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Senate

The Senate met at 10:30 a.m. and was called to order by the Honorable JACK REED, a Senator from the State of Rhode Island.

The PRESIDING OFFICER. The prayer will be offered today by CAPT Alan N. Keiran, Executive Assistant to the Chief of Chaplains, U.S. Navy.

PRAYER

The guest Chaplain offered the following prayer:

Good morning. Will you pray with me, please.

Almighty God, Gracious Father, Sovereign of this great Nation, Lord of creation and Lord of our lives, we stand in awe of Your holiness and mercy. In faith and thanksgiving we pray for Your continuing wisdom and grace as we seek to do Your will. Bless us with peace that passes understanding and strength to sustain us in challenging times.

O God, for every Member of this august body, their staffs and families, we pray Your vibrant presence would empower and uphold them in joyous times and sad times. As the Psalmist tells us, "those who seek the Lord lack no good thing." May we as a nation be those who daily seek Your face and honor You through our lives.

Lord, as a lover of righteousness and justice, sustain us in Your unfailing love. Protect our forces on land, at sea, and in the air. Comfort and console those whose loved ones are deployed around the world. Eternal Father, strong to save, to You we ever lift our praise. In Your strong name we pray. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JACK REED 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 assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 6, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JACK REED, a Senator from the State of Rhode Island, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

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

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, 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 11:30 a.m., with the time equally divided between the two leaders or their designees and with Senators permitted to speak for up to 10 minutes each.

RECOGNITION OF THE ACTING MAJORITY LEADER

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

GUEST CHAPLAINS

Mr. REID. Mr. President, the Chaplain, Reverend Ogilvie, has been out of the city for all of this week, and he has

had military chaplains come in. They have been very impressive. Yesterday, we had the Coast Guard Chaplain, today the Navy Chaplain, and the day before the Army Chaplain. I have been very impressed with their stature and their message.

I am sure this means a great deal to the Presiding Officer, who is a graduate of the Military Academy at West Point. It is good that it reminds us on occasion of the importance of these men and women in uniform, and also the fact that they are constantly aware of the need for spiritual guidance.

I think their being here the last few days has certainly indicated that to anyone watching these proceedings.

SCHEDULE

Mr. REID. Mr. President, as the Chair announced, we will be in a period of morning business until 11:30, at which time we will have a cloture vote. At that time, we will vote on the economic recovery act. If cloture is not invoked, the Senate will immediately vote on cloture on the Grassley amendment. Additional rollcall votes, of course, are possible throughout the day.

Following the cloture votes, if cloture is not invoked, I have been directed by the majority leader to inform everyone that he is going to ask unanimous consent that we move forward today on the additional 13 weeks of unemployment insurance, something we have been trying to do for months now. We asked for that in the closing hours of the last session of the Senate before the Christmas recess. That was not accepted by the minority. I hope they will follow the example of the majority leader and not strip everything out of his economic stimulus package, and certainly let us not leave out of consideration these people who are so desperately in need of these additional weeks.

During the first Bush administration, we extended unemployment benefits on

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



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five separate occasions because of economic downturns. We have done that routinely in the past. It should not have taken this long. There are a significant number of people whose unemployment benefits have expired. We have a number of people who won't be able to collect unemployment benefits. It is really too bad that people have fallen through the cracks who have gone from welfare to work and who do not meet the requirements statutorily. They certainly should be included, and I hope some consideration will be given them also.

Again, the majority leader will, after the cloture votes, ask unanimous consent that there be 13 additional weeks of unemployment insurance extended to those people who so desperately need it.

The ACTING PRESIDENT pro tempore. The Senator from Colorado.

Mr. ALLARD. Mr. President, I understand that I have 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator may take up to 10 minutes under the order.

EXTENSION OF THE RESEARCH AND DEVELOPMENT TAX CREDIT

Mr. ALLARD. Mr. President, I am here this morning to express my disappointment that I am not going to have an opportunity to call for the yeas and nays on the permanent extension of the research and development tax credit. It has to be one of the most important provisions and amendments that will be made to the stimulus package.

I again am disappointed that stimulus package is not going to move forward out of the Senate. Many of us have worked hard. We think it is time for us to have a stimulus package. The economy needs to have that happen.

I want to refer to some charts and to what some very key individuals are saying about the R&D tax credit being extended on a permanent basis. Right now, it is not extended on a permanent basis. I think the National Association of Manufacturers is trying to address the question. I think they have said it very succinctly. They ask: Why worry? They say: because the R&D tax credit expires in 2 years and major R&D projects take an average of 5 to 10 years to complete.

