illness, age, accident, or attack; and ones that have varying degrees of severity.

But all fall within a common definition: They are some of the most disadvantaged in our society. But people’s ability to participate fully in one or more major life activities. Nobody should dismiss disability issues as unimportant to them, for any person can join the disability community in an instant.

As detailed below, Americans with disabilities remain pervasively disadvantaged in all aspects of American life. In his second week in office, President Bush sent a strong message of concern about this situation when he announced the New Freedom Initiative.

Coming a decade after his father signed the Americans with Disabilities Act (ADA), the New Freedom Initiative lays out an ambitious agenda for assuring the full participation of all people with disabilities in American life. The New Freedom Initiative holds much promise. We look forward to working with the government and the American people to bring it to fruition.

The Disability Community in a Changed World

September 11 and its aftermath stunned, shook and saddened the nation. The terrorist attacks made us realize especially those touched by disabilities, reevaluate our lifestyles, and consider what we could change to better protect ourselves and our loved ones. We now find ourselves on the arm of wheel-chair users who perished while awaiting rescue when the World Trade Center towers fell. We also were inspired by the stories of several people with disabilities and survived. One man escaped after walking down dozens of flights of stairs on his artificial leg, and another with the aid of his guide dog. Wheelchair users were carried to safety by their colleagues.

These survivors, like many of the others who escaped before the towers collapsed, benefited from intensive emergency drills that had been conducted since the World Trade Center bombing in 1993. Their survival is testament to how critical emergency planning and preparedness is—whether the emergency is natural, man-made or terrorist-driven.

This has inspired a new focus in the disability community on preparedness. According to a late 2001 Harris Poll survey released by the National Organization on Disability (N.O.D.), 58 percent of people with disabilities say they know whom to contact about emergency plans for their community in the event of a terrorist attack or other crisis. Sixty-one percent say that they have not made plans to quickly and safely evacuate their home. Among those who are employed full or part time, 50 percent say no plans have been made to safely evacuate their workplace.

All these percentages are higher for those without disabilities. The country as a whole has much catching up to do to be prepared, but people lag behind everyone else. This is a critical discrepancy, because those of us with disabilities must in fact be better prepared to not be at a disadvantage in an emergency.

Intense national planning for emergencies is needed. This requires the enthusiastic cooperation of the government, business, and communities. People with disabilities should not be considered only as beneficiaries of emergency preparedness plans devised by others—they are able, collaborating contributing their unique perspectives, insights and experiences, so the resultant plans will be the best for all Americans. People with disabilities belong in the workforce, and Congress must indeed make it a priority to strengthen and defend the legislation that affirms employment as a natural expectation. The Supreme Court will hear other cases that test the ADA. The Court must recognize that when it interprets the will of Congress and the Constitution, it has the duty to strengthen rather than weaken the ADA—and strengthening it reflects the will of the vast majority of Americans.

Access to Transportation

The slowing economy was a significant concern for Americans with disabilities. One cannot get to it? How can one afford one cannot get to it? How can one have a job if one cannot get to it?

Two recent employment-related Supreme Court decisions in Toyota v. Williams and Barrett v. Alabama decision threatened the implementation of the ADA. This month’s decision in Toyota v. Williams continues a disturbing trend by the Court to narrow the ADA’s protective coverage and reduce the ADA’s benefits. The Supreme Court will hear other cases that test the ADA. The Court must recognize that it interprets the will of Congress and the Constitution.

Employment

The slowing economy was a significant issue for Toyota v. Williams and Barrett v. Alabama decision. The Supreme Court decision threatened the implementation of the ADA. This month’s decision in Toyota v. Williams continues a disturbing trend by the Court to narrow the ADA’s protective coverage and reduce the ADA’s benefits. The Supreme Court will hear other cases that test the ADA. The Court must recognize that it interprets the will of Congress and the Constitution.

Income Levels

It is not surprising, given the lower rate of employment for people with disabilities, that a significant income gap exists between those with and without disabilities. People who have disabilities are roughly three times as likely to live in poverty, with annual household incomes below $15,000 (29 percent versus 10 percent). Conversely, people with disabilities are less than half as likely to live in households that earn more than $50,000 annually (16 percent versus 39 percent). This income gap contributes to and compounds the disadvantages people with disabilities face.

Access to Transportation

People who have disabilities often have insufficient access to transportation. With 30 percent citing this as a problem—three times the rate of the non-disabled. This creates a catch-22 situation: How can one have a job if one cannot get to it? Does one have a job? If one has a job, can one afford transportation if one does not have a job? There is an urgent need for more and better disability-friendly transportation in the cities and towns of America.

Access to Health Care

Health care is also less accessible to Americans with disabilities, who often are the
citizens needing it most. Due in large part to their limited employment and reduced discretionary income, people with disabilities are more than twice as likely to delay needed health care because they cannot afford it (28 percent versus 12 percent of others).

There is a critical need for further legislation to protect people with disabilities who need medical treatment, and aid them in getting the treatments they need. Congress and the Administration must pass the patients’ bill of rights; expand health insurance coverage to cover all Americans, including those who are not employed; and ensure that people’s opportunities to fully participate in life activities are not artificially restricted by their limited access to healthcare.

