

The PRESIDING OFFICER. The assistant majority leader.

Mr. DURBIN. Mr. President, at the direction of the majority leader, I announce there will be no further votes today. The next vote is scheduled for 4:30 on Monday. It will be a cloture motion filed by Senator MCCONNELL relative to the bill on the Foreign Intelligence Surveillance Act.

The Senate will be in session tomorrow at 9:30 for morning business and debate. Members who care to may come to the floor to discuss issues of their choosing. I would say on behalf of the majority leader as well our frustration that we have reached this point. We have a deadline of February 1 to enact this new FISA act. The President has argued he needs this to keep America safe. We have offered to the Republican side an extension of the current law so that the President would be able to continue this policy and program uninterrupted for a month, several months, as long as a year and a half, and we have been rejected. The Republican leadership on the floor has argued they do not want to extend this program as we try to work out differences on the issue of the liability of telephone companies that provided information to the Federal Government. That is unfortunate.

It is also unfortunate that we had Members of the Senate come to the floor in good faith to offer amendments to this bill. I can tell you, having spoken to those on our side of the aisle, each of the amendments was prepared and offered to the Republican side for their review, no surprises. We understood that they would offer their own amendments in response. That is certainly proper. It would engage the Senate in debate on some very important issues relative to national security. But it was the decision of the Republican leadership they wanted no amendments, they wanted no debate. They wanted the President's version of this bill, take it or leave it. They would rather run the risk of closing down this program of surveillance of terrorists than perhaps give us a chance for a few amendments to be debated and voted on in the next 24 hours. That is an unfortunate start to the 2008 Senate session.

In the last year of the Senate, the Republicans were responsible for some 62 efforts to stop debate on the floor, 62 efforts at filibusters, which is a modern record; in fact, it is an all-time record for the Senate; 62 different occasions the Republicans engaged in filibusters to stop debate.

We were hopeful as we talked about the stimulus package and bipartisanship, working together, that things had changed. And then within a matter of hours, the Republican leadership came to the floor to stop us from having any amendments, any debate in a timely fashion on this important bill, and also to stop us from extending this bill, this law, so the President can use this program, and that America would never have its security at risk.

I think the Republicans have taken an untenable, indefensible position. They do not want the law extended so the President can use it. They do not want us to enact any revision to the law or even debate it on the off chance that there might be a change. They have taken the position it is their way or the highway.

Well, we will have a vote on Monday, an unfortunate vote that would have been avoided with a modicum of cooperation here in the Senate.

So there will be no further votes today; the first vote will be at 4:30 on Monday.

MORNING BUSINESS

Mr. DURBIN. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

Mr. DURBIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. NELSON of Florida). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. WHITEHOUSE). Without objection, it is so ordered.

THE STIMULUS

Mr. HARKIN. Mr. President, I wish to take the floor for a few minutes before we adjourn today to talk about the economy and about this stimulus package we are hearing the House is developing and will send over here some time in the next few weeks.

I must say, first, it is clear that there is a downturn in the economy that is causing a lot of anxiety among all Americans. It is clear we need to do something. Over the last 6 years, I must admit, I have been disturbed by the lack of fiscal discipline by this White House and by this Congress, as the deficits have piled up.

Think about this: In 2001, when President Clinton left office, we had surpluses. We were going to have surpluses as far as the eye could see. We were talking about paying down the national debt, saving our Social Security system. That all changed. It all changed because the new President came in and said: What is more important than paying down the debt, paying our bills, putting us on a sound fiscal basis? What is more important than that is tax cuts for the wealthiest people in our country. Oh, sure, everybody got a little bit, but a lion's share of it went to the wealthiest in our country.

I guess I shouldn't have been too surprised. The President's philosophy has always been one of trickle down, trick-

le-down economics. How many times do we have to keep enduring trickle-down economics when time after time we know it does not work? It may give you a little bit of a good feeling for awhile, but it always leads to disastrous consequences.

So that is what we had in 2001. We had trickle down, give the most to the wealthiest in the country; it will trickle down to everybody. It didn't trickle down. What it did was widen the gap between the rich and the poor. The very highest income earners in our country have gotten wealthy beyond Midas' imagination and the rest are down here, and the poor have gotten poorer and they have gotten to be a bigger part of our population. Children in poverty have gone up since 2001.