If we don't get this passed now and move forward, that is going to be another reason our economy will not move forward. I am very concerned about that.

The Democrats in the Senate also recognize the importance of the R&D tax credit. I looked at what the majority leader said in January of 2002. He said:

We should act to make the research and development tax credit permanent; the sooner the better.

The action we are getting from the Senate today doesn't show any interest at all in moving forward in keeping up with the "sooner the better" pledge.

This is a serious problem and a catastrophe.

The R&D development tax credit is one of the most effective mechanisms to encourage innovation, increase business investment, and keep the economy growing.

Again, that is the majority leader speaking on January 4 of this year.

I am extremely disappointed that we will not have an opportunity to bring this amendment up for discussion.

Just to again point out how important this amendment is to the economic recovery of this country to restore economic prosperity, I would like to show you a one-half-page ad from the Wall Street Journal.

Mr. President, I show you an ad that was put in the Wall Street Journal from Ontario, Canada. It points out: "The Future's Right Here" in Ontario, Canada.

They say:

With pharmaceutical R&D spending up 300 percent in the past decade, Ontario is proving to be an excellent locale for life sciences.

The reason they are saying that is because they have a research and development tax credit of which companies can take advantage.

They go on further to say: "Protection of intellectual property rights and R&D tax credits, [which are] among the most generous in the industrialized world, are a couple of key contributing factors" and why it is so important to do business in Ontario.

We are missing the boat. We need to do more to encourage economic research and development in this country. It is key to restoring economic prosperity.

Again, I cannot emphasize enough how very disappointed I am that I am not going to have an opportunity, along with Senator HATCH, who has worked very hard on this particular amendment over the years, to get it passed on a permanent basis.

In addition to what I have shown here, we have looked up studies that say the permanent extension may, in some cases, by 2010, increase domestic economic growth by \$58 billion.

We have the tax credit available for incremental research and activities in both the United States and Puerto Rico where 75 percent of research and development tax credit dollars go to salaries and wages of employees associated therewith. These are high-paying American jobs, and high-paying American jobs pay taxes. It is taxes that go to the Federal Government and help us balance our budget at the Federal level.

So it is important. I am disappointed that not only my amendment but other amendments that would lead to economic growth in this country are not going to have an opportunity to be brought up. I cannot emphasize enough how very disappointed I am that this has been stalled because of action on the other side, even after we have had such positive statements made on January 4 of this year as to how we need to move forward with some of these tax

cut provisions that stimulate economic growth, such as the research and development tax credit.

Mr. President, I yield the remainder of my time to the Senator from Texas.

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

Mr. GRAMM. Mr. President, if the Senator will yield for a moment—I think this is the order in which we appeared on the floor—so we can all make plans, I ask unanimous consent that when the Senator from Texas finishes, I be recognized for 5 minutes, and then the Senator from Georgia be recognized for 5 minutes.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. GRAMM. And that following that, the Senator from Missouri be recognized for 5 minutes. I think that covers everybody present.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. GRAMM. I was just setting up a procedure where we can all speak.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Texas.

NEED FOR A STIMULUS PACKAGE

Mrs. HUTCHISON. Mr. President, so many of us wanted a stimulus package. The President asked for a stimulus package. We see the stock market continuing to go up and down, up and down. It certainly has not stabilized yet. We wanted to try to stimulate investment to try to make sure we would have an economy that would be able to remain strong as we are prosecuting a war for the very freedom of future generations in our country. But what we had before us was not a stimulus package. It was the end of a compromise without the compromise part.

There was no tax cut. There was no help for people who pay taxes. There was no stimulation for businesses that would invest in plant and equipment. And that is what we need to make sure we have those manufacturing jobs.

What I had hoped to do—and I had already filed the amendment—was to make permanent some of the tax cuts that are temporary over the next 10 years. I wanted to make permanent the marriage penalty relief that is in the tax bill that Congress has already passed and the President has signed but which could teeter in the next few years if we have a change in Congress.

Why should anyone have to pay a penalty because they get married? Why should they pay a different rate in a higher tax bracket when they get married as opposed to when they were single?

We are trying to correct the marriage penalty. Making marriage penalty relief permanent so people can count on it would be a stimulus.