Education

Opportunity begins, in so many ways, with education. Currently, young people with disabilities are more than twice as likely to drop out of high school (22 percent versus 9 percent), and only half as likely to complete college (12 percent versus 23 percent). Education for students with disabilities is a critical priority. Students with special needs must be given the chance to develop their skills and their minds so they can be prepared for the work of the future. In the first decade of the new millennium, America should dramatically close these gaps in opportunities for students with disabilities.

It is critical that Congress has increased funding for the Individuals with Disabilities Education Act (IDEA) 19 percent this year to $7.5 billion. This investment will pay huge dividends for the students and families impacted, for the IDEA, and for the country.

Tremendous progress has been made in “mainstreaming” students with disabilities since the IDEA was first introduced nearly three decades ago. Mainstreaming is a win-win situation that increases opportunities for those students, and also acclimates other students to peer interaction. Youngsters who have friends and acquaintances with disabilities learn to move beyond the disability and judge the real person. They grow up expecting to interact with diverse people in the workforce and in their communities, disdaining prejudices and stereotypes in the process.

Community Life

It is in the communities of this nation that its 54 million citizens with disabilities go about their daily lives, and this is where these advances need to be involved. Great progress has been made; commitments from mayors and other leaders have transformed many communities. Disability advocates, no longer willing to be separated from the rest of society, have pushed their communities into becoming more accessible and welcoming places. There is much work still to be done.

Thirty-five percent of people with disabilities say they are not at all involved with their communities, compared to 21 percent of their non-disabled counterparts. Not surprisingly then, those with disabilities are one and a half times as likely to feel isolated from others or left out of their community than those without disabilities.

The current efforts for disaster mobilization and evacuation, in particular, afford an opportunity for the disability community to remind civic leaders of their responsibility to plan for all citizens. This work may open dialogue in many new and that of those with disabilities will be full and equal participants in American life. This is our dream for the State of the Union.

mosques need to be accessible to all who wish to worship. With the theme “Access: It begins in the heart,” thousands of houses of worship have enrolled in the Accessible Congregations Campaign. Hopefully many other congregations in the country also will commit to identifying and removing barriers of architecture, communications and attitudes that prevent people with disabilities from practicing their faith.

Political Involvement

Citizens with disabilities want to vote, and are doing so at increasing rates. What had been a 20 percentage point participation gap—31 percent versus more than 50 percent—in the election immediately followed when 41 percent of voting-aged citizens with disabilities cast ballots in 2000. This followed a national get-out-the-disability-vote effort. But many polling places remain inaccessible to wheelchairs and have limited mobility. Once inside the building, others encounter voting machines they cannot use. Persons with limited vision or hand strength are particularly disadvantaged at the polls. People with disabilities want to vote on election day, at the polls, just like everyone else.

Technological improvements now available could make voting at the polls possible for nearly all people with disabilities. All that is needed is the will, or a legal requirement, to put such voting machines into use. The contested 2000 Presidential Election showed that every vote counts. The disability community is determined to have full enfranchisement.

Late in 2001, the House of Representatives passed a bill that did not adequately address the above issues. The Senate’s version of the bill, currently under review, is far more promising. Millions of voters and potential voters will be tracking this legislation in the hope that it will improve the voting system for all Americans. None of the barriers that have kept citizens with disabilities from voting should be allowed to remain by the time of the 2004 Presidential election, and the disability community calls on the government at all levels to ensure these obstacles are removed.

The Overall Picture

A clear majority of people with disabilities, 63 percent, say that life has improved for the disability community this decade. But when asked about life satisfaction, only 33 percent say they are very satisfied with their life in general—half as many as among those without disabilities. There is much work to be done to increase the quality of life for many Americans. None of the barriers that have kept citizens with disabilities from voting should be allowed to remain by the time of the 2004 Presidential election, and the disability community calls on the government at all levels to ensure these obstacles are removed.

Anyone with a disability perspective who travels abroad returns impressed by the way America is, in many ways, the world leader in access, opportunity, and inclusion for people with disabilities. Much progress has been made, and much more have, and conditions they acquire, will be full and equal participants in American life. This is our dream for the State of the Union.

TRIBUTE TO MANHATTAN BEER DISTRIBUTORS

HON. JOSÉ E. SERRANO
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to Manhattan Beer Distributors, the first private, non-utility company in the Bronx to use heavy duty Compressed Natural Gas (CNG) trucks to make deliveries. Manhattan Beer Distributors will roll out its first CNG delivery trucks at a ceremony on Monday, February 4, 2002.

Mr. Speaker, Manhattan Beer Distributors first established a facility in the Bronx in 1979. The Bronx site is located on Walnut Avenue, in the industrialized and heavily trafficked area of the Bronx known as Port Morris. Today, the company employs 468 people at its Bronx facility, operates 95 vehicles and has an estimated 30 percent share of the beer market in the New York metropolitan area.

Under the leadership of its President, Simon Bergson, and Vice President Mike McCarthy, Manhattan Beer Distributors will begin the transformation of its fleet with 15 heavy-duty vehicles that will operate exclusively on CNG. The dispatch of these first fifteen could be the ground-breaking catalyst for changing the infrastructure of the South Bronx, from one where pollutant emissions from multitudes of vehicles threaten the delicate health of our children to one where commercial operations can harmoniously co-exist with adjacent residential communities. Manhattan Beer Distributors deserves tribute for its initiative in this project and I hope that many other companies will do the same.