I suppose it was a nice dinner party for those who were at the top of the ladder for the last 5, 6 years, a wonderful ride, but look what it has led to. Now we have these huge deficits. The debt has piled up. We are now stuck in a war in Iraq that is costing us \$10 billion to \$12 billion a month, with no end in sight. Still we have these big tax cuts for the very wealthy going on and on.

Again, here we are. And, now we have a downturn. What do we do? We have to do something. There are times when deficit spending in the short term is prudent and necessary. That is when there is an economic downturn. But during the times when the economy is sound, that is when you ought to be paying down your debts. When the economy was sound for the last few years, we gave it all away. We gave it away, again, mostly to the wealthiest in our country. Now we are in a situation in which we want to ward off a deep recession.

Recessions always hurt those at the bottom worst. And now we are going to have to, because we don't have any money, do it with deficit spending, which I don't like, but we are going to have to do it.

I think it behooves us if, in fact, we are going to have to ask our grandkids and great-grandkids to pay the bill—that is what the national debt is; they have to pay it—if we are going to borrow from them for right now to get us through a recession, then we ought to be prudent about what we do with that money and how we do it.

I guess from my standpoint, taking a bunch of money and throwing it out there is not the way to do it. Don't throw money at the problem. That is why I have very serious reservations about what I hear coming from the other body. We haven't seen anything. All I know is what I read in the paper and see on the news and what I hear about what the White House is doing.

I have no doubt the House is acting in good faith. I am all for a bipartisan solution. But I remind both the President and my colleagues that we in the Senate are going to have some say-so in shaping the final stimulus package. Any bill that comes from the House is

going to be fully amendable here, and I intend to be here with a number of my colleagues to amend it if what I hear is coming from the House, and that is mainly a rebate. I don't know what the parameters are of the rebate. That is to be decided yet. But I hear the rebate can go to couples making \$150,000 a year. I guess when you figure out what the average income of Americans is, that is pretty high.

Everybody likes free money. Hey, come on, everybody likes to have the Government send them a check. Why not? I repeat, if we are going to borrow money from our grandkids and great-grandkids, let's be prudent about it. Let's put the money where it is most effective and where it is most needed, and that is not some kind of a general rebate for people.

We have unemployment rising, house prices are falling, and the home construction industry is in a severe slump. That affects everything, not just the house that is going to be built or is not being built. That is the window manufacturers, the tubing, the piping, the plumbing, the heating and air conditioning, and everything else down the line.

That is a real factor, something about which we should be concerned. Furniture makers, appliance makers, so many are also affected. Millions of Americans face the prospect of foreclosure, losing their homes. Banks are tightening their lending requirements. New credit is drying up. Even as the Fed reduces their interest rates, banks are tightening up the requirements. And who always gets hit the hardest? You got it, low-income people.

Prices are rising. I need not tell everybody about the rising price of fuel. But I also have to tell you that in many cities in this country, the price of a gallon of milk is higher than a gallon of gasoline. I read where somebody said once a price of gasoline may not affect a lot of low-income people because they ride mass transit and they don't have a car. They eat. And when the price of a gallon of milk is higher than a price of a gallon of gasoline, you don't have much choice.

If a gallon of gasoline is high and you don't like it, I supposed you can ride mass transit, ride a bicycle, or walk. If you are hungry, you have to have food. I don't know any substitute yet for food.

We need a stimulus package, but we have to get it right, targeted to those who have been hit the hardest and invest in the growth in the U.S. economy. Don't think about this as a one-time thing, if we spend a lot of money now that will get us through it. If you have someone who makes \$150,000 a couple or \$75,000 for, let's say, a single person, you give them 600 or 700 bucks, what they are talking about, I think studies have shown a big portion of that will be saved. There is nothing wrong with that. That is fine. I am all for saving. People ought to save more. But another portion of that will be

used to pay past bills, and another portion of that, guess what, is going to be used to buy things. One might say: That is the deal, we want people to buy things; that is the idea of a stimulus. Yes, but what are they going to buy? Are they going to buy a new flat-screen TV made in China? Are they going to buy a new electronic game made overseas? So many of those items are made in foreign countries, so a lot of money will flow from here right to China, Japan, Korea, or who knows where else.