Repeal of the death tax is one of the most important things Congress has done. Congress has finally acknowledged money that has been taxed when

it was earned, taxed when it was invested, should not then be taxed when it is passed to future generations. What the death tax does is keep family-owned farms and ranches and small businesses from being passed to members of the family. Fifty percent of the family-owned businesses in this country do not make it to the second generation; 80 percent do not make it to the third generation. Who benefits from that? Certainly not the members of a family who have worked to create a business to give their children a chance.

What about the employees who work for that family business. When it changes hands, their livelihoods then are at stake. So who is it good for? It does not even help the Federal Government because the income is minuscule and would be totally overcoming to a thriving business with jobs that are stable that can contribute to our economy.

So we wanted to make repeal of the death tax permanent. We wanted to make repeal of the marriage penalty permanent. That was what we were trying to do to this bill. But now the bill is going to be pulled from the floor before we can offer these amendments.

I do not think that is sound economics. I do not think that is good for our country, and it certainly is not going to stabilize our economy.

So when you talk about people being disappointed, I think all of us are disappointed that we are not going to have a chance to offer our amendments. We had all day yesterday to offer our amendments, but we were held from offering the amendments and having votes. That is just not right.

We adopted an amendment offered by my fellow Senator from Missouri, Mr. BOND, that would have helped small businesses. It would have been a huge help. It would have given them a \$40,000 writeoff for investment in equipment. For small business that is huge. Otherwise, they would have had to depreciate it. Instead, they would have a writeoff that would have encouraged small businesses to make those capital investments that create jobs in America.

So we are missing a major opportunity. I will call on Senator DASCHLE to reconsider, after the cloture vote—which, hopefully, will fail because we have not been able to offer our amendments yet. We do not want to pass the bill that is before us because there is no stimulation in it. I ask the majority leader to reconsider because we would like to have a stimulus package that makes permanent the marriage penalty relief, that makes permanent the death tax repeal so businesses and family farms can be passed through the generations without being taxed by the Federal Government and made to sell assets at bargain basement prices and take away jobs from people who work on those farms and take away the ability of the children in a family to continue to make their livelihoods from

that family farm. It would take away the opportunity to give small business a boost by giving them a writeoff of \$40,000 over a 2-year period for capital investment.

I urge the majority leader to reconsider. Let's work with the President. Let's work with the Democrats and Republicans in Congress. Let's have a stimulus package that really stimulates.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

REDUCING TAXES

Mr. GRAMM. Mr. President, back in January of last year, Senator ZELL MILLER of Georgia and I started working together in support of the President's tax cut. Obviously, I am awfully happy and awfully proud that we succeeded.

Taxes are being reduced for working Americans. The marriage penalty, which my dear colleague from Texas just talked about, is being eliminated. The death tax is being phased out. Rates are being reduced for every American. The net result is that working people are getting the opportunity to keep more of what they earn.

I think that was the right policy. It was supported on a bipartisan basis. It got a strong vote in both Houses of Congress, but because of a technicality in the Budget Act, we have this incredible anomaly that 10 years from now all of that tax cut goes away.

Nothing could be more destabilizing than having a tax system which is not permanent. Nothing could have a greater impact on the economy that would happen 10 years in the future, that you could know about today, than having the specter of a massive tax increase occur automatically.

Congress never intended that. It was a technicality in the budget that forced it. So when the debate started to occur about how do we deal with the recession, how do we stimulate the economy, Senator MILLER and I got back together and tried to come up with a simple program that did not cost money during the recession and drive up the deficit but yet stimulated the economy dramatically, in the process putting people back to work and putting money back in the Treasury.

We concluded there were two simple things we could do that would achieve both those goals: put people back to work, have them paying taxes into the Treasury, and at the same time would not cost the Federal Government much money.

We concluded that the strongest stimulus package that could be adopted that would meet those goals was to make the tax cut permanent by repealing the sunset provisions in the Tax Code so that when we eliminate the marriage penalty, it is forever, and people know it. When we eliminate the death tax, it is gone, and people can plan on it. These new rates are going to

be permanent so you can invest and save and work harder knowing it.

The second proposal we had was cutting the capital gains tax rate. I am not sure that is politically correct in an era where the first thing we debate is, would anybody who has any money, make any money. But cutting the capital gains tax rate in the entire 20th century never failed to put money in the Treasury, never failed to stimulate the economy. And based on that experience, we were proposing that we cut the top bracket from 20 percent to 15 and the bottom bracket from 15 to 7.5 percent.