Mr. Speaker, Manhattan Beer Distributors’ use of alternative fuel contributes toward several local, regional and national interests. By reducing pollutant emissions through the use of CNG to power delivery trucks, Manhattan Beer Distributors helps improve our air quality. In addition, using CNG helps reduce our nation’s dependence on foreign oil, which strengthens our nation’s energy security and reduces our nation’s trade deficit. Because it has installed a permanent CNG station, it is likely that the Manhattan Beer fleet will evolve into a total clean fuel fleet. The success of this project will demonstrate that other truck-based businesses in the Bronx can make similar improvements. These are the kinds of contributions to environmental quality and economic development that inspired me to introduce legislation providing tax incentives for businesses that use alternative fuels in federal empowerment zones.

Mr. Speaker, our nation must do all that it can to support businesses like Manhattan Beer Distributors, who willingly exercise good corporate citizenship. I heartily urge all of my esteemed colleagues to join in honoring this bold, conscientious and innovative enterprise.
SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1997, 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 on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, February 5, 2002 may be found in the Daily Digest of today’s RECORD.

MEETINGS SCHEDULED

FEBRUARY 6

9 a.m.

Governmental Affairs
To hold hearings to examine the nomination of Jeanette J. Clark, to be an Associate Judge of the Superior Court of the District of Columbia.
SD-342

9:30 a.m.

Aging
Health, Education, Labor, and Pensions

Aging Subcommittee
To hold joint hearings to examine women and aging, focusing on long term care.
SD-106

Energy and Natural Resources
To hold hearings on S. 1766, to provide for the energy security of the Nation, focusing on the effects of Subtitle B, amendments to the Public Utility Holding Company Act on energy markets and energy consumers.
SD-366

10 a.m.

Banking, Housing, and Urban Affairs
To continue hearings to examine the state of financial literacy and education in America.
SD-538

Judiciary
To hold hearings to examine accountability issues surrounding the fall of Enron Corporation.
SD-226

Budget
To hold hearings to examine the President’s proposed budget for fiscal year 2003.
SD-608

Finance
To hold hearings to examine the status of ongoing U.S. trade negotiations.
SD-215

Intelligence
To hold hearings to examine issues surrounding world threats.
SH-216

10:15 a.m.

Foreign Relations
To hold hearings to examine a new strategic framework, focusing on implications for U.S. security.
SD-419

2:30 p.m.

Foreign Relations
African Affairs Subcommittee
To hold hearings to examine U.S. policy options in Somalia.
SD-419

Intelligence
To hold closed hearings to examine issues surrounding world threats.
SH-219

FEBRUARY 7

9:30 a.m.

Armed Services
To hold hearings to examine the conduct of Operation Enduring Freedom; to be followed by closed hearings (in Room SH-219).
SH-216

10 a.m.

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2003 for the Department of Transportation.
SD-124

Judiciary
Business meeting to consider pending calendar business.
SD-226

Health, Education, Labor, and Pensions
To hold hearings to examine the fall of the Enron Corporation, focusing on protecting pensions of working Americans.
SD-106

Indian Affairs
To hold oversight hearings on legislative proposals relating to the statute of limitations on claims against the United States related to the management of Indian tribal trust fund accounts.
SR-485

Budget
To hold hearings to examine the President’s proposed budget request for fiscal year 2003 and revenue proposals.
SD-608

Banking, Housing, and Urban Affairs
To hold hearings to examine the analysis of the failure of Superior Bank, FSB, Hinsdale, Illinois.
SD-538

10:15 a.m.

Foreign Relations
To hold hearings to examine the future of the War on Terrorism.
SD-419

10:30 a.m.

Governmental Affairs
To hold hearings on S. 1867, to establish the National Commission on Terrorist Attacks Upon the United States.
SD-842

2 p.m.

Judiciary
To hold hearings on the nomination of Charles W. Pickering, Sr., of Mississippi, to be United States Circuit Judge for the Fifth Circuit.
SD-226

FEBRUARY 8

9:30 a.m.

Governmental Affairs
To hold hearings on the nomination of Nancy Dorn, of Texas, to be Deputy Director of the Office of Management and Budget.
SD-342

10:30 a.m.

Governmental Affairs
To hold hearings on the nomination of John L. Howard, of Illinois, to be Chairman of the Special Panel on Appeals; and the nomination of Dan Gregory Blair, of the District of Columbia, to be Deputy Director of the Office of Personnel Management.
SD-342

FEBRUARY 12

9:30 a.m.

Governmental Affairs
International Security, Proliferation and Federal Services Subcommittee
To hold hearings to examine multilateral non-proliferation regimes, weapons of mass destruction technologies, and the War on Terrorism.
SD-342

Energy and Natural Resources
To hold hearings to examine the President’s proposed budget request for fiscal year 2003 for the Department of the Interior, the U.S. Forest Service, and the Department of Energy.
SD-366

10 a.m.

Banking, Housing, and Urban Affairs
To hold hearings to examine accounting and investor protection issues raised by Enron and other public companies.
SD-538

3 p.m.