You can buy clothes. Most of our clothes are made overseas. You can buy a pair of shoes. We don't make many shoes here anymore. I am saying you have to think about who is getting helped and where is the money going, and is it going to help build the structure of America and make for our economy to be sound.

On that score, the proposal I see from the House does not quite do it. There are three big items, as I understand, that they leave out. The first is food stamps. I was in my office today listening and I heard some speakers on the floor talk about all we need in a stimulus package. Some of them never even mentioned food stamps, and yet these are the people hit the hardest by a recession. We know the multiplier effect of food stamps is better than any other single program in which we can invest. Here is a chart that indicates that. This is prepared by Moody's Economy. It is not a Government source. Here are the proposals that deliver the demand generated by \$1 of stimulus. For \$1 of stimulus, what do you get back? For business investment writeoffs, if you invest \$1, you get 27 cents; extend the Bush tax cuts, you get 29 cents. Who is going to invest a dollar to get back 29 cents, I ask you. Then income tax cuts, payroll tax rebates, aid to States, unemployment, food stamps, a \$1.73 multiplier effect for every dollar you put in. These are the people hit the hardest. We know food prices are extremely high. A gallon of milk is more than a gallon of gasoline. There is no substitute for food.

It seems to me that if we are going to invest in a stimulus package, this is a key place where we ought to be investing our money. Not only does it help the poorest in our Nation, to give them the food they need, but think about it in another way. When you give someone food stamps, they can't spend it on a flat-screen TV made in China, they can't spend it on a new electronic game or an iPod; it has to be food. For the most part, most of that food is grown in the United States, it is processed in the United States, it is packaged in the United States, and it is shipped in the United States, and it is sold in stores in the United States. And, they will spend it all. That is why the multiplier effect is so big.

Now, from what I hear, the House proposal has zero in it—zero—for food stamps. Well, that has to be taken care of. And when that bill comes, if it doesn't have it in here when it comes

here, I, along with others—and I see my colleague from Ohio, who I know is going to be stalwart on that too—we are going to demand that any stimulus package have food stamps. Food stamps. And why shouldn't it? That is the biggest bang for the buck right there.

Now, again, everybody likes rebates and stuff. Maybe I am a little more conservative on this issue than others and I see it in those terms, that we have to be very careful about how we are spending deficit money. Put it here and it gets spent and it will go for everything made in the United States. You get a big multiplier effect on that. And it has to be a distinct change.

Here is what I would propose that we do on food stamps. First of all, raise the asset level for which you qualify for food stamps. Right now, it is \$2,000. Let me make it very clear what I mean by that. Let's say that you are a single parent, you are working at a low-income job, and you temporarily get unemployed, which is what is happening now because unemployment goes up in a recession, and you find it necessary to get food stamps for your children. If you have \$2,000 that you have salted away in a savings account, in a 401(k), no matter what, if you have \$2,000 salted away, you don't get food stamps.

Now, that level was set in 1977—in 1977. What if that had just kept pace with inflation through all these years? What if we had the same asset level exclusion today in real dollar terms as we had in 1977? What would it be? I will tell you right now. It would be about \$6,000. So what we are saying to food stamp recipients today is: You are worse off, you are worse off than a food stamp recipient was in 1977. So the first thing we have to do is raise the asset level for which you qualify for food stamps, and we ought to raise it up to what the level would be had it kept pace with inflation, and that is roughly in the neighborhood of about \$6,000. Imagine that, \$6,000.

We want poor people to save. One of the reasons people get stuck in poverty is they do not save any money. Yet we tell them: If you save and you hit a rough patch and you get unemployed, guess what, no food stamps. You have to spend your savings. What kind of message does that send? So that is No. 1.

Number 2, we ought to take off the childcare cap. Take it off. Now, I will admit that the Bush administration, in their farm bill proposal they sent down, also asked that we take off the cap. So there shouldn't be any argument there. So if you have to have childcare, whatever you spend for childcare is not taken into account. You get to deduct all that. You get to deduct whatever the cost of childcare is from your income. Right now, it is capped at \$175 per month. That is not enough and it is very hard to work with young children with no one at home to take care of them without

child care. So we shouldn't have the argument from the administration since they proposed that too.