That simple proposal would have raised Federal revenues in the next 2 years—no one debates that—and would have provided a very strong stimulus to the economy. It appears we are not going to have an opportunity to offer it because the debate is going to be ended. We thought it was important that there be a vote on a real stimulus package. We have debated a stimulus package, but no one has really proposed one.

The President, very much to his credit, thought, in light of September 11, that we had enough bipartisanship that he could take half of the ideas the Democrats had, take some ideas Republicans had, make a proposal, and it would be adopted on a bipartisan basis. That turned out not to be the case. But if you wanted a real stimulus package that would stimulate and that would make money for the Government at the same time, our proposal—making the tax cut permanent and cutting the capital gains tax rate—is that proposal.

I am proud of it. I wish we had had an opportunity to vote on it. I don't believe it would have been adopted. But if we are going to debate stimulus, we ought to have a vote on something that will stimulate. If you are trying to produce an economic response, you want something that is going to produce it. We had it, and I am very proud to have had an opportunity to work on this with Senator MILLER.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

ORDER OF PROCEDURE

Mr. MILLER. Mr. President, I ask unanimous consent that in the sequence of speakers already established, Senator CLINTON be recognized following Senator BOND.

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

Mr. REID. Mr. President, if the Senator will yield, I ask that his unanimous consent request be amended to allow Senator CARPER to speak following Senator CLINTON.

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

The Senator from Georgia.

PARTISAN POLITICS

Mr. MILLER. Mr. President, I hear today we are about to have a funeral, that the stimulus bill is on life support, and that the plug will be pulled sometime today. The cause of death? Partisan politics. It is a shame, although perhaps the money can now be applied to the deficit, which has concerned some of us, and we will be closer to a balanced budget.

The soon-to-be-deceased could have been saved. We had a reasonable compromise right before we adjourned for Christmas. The President supported it. Some Democrats, including this one, supported it. It had a majority of the votes in the Senate. Right now, if it had passed, it could have already been signed, the rebates could be being prepared, a reasonable health care benefit could have been a reality—such promise. Who was it who wrote that the saddest words of word or pen are that it might have been—something like that?

This week we could have made the tax cut permanent. We could have added a capital gains tax cut. That is what Senator GRAMM and I have advocated for some time.

No one ever stated so well how powerful an effect a cut in the capital gains tax could have on the economy as a Democrat, President John F. Kennedy. I quote:

The tax on capital gains directly affects investment decisions . . . the mobility and flow of risk capital from static to more dynamic situations . . . the ease or difficulty experienced by new ventures in obtaining capital . . . and thereby the strength and potential for growth of the economy.

That was Jack Kennedy, not the Washington Times or the Wall Street Journal or Lawrence Kudlow or PHIL GRAMM or Bob Novak. That was John Kennedy, a Democrat.

Over the years, he was not the only member of my party who advocated cutting the capital gains tax as a good way to stimulate the economy. Senator Patrick Moynihan, that wise and brilliant former Member of this body, consistently advocated it over the years.

What history shows is that, once upon a time, Democrats were tax cutters. I wish I could bring that time back. I rise today to strongly advocate making the tax cut we passed last year permanent and to cut the capital gains tax rate.

Unfortunately, the tax cut we passed last year, although it was a great tax cut, was compromised on its way to final passage. What started out as a broad, immediate, and permanent tax cut became one where some of the tax relief is delayed by several years. Then to add insult to injury, the whole thing is to be repealed in 2010.

We do something that, to my knowledge, Congress never had the gall to do before on a broad basis. We sunset individual tax cuts. We have done that several times with business tax revisions. But to individuals, to families, we have never done it where we gave them their money back and then took it away

again later. That is playing games with our taxpayers. We should never do that. Eliminate the uncertainty of this tax cut and you will stimulate our economy. How can anyone make any long-range plans for a business or for a family with a here-today, maybe-gone-tomorrow tax cut, a tax cut that has a perishable date on it like a quart of milk?

The fastest way to show taxpayers we are serious about tax relief—the only way, really—is to make the tax cut permanent. The fastest way to prompt businesses to expand and to invest is to cut the capital gains rate from 20 to 15 percent. We are not in a slump just because consumer sales are down. We are in a slump because venture capital fell 74 percent in the past year. Capital spending by businesses is at its lowest in decades.