Judiciary
Immigration Subcommittee
To hold hearings to examine issues surrounding the U.S. Refugee Program.
SD-226

FEBRUARY 13

9:30 a.m.

Agriculture, Nutrition, and Forestry
To hold hearings on the nominations of Thomas C. Dorr, of Iowa, to be Under Secretary of Agriculture for Rural Development; and Nancy Southard Bryan, of the District of Columbia, to be General Counsel of the Department of Agriculture; and the nominations of Grace Turrill Daniel, of California, and Fred L. Dailey, of Ohio, both to be Members of the Board of Directors of the Federal Agricultural Mortgage Corporation, both of the Farm Credit Administration.
SH-216

2 p.m.

Indian Affairs
To hold oversight hearings on the implementation of the Native American Housing Assistance and Self-Determination Act.
SR-485

FEBRUARY 14

9:30 a.m.

Armed Services
To hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, focusing on the results of the Nuclear Post Review; to be followed by closed hearings (in Room SH-219).
SH-216

10 a.m.

Veterans’ Affairs
To hold hearings to examine the President’s proposed budget request for fiscal year 2003 for veterans’ programs.
SR-418

2:30 p.m.

Energy and Natural Resources
National Parks Subcommittee
To hold hearings on S. 302 and H.R. 2440, to rename Wolf Trap Farm Park for the Performing Arts as “Wolf Trap National Park for the Performing Arts”; S. 1651 and H.R. 2440, to expand the boundary of the Booker T. Washington National Monument; S. 1061 and H.R.
1456, to authorize the Secretary of the Interior to acquire Fern Lake and the surrounding watershed in the States of Kentucky and Tennessee for addition to Cumberland Gap National Historic Park; S. 1649, to amend the Omnibus Parks and Public Lands Management Act of 1996 to increase the authorization of appropriations for the Vancouver National Historic Reserve and for the preservation of Vancouver Barracks; S. 1894, to direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida as well as the suitability and feasibility of its inclusion in the National Park System as part of Biscaye National Park; and H.R. 2234, to revise the boundary of the Tumacacori National Historical Park in the State of Arizona.

FEBRUARY 26

10 a.m. Indian Affairs
To hold hearings on rulings of the United States Supreme Court affecting tribal government powers and authorities.

SD–106

FEBRUARY 27

9:30 a.m. Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Disabled American Veterans and the Veterans of Foreign Wars.

345 Cannon Building

2 p.m. Indian Affairs
To hold oversight hearings on the management of Indian Trust Funds.

SD–106

MARCH 5

10 a.m. Indian Affairs
To hold hearings on the President's proposed budget request for fiscal year 2003 for Indian programs.

SR–485

MARCH 7

10 a.m. Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Paralyzed Veterans of America, Jewish War Veterans, Blinded Veterans Association, the Non-Commissioned Officers Association, and the Military Order of the Purple Heart.

345 Cannon Building

Indian Affairs
To resume hearings on the President's proposed budget request for fiscal year 2003 for Indian programs.

SR–485

MARCH 14

10 a.m. Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Gold Star Wives of America, the Fleet Reserve Association, the Air Force Sergeants Association, and the Retired Enlisted Association.

345 Cannon Building

MARCH 20

2 p.m. Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of American Ex-Prisoners of War, the Vietnam Veterans of America, the Retired Officers Association, the National Association of State Directors of Veterans Affairs, and AMVETS.

345 Cannon Building
HIGHLIGHTS

See Résumé of Congressional Activity.

Senate

Chamber Action

Routine Proceedings, pages S257–S309

Measures Introduced: Two bills and two resolutions were introduced, as follows: S. 1908–1909, and S. Res. 202–203. Page S286

Measures Reported:


S. 1209, to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, with an amendment in the nature of a substitute. (S. Rept. No. 107–134) Page S286

Measures Passed:


Ethics Committee Appointments: Senate agreed to S. Res. 203, making temporary majority appointments to the Select Committee on Ethics. Page S287

Adoption Tax Credit: Senate resumed consideration of H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, taking action on the following amendments proposed thereto: Pages S263–76, S279–81

Pending:

Daschle/Baucus Amendment No. 2698, in the nature of a substitute. Pages S263–81

Reid (for Baucus) Amendment No. 2721 (to Amendment No. 2698), to provide emergency agriculture assistance. Page S263

Bunning/Inhofe Modified Amendment No. 2699 (to the language proposed to be stricken by Amendment No. 2698), to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies. Page S263

Hatch/Bennett Amendment No. 2724 (to the language proposed to be stricken by Amendment No. 2698), to amend the Internal Revenue Code of 1986 to allow the carryback of certain net operating losses for 7 years. Page S263

Domenici Amendment No. 2723 (to the language proposed to be stricken by Amendment No. 2698), to provide for a payroll tax holiday. Page S263

Allard/Hatch/Allen Amendment No. 2722 (to the language proposed to be stricken by Amendment No. 2698), to amend the Internal Revenue Code of 1986 to permanently extend the research credit and to increase the rates of the alternative incremental credit. Page S263

Smith (NH) Amendment No. 2732 (to the language proposed to be stricken by Amendment No. 2698), to provide a waiver of the early withdrawal penalty for distributions from qualified retirement plans to individuals called to active duty during the national emergency declared by the President on September 14, 2001. Page S263

