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Senate

(Legislative day of Thursday, May 9, 2002)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable MAX CLELAND, a Senator from the State of Georgia.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Hear God's word in Proverbs 3:3-4:

Let love and faithfulness never leave you; bind them around your neck, write them on the tablet of your heart. Then you will win favor and a good name in the sight of God and man.

Let us pray:

Thank You, dear God, for this reminder of what is ultimately important to You. We commit this day to love You with all our minds and hearts. When love for You is our primary motivation, life becomes a delight and not a drudgery. The strain and stress are gone. We are free to work with one commanding goal: to do everything we do to glorify You. Faithfulness flows naturally. We are accountable to You. Help us to remember that every action, word, and decision is open to Your judgment. Bless the Senators today with the profound peace of trusting You completely and serving You with love and faithfulness. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MAX CLELAND 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.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, May 14, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MAX CLELAND, a Senator from the State of Georgia, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. CLELAND thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

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

SCHEDULE

Mr. REID. Mr. President, the Chair will shortly announce that we will be in a period for morning business until 10:30 a.m. today, with the first half controlled by the Republican leader and the second half under the control of the majority leader, or their respective designees. At 10:30 a.m. we will resume consideration of the trade bill, with 10 minutes of debate prior to a vote in relation to the Baucus-Grassley amendment regarding investors. Following disposition of the Baucus amendment, Senator DAYTON will be recognized to offer the Dayton-Craig amendment regarding unfair trade practices. We will recess from 12:30 p.m. to 2:15 p.m. today for our weekly party conferences.

Mr. President, there is a lot of interest in this legislation. There will be a significant number of amendments offered. The majority leader has indicated he wants Senators to have that

opportunity to offer amendments. We hope Members will do that. We also hope we can work on time agreements on these amendments and move this legislation forward. This legislation has the interest of both leaders in the Senate. The President has spoken about it often. It is legislation we have to move. And remember, a week from Friday we go into our Memorial Day recess. We have a lot of work to do prior to that time, and one of the items we have to dispose of is this legislation before we can do other things. Noting that, I look forward to a very productive day.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The ACTING 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 10:30 a.m., with Senators permitted to speak for up to 10 minutes each. Under the previous order, the time until 10 a.m. shall be under the control of the Republican leader or his designee.

The Senator from Wyoming.

TRADE LEGISLATION

Mr. THOMAS. Mr. President, we are finally moving forward on the trade bill. I hope we can move quickly. It is one of the more important issues before us, of which there are many. I say again, I hope we can take a look at this bill in terms of what it is designed to do, and that is to provide for the President an outline of how he may negotiate trade agreements and bring those

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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trade agreements, within the guidelines in the bill now, to the Senate, and the Senate can approve or disapprove.

Negotiations have to be done broadly by two parties. It cannot be done by 535 Members of Congress. I am hopeful we can get down to the core issue with regard to trade so that the United States can keep up with the rest of the world.

Over the past 10 years, since 1994 when this trade authority has not been in place, countries around the world have moved forward with various agreements, and the United States has not been able to do that. Large agreements were made by others.

The more amendments we have, the more difficult it will be to get down to what we are really seeking to do, and that is to have negotiations which will give the United States fair opportunities for trade.

FEDERAL HIGHWAY TRUST FUND

Mr. THOMAS. Mr. President, I wish to speak about a different issue that is very important to all of us, certainly in Wyoming where we have long distances to travel. As we say, we have low population and small towns with very long streets.

Transportation and highways are very important to us. Highways, of course, have generally been funded by a combination of Federal funds and State funds, Federal funds being very important and continuing to be even more important as time goes by. What we do with State highways and State highway funding becomes one of the principal issues with which we have to deal.

Several years ago, we had the 21st century TEA-21, which was an appropriation and a plan for highway funding. Last week, the Finance Committee held a hearing regarding the status of the highway trust fund. This highway trust fund, it seems to me, is terribly important because as a member of the Environment and Public Works Committee, I helped craft this Transportation Equity Act, or TEA-21, as it is called, which provides more dollars for the States than in the past and has a very good distribution system which basically allocates money to the States and lets them decide how those dollars are going to be spent.

As we all know, TEA-21 most significantly funded the Federal highway needs. As a result, people across the country had opportunities to improve the surface transportation system to make it safer and more efficient and to keep up with the times.