As Senator GRAMM said, every time we have cut the capital gains rate—every time—tax revenues have risen, not fallen, and asset values have always shot up.

Today a capital gains tax cut would bring even better results because today's stock market is no longer the playground of the rich. Almost half of all Americans now own stock, and almost a third—one out of three—who earn less than \$30,000 a year own stock. Aren't those the people whom we Democrats say we want to help? The American middle class has become, for the first time in our history, the American investment class.

So as I eulogize this soon-to-be-deceased, I think of the bruised and battered Marlon Brando's "On The Waterfront"—what could have been. We could have had a contender.

The PRESIDING OFFICER (Mr. CORZINE). The Senator from Missouri.

CONTINUING WORK ON THE
STIMULUS PACKAGE

Mr. BOND. Mr. President, I thank my colleagues from Georgia and from Texas for presenting some very cogent arguments as to why we need to keep working on this stimulus bill. I am disappointed by the sounds I am hearing that it is going to be pulled. We need stimulus in this economy, and we have already adopted an amendment that I proposed, on an overwhelmingly bipartisan vote, to allow small businesses to write off immediately their investments.

As I have said, I have two more amendments, frankly, in addition, that are pending at the desk that I think my colleagues, if given an opportunity to vote on them, would vote for overwhelmingly.

First is a measure that addresses the tax benefits for the armed services members who served in the operations in Somalia. I don't think there would be many on this floor who would not vote for it if they had a chance. It provides that those who served during peacekeeping efforts in Somalia should receive the same tax benefits in the

same manner as if such services were performed in a combat zone.

As we fight the global reach of the terrorist networks, we are asking our men and women in uniform to perform at the very highest levels and at an unprecedented operational tempo. This amendment I filed would allow the men and women who served within the hostile fire zone in Somalia to file for the same tax breaks afforded to military forces who serve in a combat zone. Anybody who has seen the movie "Blackhawk Down," based on the real world conflict in Somalia, will understand that our forces who served in that conflict were in a combat zone.

The Pentagon criterion for hostile fire pay requires the duty is "event based, payable to members certified that have been subject to a hostile fire. . . ."

Former SSG Kenneth Chatman, from Oran, MO, served the Army for 16 years as an avionics electronics repair technician. He served in Somalia from August of 1993 to January of 1994 with the 101st Airborne Division, air assault. The only tax exemption soldiers in Somalia got was when they transited to some other zone. In his case, he flew over Egypt and got a tax-free month. That is unjust. I believe anybody who appreciates the battle that our military are taking on against terrorism will understand that the sacrifices made by our forces require that we give these brave men and women the same tax breaks that others under direct fire receive.

The second amendment I have is truly a stimulus measure. It is designed to increase the amount of venture capital available to small business. The Small Business Administration Small Business Investment Company Program—the SBIC Program—has a significant role in providing venture capital to small businesses seeking investments in the range of \$500,000 to \$3 million.

Small Business Investment Companies are Government-licensed, Government-regulated, privately managed, venture capital firms created to invest only in original debt or equity securities of U.S. small businesses that meet size standards set by law.

In the current economic environment, the SBIC Program represents an increasingly important source of capital for small enterprises—small enterprises that are struggling to get back on their feet, to grow now in the face of this economic recession we have been in for well over a year. They need to have funding. While debenture SBICs qualify for SBA-guaranteed borrowed capital, the Government guarantee forces a number of potential investors—namely, pension funds—to avoid investing in SBICs because they would be subject to tax liability for unrelated business tax income—UBTI. Thus, they don't put their money in it. As a result, 60 percent of the private capital potentially available to invest for these SBICs to create jobs, put men and

women to work, create wealth in the community, is "off limits."

My amendment would correct that problem by excluding Government-guaranteed capital borrowed by debenture SBICs from debt for purposes of the UBTI rules.

When we are looking at the need to diversify pension funds, this gives those who hold pension funds who seek retirement security an opportunity to use Government-guaranteed funds for investment in small businesses in a professionally managed small business investment company the opportunity to put their retirement funds to work and create jobs in their community, create growth and opportunity for men and women who need those jobs now.

I hope and expect, once again, that if this targeted small business stimulus incentive were put up on this floor for a vote, it would be overwhelmingly adopted and we would see jobs and growth of small business.

I urge the leader, the Senator from South Dakota, to give us an opportunity to continue to work on this very important package, which has some good things in it and, if we had the chance to work on it, would have more good things in it.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York is recognized.