Smith (NH) Amendment No. 2733 (to the language proposed to be stricken by Amendment No. 2698), to prohibit a State from imposing a discriminatory tax on income earned within such State by nonresidents of such State. Page S263

Smith (NH) Amendment No. 2734 (to the language proposed to be stricken by Amendment No. 2698), to provide that tips received for certain services shall not be subject to income or employment taxes. Page S263

Smith (NH) Amendment No. 2735 (to the language proposed to be stricken by Amendment No. 2698), to allow a deduction for real property taxes whether or not the taxpayer itemizes other deductions. Page S263

Sessions Amendment No. 2736 (to the language proposed to be stricken by Amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide tax incentives for economic recovery and provide for the payment of emergency extended unemployment compensation. Page S263

Grassley (for McCain) Amendment No. 2700 (to the language proposed to be stricken by Amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide a special rule for members of the uniformed services and Foreign Service in determining the exclusion of gain from the sale of a principal residence. Page S263

D44
Kyl Amendment No. 2758 (to the language proposed to be stricken by Amendment No. 2698), to remove the sunset on the repeal of the estate tax.  

Reid Modified Amendment No. 2764 (to Amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide a refundable credit for recreational travel, and to modify the business expense limits.  

Reid (for Durbin) Amendment No. 2766 (to Amendment No. 2698), to provide enhanced unemployment compensation benefits.  

Lincoln Amendment No. 2767 (to Amendment No. 2698), to delay until at lease June 30, 2002, any changes in Medicaid regulations that modify the Medicaid upper payment limit for non-State Government-owned or operated hospitals.  

Thomas Amendment No. 2728 (to the language proposed to be stricken by Amendment No. 2698), to amend the Internal Revenue Code of 1986 to modify the qualified small issue bond provisions.  

Craig Amendment No. 2770 (to the language proposed to be stricken by Amendment No. 2698), to amend the Internal Revenue Code of 1986 to expand the availability of Archer medical savings accounts.  

Grassley Amendment No. 2773 (to the language proposed to be stricken by Amendment No. 2698), to provide tax incentives for economic recovery and assistance to displaced workers.  

A motion was entered to close further debate on Daschle/Baucus Amendment No. 2698 (listed above) and, in accordance with Rule XXII of the Standing Rules of the Senate, a vote on the cloture motion will occur on Wednesday, February 6, 2002.  

A motion was entered to close further debate on Grassley Amendment No. 2773 (to the language proposed to be stricken by Amendment No. 2698), listed above and, in accordance with Rule XXII of the Standing Rules of the Senate, a vote on the cloture motion will occur on Wednesday, February 6, 2002.

Nomination Agreement: A unanimous-consent time agreement was reached providing for consideration of Philip R. Martinez, to be United States District Judge for the Western District of Texas, at 10:15 a.m., on Tuesday, February 5, 2002, with a vote on confirmation of the nomination to occur at 10:30 a.m.

Messages From the President: Senate received the following messages from the President of the United States:

Transmitting, pursuant to law, a report relative to extending the Agreement of June 24, 1985 to July 1, 2004, Concerning Fisheries Off the Coasts of the United States; to the Committee on Commerce, Science, and Transportation. (PM–66)  

Transmitting, pursuant to law, a periodic report on the national emergency with respect to Iraq; to the Committee on Banking, Housing, and Urban Affairs. (PM–67)  

Transmitting, pursuant to law, the Budget Message for Fiscal Year 2003; referred jointly, pursuant to the order of January 30, 1975 as modified by the order of April 11, 1986, to the Committees on Appropriations; and the Budget. (PM–68)  

Nominations Confirmed: Senate confirmed the following nominations:

By unanimous vote of 75 yeas (Vote No. EX. 11), Callie V. Granade, of Alabama, to be United States District Judge for the Southern District of Alabama.  

Francis Joseph Ricciardone, Jr., of New Hampshire, to be Ambassador to the Republic of the Philippines and to serve concurrently and without additional compensation as Ambassador to the Republic of Palau.  

Messages From the House:  

Measures Referred:  

Executive Communications:  

Additional Cosponsors:  

Statements on Introduced Bills/Resolutions:  

Additional Statements:  

Amendments Submitted:  

Notices of Hearings/Meetings:  

Privilege of the Floor:  

Record Votes: One record vote was taken today. (Total—11)  

Adjournment: Senate met at 1 p.m., and adjourned at 6:30 p.m., until 10 a.m., on Tuesday, February 5, 2002. (For Senate’s program, see the remarks of the Acting Majority Leader in today’s Record on page S309).

Committee Meetings

No committee meetings were held.
House of Representatives

Chamber Action

Measures Introduced: 4 public bills, H.R. 3669–3672; and 1 resolution, H. Con. Res. 311, were introduced. Page H110

Reports Filed: Reports were filed today as follows:
H.R. 3394, to authorize funding for computer and network security research and development and research fellowship programs (H. Rept. 107–355, Pt. 1). Page H110

Speaker Pro Tempore: Read a letter from the Speaker wherein he appointed Representative Dreier to act as Speaker pro tempore for today. Page H110

Quorum Calls—Votes: No quorum calls or recorded votes developed during the proceedings of the House today. Page H110

Adjournment: The House met at 12 noon and adjourned at 12:02 p.m. Page H108

Committee Meetings

ENRON COLLAPSE
Committee on Financial Services: Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing on the Enron Collapse. Testimony was heard from Harvey L. Pitt, Chairman, SEC; and William C. Powers, Jr., member, Board of Directors, and Chairman, Special Investigation Committee, Enron Corporation.