The third thing is to exempt from your savings, from your income, anything that you put into an education account or into a 401(k). That ought to be exempt. The administration proposed that, also, so we shouldn't have any problem there.

The fourth thing we need to do is to raise the standard deduction. Now, the standard deduction is a deduction that applies to a family who depends basically on income and depends on how many kids you have. That standard deduction was set in 1996—welfare reform. Guess what. It hasn't changed since then. So the standard deduction needs to be raised to keep pace with inflation, and it needs to be indexed. We need to index both the asset level and the standard deduction so that in the future we don't have this problem anymore.

We should do those four things.

Now, the fifth thing we ought to do is to recognize that many people who get food stamps don't get enough food stamps. During an economic downturn, a lot of people rely upon our food banks to get food for the rest of the month. You can go to any food bank in your cities, anywhere, and they will tell you that the third and fourth weeks of the month is when they get hit the hardest because people run out of food and come in there to supplement their food. But our food banks are in dire need of more food. So I would suggest, modestly suggest, that we ought to put somewhere in the neighborhood of about \$100 million in this stimulus package to go out—that is under the Emergency Food Assistance Program—to be able to get food to our food banks. Again, not only does this go to people who are on food stamps but also to homeless people, soup kitchens, and the things that really help the poorest people in our country. Yet this is nowhere in the stimulus package. Again, keep in mind this money would be spent for food produced in the United States, processed, packaged, and for people who work in a lot of our food banks and in our soup kitchens and places such as that.

So, again, those are five things which need to be done on food stamps.

The second thing we need to do is to extend unemployment benefits. Second only to food stamps, unemployment benefits give you the biggest return on every dollar—\$1.64 for every dollar spent. After all, isn't that what we are talking about, people who have been on unemployment but their benefits have run out? They should be extended. I mean, common compassion would tell you they ought to be extended, but common sense should also tell you that too. In a stimulus package, we ought to extend our unemployment benefits for those who no longer have jobs. Yet, as I hear about and read about the House package, that is not there. That is not there.

Now, the third thing we have to do is invest in the future structure of America so that we have some investments that will lead to a better economic footing for this country. As I said, and I will repeat myself for emphasis' sake, if we just give someone money and they spend it on a flat-screen TV made overseas, some of that helps here, but a lot of it doesn't. What is there that we can invest in that will put people to work right away, spend money in this country, and most of the money stays right here in America? What that means is infrastructure money. That is money that goes out for repairing our roads and bridges and sewer and water systems, school construction and weatherization.

There was some talk that we need to put money in here for LIHEAP, the Low Income Home Energy Assistance Program. It is a vital program. It helps a lot of low-income elderly heat their homes during the winter and, in the South, cool their homes in the summer. We ought to be putting money into weatherization programs for insulation and things such as that for these homes as well to save for the long term and also to create jobs. It puts people to work.

I actually did a workday once with a weatherization group, and when you think about it, you get this done, and then their heating bills for the next 5 to 10 years will be lower. That is what we need, to invest in the infrastructure of our country.

Right now, I know that in the Department of Agriculture, we have over \$1 billion backlogged right now for just sewer and water projects, just sewer and water programs. Many are ready to go with all of the plans that are there, designs all set, but they just don't have the money. Small towns and communities could benefit from this, and it would put a lot of people to work. School construction—so many of our schools have outdated heating systems that cost a lot of money every year. They may need to expand, or they may need new fire and safety materials. Sometimes they just need to build new schools. A lot of these are ready to go. Why not invest the money there? Roads and bridges, our interstate highways and bridge rehabilitation projects that are ready to go, courthouses that need to be built with the plans done but are waiting for funds. People could be at work on these by this summer. Some time government will be paying for these projects. Why not do the work this year when it will help a weak economy?

I hope people don't get deluded into thinking that all we have to do is pass \$150 billion, throw it out there in the next couple of months, and it is all over with. That is not going to happen. Better we do it carefully. If we can get this money out by this summer and put people to work, it would be one of the best things we could do.