A "SPECIAL" AMERICAN FLAG

Mrs. CLINTON. Mr. President, I rise today to express my deep and profound opposition to a decision by the International Olympic Committee to ban the carrying of a special American flag during the opening ceremonies of the 2002 Olympics in Salt Lake City.

This flag is very special. It was found in the rubble of the World Trade Center after the attacks on September 11. It is a powerful, moving, visual reminder of America's strength, endurance, and freedom.

In fact, I believe this flag carries with it a profound parallel with the original Star-Spangled Banner—the historic flag that flew over Fort McHenry in the War of 1812, and in the battle of 1814 it survived 25 hours of bombardment and inspired the creation of our national anthem.

Now, to those who say that the carrying of this particular flag by American athletes marching into the stadium would be a "political statement," I say this is a ridiculous argument on its face. The American flag from the World Trade Center is the American flag, just as surely as the flag that flanks our Presiding Officer, as the flag that has flown in many classrooms, in front of many homes, and at the top of this great Capitol dome. It is not a symbol of politics. It is the representation of our Nation, and it does what so many of us believe needs to be done right now: It demonstrates clearly our resilience and our persistence in the face of terrorism. We should have the right to carry this flag in whatever na-

tional or international setting we choose.

To those who say that the carrying of this flag would set some kind of improper precedent, I say this is an equally absurd argument. First of all, the attacks on our country on September 11 were themselves unprecedented, and there is every reason for us to mark the tragic events of that day by having our athletes hold the flag from the World Trade Center aloft during the opening ceremonies of the Olympics.

Second, should the unthinkable occur and any similar tragedy strike this or any other nation in the years ahead, I cannot imagine any serious objection being raised if any nation wanted to carry its own flag, like this flag, in a future Olympic event. The world was shocked by the attacks of September 11.

Freedom-loving people everywhere are united with us in our determination to fight back against terrorism. While the terrorists may have destroyed buildings and ended lives, they did not destroy the values we share, and those values define our Nation and find expression in the stars and stripes of our flag.

I believe the carrying of this flag that terrorists could not destroy is fully in keeping not only with the spirit of America but with the spirit of the Olympics.

According to the International Olympic Committee, the Olympic movement is meant "to contribute to building a peaceful and better world," and the Olympic spirit is built on "mutual understanding with a spirit of friendship, solidarity, and fair play."

I believe the carrying of this World Trade Center American flag does help contribute to building a peaceful and better world, especially because those who attempted to destroy our way of life and who did destroy buildings tried to accomplish the exact opposite goal. They were not trying to contribute to a better and peaceful world but just the opposite.

This flag, in a sense, for the entire world portrays that "spirit of friendship, solidarity, and fair play" that underscores the Olympic spirit.

Mr. President, today I am writing to the International Olympic Committee to urge them to reverse their decision regarding the carrying of this American flag during the opening ceremonies of the Olympics. I ask my colleagues for their support and their signatures on this letter.

We are the host Nation for the Olympics. Our athletes and the American people they represent want this flag carried by them on Friday, and I do not believe the International Olympic Committee should stand in the way of this fitting and patriotic act, nor should they have any role in telling us which particular American flag we can carry in the Olympics staged in our country just a few months after the terrible and tragic attacks of September 11.

I hope the Olympic Committee will change this very ill-thought-out, ill-advised, and insulting decision before Friday. But until then, I hope my colleagues will join me in expressing not only our concern but our outrage at what seems to be a demeaning decision meant to undermine what this flag represents and in some clear way to undermine the heroic efforts of the firefighters who found it and hoisted it. I hope this decision will be changed.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Delaware.

ECONOMIC STIMULUS

Mr. CARPER. Mr. President, earlier this morning—in fact, just a few minutes ago—our colleague from Georgia, Senator MILLER, spoke quite eloquently about a patient on life support and said the life support was about to be withdrawn.

The patient in his comments was the economic stimulus package we have been trying to negotiate since October. I like his analogy, but I think he may not have picked the right patient.

The patient we have been trying to bring back to health is not a stimulus package. The patient that has been in the hospital bed has been the economy. We have had a sick economy, and we have been working to try to figure out how we might ensure the full, complete, and healthy recovery of that economy.