The Subcommittee adopted a motion authorizing the issuance of a subpoena ad testificandum to Kenneth Lay for testimony before the Subcommittee at a date and time to be determined.

Hearings continue tomorrow.

Joint Meetings

JANUARY EMPLOYMENT SITUATION
Joint Economic Committee: On Friday, February 1, committee concluded hearings to examine the Bureau of Labor Statistics employment data in order to gauge the status of the January employment situation, as well as the latest consumer and producer price indexes with respect to the inflation outlook, after receiving testimony from Lois Orr, Acting Commissioner, Bureau of Labor Statistics, Department of Labor.

CONGRESSIONAL PROGRAM AHEAD

Week of February 5 through February 9, 2002

Senate Chamber

On Tuesday, at 10:15 a.m., Senate will consider the nomination of Philip R. Martinez, to be United States District Judge for the Western District of Texas, with a vote on confirmation of the nomination to occur at 10:30 a.m. Also, Senate expects to continue consideration of H.R. 622, Adoption Tax Credit Act.

On Wednesday, Senate will continue consideration of H.R. 622, Adoption Tax Credit Act, with a vote to occur on the motion to close further debate on Daschle/Baucus Amendment No. 2698, and a vote to occur on the motion to close further debate on Grassley Amendment No. 2773 (to the language proposed to be stricken by Amendment No. 2698).

During the balance of the week, Senate may consider any other cleared legislative and executive business.

Senate Committees

(Special Committee on Aging: February 6, with the Committee on Health, Education, Labor, and Pensions, Subcommittee on Aging, to hold joint hearings to examine women and aging, focusing on long term care, 9:30 a.m., SD–106.

Committee on Appropriations: February 5, Subcommittee on VA, HUD, and Independent Agencies, to hold hearings to examine firefighting issues, 10:30 a.m., SD–124.

February 7, Subcommittee on Transportation, to hold hearings on proposed budget estimates for fiscal year 2003 for the Department of Transportation, 10 a.m., SD–124.

Committee on Armed Services: February 5, to hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, and the Future Years Defense Program, 9:30 a.m., SH–216.

February 7, Full Committee, to hold hearings to examine the conduct of Operation Enduring Freedom; to be followed by closed hearings (in Room SH–219), 9:30 a.m., SH–216.

Committee on Banking, Housing, and Urban Affairs: February 5, to hold hearings to examine the state of financial literacy and education in America, 9:30 a.m., SD–106.

February 6, Full Committee, to continue hearings to examine the state of financial literacy and education in America, 10 a.m., SD–538.

February 7, Full Committee, to hold hearings to examine the analysis of the failure of Superior Bank, FSB, Hinsdale, Illinois, 10 a.m., SD–538.

Committee on the Budget: February 5, to hold hearings to examine the President’s proposed budget request for fiscal year 2003, 10 a.m., SD–608.

February 6, Full Committee, to hold hearings to examine the President’s proposed budget request for fiscal year 2003, 10 a.m., SD–608.

February 7, Full Committee, to hold hearings to examine the President’s proposed budget request for fiscal year 2003 and revenue proposals, 10 a.m., SD–608.

Committee on Commerce, Science, and Transportation: February 5, business meeting to discuss issues relating to the authorization of the issuance of a subpoena to compel testimony from Mr. Kenneth Lay, former CEO and current board member of the Enron Corporation; to be followed by the Subcommittee on Science, Technology, and Space
to hold hearings to examine issues concerning bioterrorism, focusing on American scientists and entrepreneurs, 9:30 a.m., SR–253.

February 5, Full Committee, to hold hearings to examine the implementation of the Aviation and Transportation Security Act (P.L. 107–71), 2:30 p.m., SR–253.

Committee on Energy and Natural Resources: February 6, to hold hearings on S. 1766, to provide for the energy security of the Nation, focusing on the effects of Subtitle B, amendments to the Public Utility Holding Company Act on energy markets and energy consumers, 9:30 a.m., SD–366.

Committee on Finance: February 5, to hold hearings to examine certain revenue proposals within the President’s proposed budget request for fiscal year 2003, 2:30 p.m., SD–215.

February 6, Full Committee, to hold hearings to examine the status of ongoing U. S. trade negotiations, 10 a.m., SD–215.

Committee on Foreign Relations: February 5, to hold hearings to examine an overview of foreign policy and the President’s proposed fiscal year 2003 foreign affairs budget request, 10:15 a.m., SD–419.

February 6, Full Committee, to hold hearings to examine a new strategic framework, focusing on implications for U.S. security, 10:15 a.m., SD–419.

February 6, Subcommittee on African Affairs, to hold hearings to examine U.S. policy options in Somalia, 2:30 p.m., SD–419.

February 7, Full Committee, to hold hearings to examine the future of the War on Terrorism, 10:15 a.m., SD–419.

