Mr. REID. I appreciate my friend, the Senator from Florida, for being his usual courteous self.

COMMITTEE ON APPROPRIATIONS REPORTING THIRTEEN APPROPRIATIONS BILLS BY JULY 31, 2002—Continued

Mr. REID. Mr. President, what is the pending business?

The PRESIDING OFFICER. S. Res. 304.

Mr. REID. I ask unanimous consent that the Conrad amendment be modified with the changes at the desk; that the amendment, as modified, be agreed to; the resolution, as amended, be agreed to; and the motion to reconsider be laid upon the table, with no intervening action or debate.

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

The amendment (No. 4886), as modified, is as follows:

Strike all after the Resolved Clause and insert the following:

, That the Senate encouraging the Senate Committee on Appropriations to report thirteen, fiscally responsible, bipartisan appropriations bills to the Senate not later than July 31, 2002.

SEC. ___. BUDGET ENFORCEMENT.

(a) EXTENSION OF SUPERMAJORITY ENFORCEMENT.—

(1) IN GENERAL.—Notwithstanding any provision of the Congressional Budget Act of 1974, subsections (c)(2) and (d)(3) of section 904 of the Congressional Budget Act of 1974 shall remain in effect for purposes of Senate enforcement through April 15, 2003.

(2) EXCEPTION.—Paragraph (1) shall not apply to the enforcement of section 302(f)(2)(B) of the Congressional Budget Act of 1974.

(b) PAY-AS-YOU-GO RULE IN THE SENATE.—

(1) IN GENERAL.—For purposes of Senate enforcement, section 207 of H. Con. Res. 68 (106th Congress, 1st Session) shall be construed as follows:

(A) In subsection (b)(6), by inserting after "paragraph (5)(A)" the following: ", except that direct spending or revenue effects resulting in net deficit reduction enacted pursuant to reconciliation instructions since the beginning of that same calendar year shall not be available".

(B) In subsection (g), by striking "September 30, 2002" and inserting "April 15, 2003".

(2) SCORECARD.—For purposes of enforcing section 207 of House Concurrent Resolution 68 (106th Congress), upon the adoption of this section the Chairman of the Committee on the Budget of the Senate shall adjust balances of direct spending and receipts for all fiscal years to zero.

(3) APPLICATION TO APPROPRIATIONS.—For the purposes of enforcing this resolution, notwithstanding rule 3 of the Budget Scorekeeping Guidelines set forth in the joint explanatory statement of the committee of conference accompanying Conference Report 105–217, during the consideration of any appropriations Act, provisions of an amendment (other than an amendment reported by the Committee on Appropriations including routine and ongoing direct spending or receipts), a motion, or a conference report thereon (only to the extent that such provision was not committed to conference), that would have been estimated as changing direct spending or receipts under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (as in effect prior to September 30, 2002) were they included in an Act other than an appropriations Act shall be treated as direct spending or receipts legislation, as appropriate, under section 207 of H. Con. Res. 68 (106th Congress, 1st Session) as amended by this resolution.

The amendment (No. 4886), as modified, was agreed to.

The resolution (S. Res. 304), as amended, was agreed to as follows:

(The resolution will be printed in a future edition of the RECORD.)

Mr. REID. Mr. President, this resolution has been cleared by the minority. I said earlier today how much I appreciate the bipartisan work done on this measure by Senators DOMENICI and CONRAD. It is an example of what can be accomplished when we work together. This is extremely important for the country. As I said earlier today, those two Senators, together with the two leaders, are to be commended.

THE ECONOMY

The PRESIDING OFFICER. The Senator from Florida.

Mr. NELSON of Florida. Mr. President, before the No. 2 Democrat retires from the Chamber, I want to congratulate him. He is a tireless worker. He is the consummate consensus builder. He is someone who in the midst of chaos and fracas calms the waters with the soothing balm that gets reasonable people to suddenly understand they can come together.

This agreement on the budget resolution, which contains the enforcement provisions of the Budget Act, is another testimony to his skill in negotiating, as he does so ably, with the Chairman and the ranking Members. So I am delighted. It is fitting this agreement on a budget enforcement provision has been agreed to, because of the condition of our economy.

The stock market today has gone down another 220 points. Stocks stumbled, slamming the brakes on any kind of rally we might have thought was occurring over the last few days. Sales outlook was weak, there were disappointing earnings, and it has brought profit jitters back into the market.

Is it any wonder investors, large investors such as pension funds or small investors such as the Presiding Officer and myself, with our own little hard-earned savings that we invest in the stock market, all across this land, indeed, have jitters because of the uncertainty of the economy? As a matter of fact, in the last 2 years, stock market wealth has been down 35 percent for a $5.7 trillion loss in that 2 years.

If anyone doubts this, in January of 2001, all the stock markets had a combined asset value of $16.4 trillion. In September of 2002, that value went down to $10.7 trillion, a loss of $5.7 trillion. Is it any wonder that reduction in stock market value, which is huge—35 percent in a year and two-thirds—is a reflection of the feeling of uncertainty people have toward the economy, a slumping economy?

It is one thing that certainly 2 million jobs have been lost since January of 2001. In January of 2001, private sector jobs were at 111 million. In September of 2002, a year and two-thirds later, private sector jobs were down to 109.6 million jobs—2 million jobs lost, another indicator of the slumping economy.

It is not as if we did not have a warning. Early last year it became clear our economy was slowing down. During our Budget Committee hearings on the topic, almost every economic analyst said responsible tax cuts could help solve the problem. They said the best way to stabilize the economy was to get money into the hands of the people who would spend it, those with low-to-moderate incomes. Above all else, we were told that whatever we did, we should not pass any tax package that would cause long-term fiscal harm.

As the Presiding Officer knows, we tried to heed those warnings. Last year, I supported a tax cut to provide immediate tax relief for all families. That tax cut would have made sure every taxpayer, including those who pay only payroll taxes—there are a vast number of Americans who do not pay income tax because they do not have enough income—that monthly payroll tax is deducted from their pay. The tax cut would have made sure that every taxpayer would also get a tax cut.

It would have also reduced the 15-percent income tax rate paid by all income-tax payers. It would have reduced that to 10 percent and to a permanent reduction. It would have been fair. It would have been fiscally responsible, and it would have been economically stimulative. But the final version of last year's tax cut was enacted by this Chamber. This Senator did not vote for it, and I did not vote for it because it did not meet the criteria that the Social Security and Medicare trust funds would not be touched now or in the future.

I remember when I was sworn in as a freshman to the Senate, the talk was so uplifting and upbeat about how we had a surplus that was projected for 10 years and that we were not going to have to invade the Social Security trust fund to pay bills; indeed, that we were going to fence it off. We promised that. We were going to fence off the Social Security trust fund so that by it remaining untouched, its surpluses over the next decade would have paid down most of the national debt, a debt that averages out in the range of about $200 billion to $250 billion a year we pay in interest on the national debt. Just think what that savings on interest payments could provide if we had followed through on the promises and paid down that national debt, what that would have meant to the economy as another indicator that we were getting our fiscal house in order.

The final version of last year's tax cut did not meet that criteria of walling off Social Security trust funds.