Today, we pull the plug, if you will, from that recovering economy. We pull the plug on hope for a stimulus package. It is not going to happen. I do not think we ought to spend our time today, tomorrow, or this week casting aspersions—Democrats on Republicans or vice versa. There has been a lot of good will and a lot of effort exerted in October, November, December, January, and even earlier this month by both sides, people of good will trying to figure out how we infuse capital investments, how we reach out to those who lost their health care, how we reach out to those who are losing unemployment benefits, how we help States that are struggling financially right now.

There is an old saying which I think everybody has used once or twice: The first rule is do no harm. By essentially walking away from this debate today, we will have done no harm. Had we been able to act in October, November, or December with a reasonable package that was consistent with the three principles we talked about for the last 4 or 5 months—a stimulus should be temporary, it should be truly stimulative, and it should not exacerbate the deficit over the long haul—if we could have come to agreement on that and presented a package for the President's signature, that would have been fine. We just could not do that.

Now we face a time when the Federal Reserve has launched the most aggressive monetary policy, ratcheting down interest rates for the last year, infusing extra money in our money supply,

a drop in energy prices that fueled economic recovery and shortened the recession, and we have been doing a lot of deficit spending.

Those three factors, rather than harm, have done great good. Because of those three factors, as we disconnect from the patient, if you will, this hope of a stimulus package—the economy itself—the patient is going to get well. The patient is going to check out of the hospital and go on to live, hopefully, a reasonably long, healthy life until we have another economic downturn.

Meanwhile, as we turn our attention from the economic recovery and the need for a stimulus package, I would have us keep this in mind: If by a miracle we were able to pass a stimulus package today, before it would have effect, a couple months are going to go by. It has taken almost 12 months for the full force of the monetary policy, the interest rate cuts of the Fed to have their impact, but they are having it today.

Now the Federal Reserve is reversing course. Instead of cutting interest rates when they met last week, they decided not to further their cuts in interest rates. Before long, they are going to be turning their attention not to how we get the economy moving again but how do we dampen down inflationary expectations.

Congress is real good at coming in when the recession is basically over and passing a package which, in the end, will probably be inflationary, and what we really do not want to do is have the Federal Reserve working in a few months on the other side of the domestic monetary policy trying to dampen inflationary expectations by raising interest rates at the same time that a stimulus package from the Congress, adopted late, begins to have an effect. We will be at cross-purposes, which we do not need.

I am encouraged, I am bullish on the economy. I know people are suffering today. I hope we can pass at least an extension of short-term benefits for 13 weeks and help people. That will stimulate the economy and, more importantly, it will help people who are suffering.

Another action we can take—and I hope we will—to promote a healthy recovery for an extended period of time—not a couple of months or a couple of years—is as we go into these investigations as to what led to the collapse of Enron and what led to people losing their pensions, their 401(k)s, to do the hard work, the long work, the steady work that is required to find out why things went wrong at Enron, why so many people got hurt, and how we can ensure that does not happen again to a company, to its employees, to those who invest in a company, and those whose pensions are tied to a company. We can do that.

Today, as we walk away from this economic recovery package, I just want to say a word of thanks to a lot of peo-

ple who worked very hard to try to get us to a consensus.

We could not get there. It is not the end of the economic recovery. I think we are just beginning that economic recovery, and I am encouraged that it will continue and we will have done no harm.

The PRESIDING OFFICER. The Senator from Oklahoma.

WORLD TRADE CENTER FLAG AT THE OLYMPICS

Mr. NICKLES. Mr. President, first I wish to compliment Senator CLINTON from New York for her speech in criticizing the International Olympic Committee for refusing to allow us to use the damaged flag that flew in the recovery efforts at the World Trade Center. I find that decision very offensive. I am going to join her on that letter, and I would encourage my colleagues to do so as well.

PULLING THE STIMULUS PACKAGE

Mr. NICKLES. Mr. President, I am disappointed today that the majority leader has decided to pull down the stimulus package. We are going to have a cloture vote on the majority leader's package. He calls it a stimulus package, but there is no stimulus in it. There is a lot of spending. He says if he does not get 60 votes, basically preventing any other amendments, he is going to pull down the stimulus bill. In other words, he wants a spending package, not a stimulus bill, and if we are going to put stimulus amendments in it, no bill.

I am looking at an amendment Senator KYL has pending to make the death tax repeal permanent. That would make a real positive change to a lot of businesses, a lot of agriculture. That is a positive amendment. It is added as an amendment to one Senator BAUCUS had dealing with agricultural spending.