Again, keep in mind, when you give aid to the States for infrastructure—

think about this—put a new roof or remodel the school or whatever—think about this—the work is all done here. You can't outsource that. So the work is done here, the people who work here are paid here, and they spend their money here.

Secondly, most of the materials that go into construction are made in America—your lights, your heating, your wiring, your drywall, windows, doors, and rerods. When you think about it, it is almost all made in America. There may be some things made elsewhere, but probably 90 percent of all the construction materials we use in this country are made in America. That is why this multiplier effect is so big. So not only do you employ people here, who spend their money here and help their families out, you are buying materials that are made somewhere else in America. That helps those jobs and helps those people go to work, whether it is making windows or doors or floors or faucets or piping or wiring or lightbulbs or whatever it might be.

So that is why I say that what I hear about coming from the House I think really misses the point. It misses the point. Don't just throw money at the problem. Don't just throw money at it. And don't throw money at it in a way that people who make a lot more money than poor people get a bigger piece of the pie. Let's put it where it really has an effect—food stamps, unemployment benefits, and investment in needed infrastructure. If we just did those three things, that would do more to stop a recession in this country than anything we could do, and it would do more to build for the future—to build for the future—than anything else we could do.

So I hope, Mr. President, we get a better package than what I am reading about. I hope when it comes over here that we will have it on the floor, it will be open, and we will be able to offer amendments, and I hope we can be heard on this and we can offer these amendments to try to focus this where it is really needed. To me, that is what a stimulus package ought to be about. No more trickle down. No more just throwing money out there.

Everybody loves free money. What the heck, everybody loves free money. That is not the point. The point is, we are borrowing from our kids and grandkids. We ought to treat it carefully, be conservative about it, and we ought to do what will get the most bang for the buck and lead to a more sound economy in this country.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. BROWN. Mr. President, first of all, I thank the Senator from Iowa for his terrific work on advocating for those who are most victimized by this recession, the elderly who need help on their heating and weatherization of their homes, the people who need food stamps, people who have lost their jobs, people who have lost their health

insurance, people who are struggling the most, I wish to thank Senator HARKIN for his work.

I wish to tell a story that I think illustrates the hardship among middle-class Americans, middle-class Ohioans, people who have worked hard, played by the rules, have seen their unemployment run out, or seen their job lost or seen the prices of gasoline and home heating and food go so high that they cannot afford the middle-class lifestyle or even the subsistence living that has afflicted their lives.

I mentioned this story on the floor a couple times, but it so much illustrates Senator HARKIN's words and Senator HARKIN's solutions of extending unemployment, that gets money in people's pockets quickly; of helping with food banks and food stamps and LIHEAP and all that.

Congress's response needs to be twofold. We need to stimulate the economy, and the House version is a start, it is a good start, and we need to help those who are most victimized by the recession.

In Logan, OH, in Hocking County, a county halfway between Columbus in Central Ohio and Athens on the Ohio River, in Logan, OH, a southeast Appalachian county, on a cold December day about a month ago, at 3:30 in the morning people began to line up outside the United Methodist in Logan, the county seat of Hocking County, to get food. It was 3:30 in the morning on a cold winter day. By 8 o'clock, cars were snaked around the church and the neighborhood and up and down the streets when the food pantry opened. By 1 o'clock in the afternoon, 2,000 people—2,000 people in a county of about 30,000—7 percent of the county, had come to this food pantry.

Many of those in this county had driven 20, 25 or 30 minutes to get there, a county that has had problems in the past but a county where that food bank served only a few dozen people 3 or 4 or 5 years ago.

Across the State, in Warren County, a relatively affluent community overall, a larger county northeast of Cincinnati down in southwest Ohio, the head of the United Way told me 90 percent of their people who come to their food pantries in their county, 90 percent of the people have jobs.

The mayor of Denver told a group of us, the Presiding Officer was there, that 40 percent of the homeless people in greater Denver are employed. Underemployed, perhaps, employed obviously in low-wage jobs.

Tim, a gentleman from Cleveland, used to donate time and money to the local food bank and soup kitchen. He is still employed, but the costs were consuming him and his family. He quit giving money to the food bank but continued to volunteer there. Now he is in a position where he relies on those resources himself. He said he used to be middle class, but he does not consider himself middle class any more because his wages have not kept pace with the

cost of basic needs such as food, heat, and shelter.