More importantly, as I mentioned, TEA-21 provided States and local governments more flexibility in controlling the use of those Federal funds which, frankly, is one of the issues we should deal with constantly; that is, in the distribution of Federal assistance, how we best do that so there is accountability on one hand and on the other hand recognize the difference that exists in various places. I am cer-

tain highway moneys are used for different needs in Wyoming than in Delaware. We need to have the flexibility to recognize those differences.

The panelists who testified at this hearing on the funding mechanisms—that is their job; funding of the highway trust fund is what we rely upon. This hearing addressed a \$4.4 billion shortfall in the highway trust fund which is due to the negative revenue alignment budget. Economies are somewhat lower, and these dollars are lower under the formula. We are in the process of trying to replace the \$4.4 billion so we do not have that loss and hopefully at least most of that can be done.

In addition, however, the panelists detailed the tax disparity between gasoline and ethanol blend, gasohol. Currently, gasohol is taxed at 13.1 cents and gasoline is taxed at 18.4 cents. This disparity is something that has to be reviewed. That is where the money comes from for highway funds. When we have less money coming in, obviously we are going to have less to spend.

The discrepancy between the fuels is causing a great debate not only in the context of the highway trust fund but in terms of our national energy policy as well. Pending before the conference committee is the energy bill which has substantial increases and requirements for increases in ethanol, which has merit. On the other hand, if that is going to reduce the availability of highway funding, then we have to take a look at a system that allows that to happen.

The General Accounting Office estimates the tax disparity between gasohol and gasoline will cost approximately \$21 billion over the next 11 years, and this is a pretty serious issue in terms, again, of funding our national highway program.

As my colleagues know, the Senate passed the energy bill that mandates 5 billion gallons of ethanol by 2012.

As a result of this, of course, we will have an increased reliance on gasohol. So we need to take a look at this. I am not suggesting any particular bias one way or the other, other than the fact that by making this change in the use of fuel, we have a change in the revenue that will be available if we continue to have the same formula for doing that.

Gasohol, which of course is the ethanol, is taxed at 13.1 cents a gallon; gas fuel is 18.4 cents. As to the trust fund, under the gas arrangements we have now, 15 cents of it goes into the highway fund; under the gasohol-ethanol, it is only 7 cents.

So we find ourselves with a substantial change, a substantial differential, in terms of how we will be funding our highways. I hope that in the course of the committee activities we can take a long look at it.

SENATE AGENDA

Mr. THOMAS. Mr. President, I will share some general thoughts I have. It seems to me as we look forward to the remainder of this session, the time is getting pretty short. In a couple of weeks we will begin our Memorial Day recess, and then we will be moving on towards our Fourth of July recess, of course. So between now and the time we adjourn for this year, we do not have an awful lot of time remaining.

We collectively ought to see if we can figure out how we are going to accomplish many of the things that have to be done. Obviously, that is the responsibility of leadership, but we have not moved very quickly. We spent a very long time on energy—6 weeks. We have spent more time now on this trade bill, and it looks as if the prospect is we will be spending even more time than we had anticipated.

We have a lot of things facing us. I hope we can wrap up the trade bill. I think it is very important. I think it is part of our future economy.

As we do these things, I hope we can have a little vision of where we want to be when we are through. What do we want to happen with trade, for example, in the next 10 years? Do we want to be part of the trade process, with hopefully having fair trade around the world which will increase our opportunities to export?

Thirty to thirty-five percent of our agricultural production has to go into export. As we do this, we think about what it takes to accomplish that goal, if that indeed is our vision.

We are going to be dealing with permanent removal of the estate tax. That has been promised to be one of the things that comes up on the floor. So we have that to deal with.

Immigration and border security is out there. That is very important, particularly important now because of terrorism, and very important in terms of the future: Where do we want to be in the future on immigration? How do we want to handle these things? And what are we doing that will cause us to arrive at where we want to be?

We get a little inclined to look at the politics of the election and look at the politics in the Senate instead of having a vision of where we want the United States, our States, our families and our communities to be in the future, and then testing whether what we are doing now leads us there.

The bankruptcy issue is out there. We have been talking about that for a very long time. There are some real problems that need to be resolved. We have not managed to get it to the floor.

We do not have a budget. We were supposed to have a budget prior to now. We have none. The budget is very important. If we are somewhat concerned about spending and having an opportunity to at least limit spending and hope we can keep it down to a minimum to get that job done, we do not even have a budget, and, frankly, there is no sign of one appearing.