Committee on Governmental Affairs: February 5, to hold hearings to examine the impact of the Enron Corporation collapse on the company’s 401(k) retirement investors, 9:30 a.m., SD–342.

February 6, Full Committee, to hold hearings to examine the nomination of Jeanette J. Clark, to be an Associate Judge of the Superior Court of the District of Columbia, 9 a.m., SD–342.

February 7, Full Committee, to hold hearings on S. 1867, to establish the National Commission on Terrorist Attacks Upon the United States, 10:30 a.m., SD–342.

February 8, Full Committee, to hold hearings on the nomination of Nancy Dorn, of Texas, to be Deputy Director of the Office of Management and Budget, 9:30 a.m., SD–342.

February 8, Full Committee, to hold hearings on the nomination of John L. Howard, of Illinois, to be Chairman of the Special Panel on Appeals; and the nomination of Dan Gregory Blair, of the District of Columbia, to be Deputy Director of the Office of Personnel Management, 10:30 a.m., SD–342.

Committee on Health, Education, Labor, and Pensions: February 6, Subcommittee on Aging, to hold joint hearings to examine women and aging, focusing on long term care, 9:30 a.m., SD–106.

February 7, Full Committee, to hold hearings to examine the fall of the Enron Corporation, focusing on protecting pensions of working Americans, 10 a.m., SD–106.

Committee on Indian Affairs: February 7, to hold oversight hearings on legislative proposals relating to the statute of limitations on claims against the United States related to the management of Indian tribal trust fund accounts, 10 a.m., SR–485.

Select Committee on Intelligence: February 6, to hold hearings to examine issues surrounding world threats, 10 a.m., SH–216.

February 6, Full Committee, to hold closed hearings to examine issues surrounding world threats, 2:30 p.m., SH–219.

Committee on the Judiciary: February 5, to hold hearings to examine issues surrounding human cloning, focusing on medical research, 2 p.m., SD–226.

February 6, Full Committee, to hold hearings to examine accountability issues surrounding the fall of Enron Corporation, 10 a.m., SD–226.

February 7, Full Committee, business meeting to consider pending calendar business, 10 a.m., SD–226.

February 7, Full Committee, to hold hearings on the nomination of Charles W. Pickering, Sr., of Mississippi, to be United States Circuit Judge for the Fifth Circuit, 2 p.m., SD–226.

House Chamber

Tuesday, Consideration of Suspensions:

(1) H.R. 577, Fund Raising Disclosure Requirements for Organizations Creating Presidential Libraries;

(2) S. 970, Horatio King Post Office, Paris Hill, Maine;

(3) S. 737, Joseph E. Dini, Jr. Post Office, Yerington, Nevada; and


Wednesday and Thursday, Consideration of Suspension (subject to a rule):

(1) H. Con. Res., expressing the sense of the House of Representatives that the tax relief provided by the Economic Growth and Tax Relief Reconciliation Act of 2001, passed by a bipartisan majority in Congress, should continue as scheduled; and

Consideration of H.R. 3394, Cyber Security Research and Development Act (subject to a rule).

Friday, no votes.

House Committees

Committee on Appropriations, February 6, Subcommittee on Military Construction, on Quality of Life in the Military, 9:30 a.m., and on Senior Enlisted from each Service, 2 p.m., 2362A Rayburn.

February 6, Subcommittee on Transportation, on the Transportation Security Administration, 10 a.m., 2358 Rayburn.

Committee on Armed Services, February 6, hearing on the fiscal year 2003 National Defense Authorization budget request, 10 a.m., 2118 Rayburn.

Committee on the Budget, February 5, hearing on the Administration’s Budget for Fiscal Year 2003, 2:30 p.m., 210 Cannon.

February 6, hearing on the Department of the Treasury Budget Priorities Fiscal Year 2003, 10 a.m., 210 Cannon.

Committee on Education and the Workforce, February 6 and 7, hearings on “The Enron Collapse and Its Implications for Worker Retirement Security,” 10 a.m., 2175 Rayburn.

Committee on Energy and Commerce, February 5 and 7, Subcommittee on Oversight and Investigations, hearings
on the Financial Collapse of Enron Corp., 10 a.m., on February 5 and 9:30 a.m., on February 7, 2322 Rayburn.

February 6, full Committee, to consider a resolution authorizing the issuance of subpoenas in connection with the Committee’s investigation of the financial collapse of Enron Corp, and related matters; followed by a hearing on developments relating to Enron Corp., including its relationship with Andersen LLP, 12:30 p.m., 345 Cannon.

Committee on Financial Services, February 5, Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises, to continue hearings on the Enron Collapse, 10 a.m., 2167 Rayburn.

February 6, Subcommittee on International Monetary Policy and Trade, hearing entitled "Argentina's Economic Meltdown—Causes and Remedies," 10 a.m., 2220 Rayburn.

Committee on Government Reform, February 6, hearing on "The History of Congressional Access to Deliberative Justice Department Documents," 10 a.m., 2154 Rayburn.

February 7, Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs, hearing on "Problems with the Bureau of Indian Affairs’ Tribal Recognition Process," 10 a.m., 2154 Rayburn.