He spoke of the great humility it took to go to the food bank for his own household. He said it is merely a drop in the bucket compared to what his family needs.

Today my office received an alarming e-mail from Ohio's Second Harvest. Second Harvest is a group of food banks that serve our State. The e-mail mail explained that Second Harvest Food Bank of Southeastern Ohio, which serves the area where Logan is, the community I mentioned earlier, is nearly out of food. For the fourth time in just over a year, the e-mail said, they have come very close to closing their doors; there is no relief in sight.

This problem is not unique to Ohio, it is affecting cities all over this country. It is affecting rural areas, large cities, small towns, and suburbs. No community seems to be immune from this.

That is why our efforts are so very important. Senator HARKIN had a chart that showed the importance of putting money directly into the pockets of those who are most afflicted by this recession. That means people who go to food banks; it means people on food stamps; it means people who have problems paying their heating bill; it means people whose unemployment has run out.

I appreciate the House action. As I said, the House has a good start, putting money into the pockets directly of middle-class taxpayers, of working families. But we need to do more. The best thing we can do while we want to stimulate the economy, the best thing we can do is extend unemployment compensation. Because that money will be spent by those people who are hurting because they lost their job, they cannot find work, and their unemployment has run out.

Our proposal of \$40 million that I introduced back in December may need to be more than that, but that would be a good start, to get people over December, January, February as these food banks have run out of food. That \$40 million spread around the country will matter, as these food banks say they are in the worst shape than any time in the last 20 years. They are in worse shape because grocery stores donate less because they are more efficient, they damage fewer cans, they have less oversupply or waste that they donated to food banks in the past.

Obviously, the demand on these food banks is so much greater than it has been. Again, I would also add that donations are down in January. They always are after Christmas. People, as generous as they are at Christmas, sometimes sort of forget in January, so they are not getting help from the individuals and the community. Of course, the demands on those food banks are higher.

So that stimulus package, while a good start in the House, putting money in the pockets of middle-class Ameri-

cans and working Americans, needs to go further and needing to go further is helping the most afflicted, pained, the people who need it most and have been victims of this recession.

As Senator HARKIN said, that money will then be spent in our communities with American-made products and will have a very good multiplying effect for jump-starting our economy.

No one should go hungry in the richest country in the world. We are spending \$3 billion a week on the war in Iraq. The tax cuts the President gave over the last 6 years resulted in huge numbers of dollars to the richest people, the richest 1 percent in this country. It is time we dealt with some of the problems that are hurting people in Steubenville and Lima and Zanesville and Dayton and Cleveland and Akron and Youngstown and Warren in my State.

So I ask, as this bill comes to the Senate after House passage, that we look seriously at the proposal Senator HARKIN had to take care of food stamps and food banks, to extend unemployment benefits, to take care of seniors who simply cannot meet their heating bills as the winter moves on.

THE ECONOMY

Mr. SCHUMER. Mr. President, I rise to speak on the stimulus package and the progress we are making, and the further progress we must make.

As is being reported, this morning the House is very close—probably already there—on a bipartisan stimulus package. This in itself is good news. Our economy is in poor shape. It is not simply the housing markets—where this started—but it is also now consumer spending. As housing prices go down, because of the subprime crisis, consumers spend less, and it also creates a credit freeze. Now we are finding credit problems not only in subprime loans and subprime securities but also with the insurers, the insurance, the mortgage and other insurers, which makes the markets wonder: Are there credit problems elsewhere, which is the most frightening issue we might have.

With all of this happening, Chairman Bernanke's swift action made a good deal of sense. But it must be matched by swift action by the executive branch of Government and the legislative branch of Government in putting together a stimulus package. I think the package—I have always said, and I think most Democrats and Republicans would agree—the centerpiece ought to be a tax cut, a tax refund check sent to the middle class.

It is the middle class that needs the help. It is the middle class that would spend it the most quickly. It makes a great deal of sense. It also makes sense to send it to those who are the working poor—not quite middle class—for the same reasons, even if they do not pay an income tax. It also makes sense to send those checks to people on Social Security who would file a tax return but might not pay even a payroll tax.