February 7, Subcommittee on National Security, Veterans Affairs, and International Relations, hearing on "The Standard Procurement System (SPS): Can the DOD Procurement Process be Standardized?" 9:30 a.m., 2247 Rayburn.

Committee on International Relations, February 6, hearing on the Administration’s International Affairs Budget Request for Fiscal Year 2003, 10:15 a.m., 2172 Rayburn.

Committee on the Judiciary, February 6, hearing on H.R. 2341, Class Action Fairness Act of 2001, 10 a.m., 2141 Rayburn.

February 6, Subcommittee on Immigration and Claims, oversight hearing on "The Operations of the Executive Office for Immigration Review (EOIR)," 2 p.m., 2237 Rayburn.

Committee on Resources, February 6, oversight hearing on Indian Trust Fund Accounts: the Department of the Interior's Restructuring Proposal and the Impacts of the Court Order Closing Access to the Department’s Computer System, 10 a.m., 1334 Longworth.

February 7, Subcommittee on Fisheries Conservation, Wildlife and Oceans, to mark up H.R. 3577, Coastal Resources Conservation Act of 2001, 2 p.m., 1334 Longworth.

February 7, Subcommittee on National Parks, Recreation and Public Lands, hearing on the following bills: H. Res. 261, recognizing the historical significance of the Aquia sandstone quarries of Government Island in Stafford County, Virginia, for their contributions to the construction of the Capital of the United States; H.R. 2628, Muscle Shoals National Heritage Area Study Act of 2001; and H.R. 2643, Fort Clatsop National Memorial Expansion Act of 2001, 10 a.m., 1334 Longworth.

Committee on Rules, February 5, to consider H.R. 3394, Cyber Security Research and Development Act, 5:30 p.m., H–313 Capitol.

Committee on Science, February 7, to consider H.R. 3394, Cyber Security Research and Development Act, 5:30 p.m., H–313 Capitol.

Committee on Energy and Commerce, February 5, to consider pending Committee business, 11 a.m., 2167 Rayburn.

Committee on Ways and Means, February 5 and 6, hearings on the Administration’s fiscal year 2003 Budget Proposals, 10 a.m., on February 5 and 10 a.m., and 2 p.m., on February 6, 1100 Longworth.

February 7, hearing on the Administration’s Trade Agenda for 2002, 10 a.m., 1100 Longworth.

Joint Meetings

Joint Economic Committee: February 5, to hold hearings to examine the economic report of the President, 10 a.m. 311 Cannon Building.
Résumé of Congressional Activity

SECOND SESSION OF THE ONE HUNDRED SEVENTH CONGRESS

The first table gives a comprehensive résumé of all legislative business transacted by the Senate and House. The second table accounts for all nominations submitted to the Senate by the President for Senate confirmation.

DATA ON LEGISLATIVE ACTIVITY
January 23 through January 31, 2002

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These figures include all measures reported, even if there was no accompanying report. No reports have been filed in the Senate, 1 report has been filed in the House.

DISPOSITION OF EXECUTIVE NOMINATIONS
January 23 through January 31, 2002

Civilian Nominations, totaling 196 (including 165 nominations carried over from the First Session), disposed of as follows:
- Confirmed ........................................... 46
- Unconfirmed ...................................... 149
- Withdrawn ........................................... 1

Other Civilian Nominations, totaling 761 (including 535 nominations carried over from the First Session), disposed of as follows:
- Confirmed ........................................... 435
- Unconfirmed ...................................... 326

Air Force Nominations, totaling 815 (including 4 nominations carried over from the First Session), disposed of as follows:
- Unconfirmed ...................................... 815

Army Nominations, totaling 211 (including 53 nominations carried over from the First Session), disposed of as follows:
- Unconfirmed ...................................... 211

Navy Nominations, totaling 4, disposed of as follows:
- Unconfirmed ...................................... 4

Marine Corps nominations, totaling 369 (including 33 nominations carried over from the First Session), disposed of as follows:
- Unconfirmed ...................................... 369

Summary

Total Nominations carried over from the First Session ......................... 790
Total Nominations Received this Session ........................................... 1,566
Total Confirmed .............................................................................. 481
Total Unconfirmed .......................................................................... 1,874
Total Withdrawn ............................................................................ 1
Total Returned to the White House .................................................. 0
Next Meeting of the SENATE
10 a.m., Tuesday, February 5

Senate Chamber

Program for Tuesday: After the transaction of any morning business (not to extend beyond 10:15 a.m.), Senate will consider the nomination of Philip R. Martinez, to be United States District Judge for the Western District of Texas, with a vote on confirmation of the nomination to occur at 10:30 a.m.

Also, Senate expects to continue consideration of H.R. 622, Adoption Tax Credit Act.

(Senate will recess from 12:30 p.m. until 2:15 p.m., for their respective party conferences.)

Next Meeting of the HOUSE OF REPRESENTATIVES
12:30 p.m., Tuesday, February 5

House Chamber

Program for Tuesday: Consideration of Suspensions:

(1) H.R. 577, Fund Raising Disclosure Requirements for Organizations Creating Presidential Libraries;

(2) S. 970, Horatio King Post Office, Paris Hill, Maine;

(3) S. 737, Joseph E. Dini, Jr. Post Office, Yerington, Nevada; and


Extensions of Remarks, as inserted in this issue

HOUSE

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