I looked at almost all the Democratic amendments, and they are almost all spending: More money for agriculture, more money for Medicaid, more money to increase the Federal payments share, more money for temporary employees to the Federal program—we have never done that in the past—new entitlement programs; no stimulus.

I am looking at the amendment Senator BOND offered on expensing. That passed overwhelmingly. That would help stimulate the economy. The accelerated depreciation that Senator GORDON SMITH offered would help encourage people to make investments. The R&D tax credit Senator ALLARD was offering would help encourage people to make investments, particularly in research and development. Senator DOMENICI had a payroll tax holiday. We are not going to be able to vote on that. Most importantly, we are not going to get to vote on the substitute Senator GRASSLEY, Senator COLLINS,

Senator BREAU, and others worked on. The bipartisan package that I believe we have a majority vote for in the Senate, we are not going to even have an up-or-down vote on. We get a cloture vote on it. If we enact cloture on the Daschle bill, we do not even get a vote. That bill is nongermane. It falls.

We did not get to have votes yesterday. This side was ready to have votes. I made the commitment I would help finish the bill yesterday, certainly by today, trying to limit amendments, trying to have votes on the amendments. Let us pass the bill. Let us pass the bill and see how the votes come out, but no, we cannot do that. We do not want to vote on the Kyl amendment. We do not want to have a vote on making a permanent death tax repeal. We do not want an up-or-down vote on the Grassley-Breaux-Collins amendment. We do not get to have that. So I say to my colleagues, if they really believe in the Senate tradition of allowing Senators to offer germane amendments, in this case stimulative amendments, to vote no on the cloture vote we will have in the next 15 or 20 minutes. I think it is an important vote. I hate to see us give up and not pass a stimulus bill. We have a chance now to make a bill that is not stimulative into a bill that really could create jobs.

The economy is soft. It does need a little shot in the arm. The underlying bill, the Daschle bill, does not do it. There are several proposals, several good amendments on which Senator GRAMM, Senator GRASSLEY, and others have worked. I mentioned about a half dozen. If we could pass some or all of those, I think we would make the bill worthwhile, make it worth passing. Not only would it do no harm, it would do some good. It would help create jobs.

More importantly, for the process of the Senate, I urge my colleagues to vote no on the Daschle cloture petition in a few moments because individual Senators should be entitled to offer those amendments. They should have their day. They should have a chance. Then they will send a bill that truly is stimulative to conference and hopefully we can get a bill on the President's desk that would create jobs.

Let me make it crystal clear; some people said the Republicans are filibustering, but there is no way. No one can say Republicans filibustered this bill. We have legitimate amendments that would stimulate the economy. I urge my colleagues to give us a chance to offer those amendments, to pass a good stimulus bill today, and to vote no on the Daschle cloture petition in a few moments.

I yield the floor.

LEARNING FROM PAST MISTAKES

Mr. KOHL. Mr. President, to distort Shakespeare's words, I come to the floor today to bury the stimulus package, not to praise it. There has not

been much praiseworthy in the way Congress has responded to the recession that started last March and intensified after the attacks of 9-11.

Last fall, and even this month, there were short term actions we could have taken that would have had immediate and beneficial economic and humanitarian results. We could have extended unemployment benefits, as we have in every recession, and as I still hope we will. We could have offered an immediate tax rebate to those lower income workers who did not receive a full rebate from the first tax cut. We could have used the Medicaid payment formula to send financially strapped states struggling to provide health care for their residents an immediate infusion of cash. We could have offered a temporary acceleration of depreciation to encourage reluctant businesses to invest now in the recovering economy.

We agreed on basic principles: help now, and do no harm in the long run. We agreed on the need. But we could not agree to put aside our partisan agendas long enough to do what we all agreed was right. Instead of talking about what we could do to help workers unemployed now, factories lying idle now, we debated tax cuts passed last spring and pushed tax breaks that wouldn't even take effect for 10 years. We should have focused on workers, investment, consumer confidence. Instead we fought over estate taxes and tried to lay the blame for our inaction.

As the recession winds down and the war on terrorism continues, I sincerely hope Congress will be able to rise above the partisan bickering that doomed the stimulus package. We will have many opportunities this year to act in a bipartisan manner to make this Nation stronger, safer, and better. We will also have many opportunities to wrap the flag around our pet proposals and fight for political advantage. We should commit today to learn from the mistakes that have killed the stimulus package—not to repeat them.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Am I right the time on this side has expired?

The PRESIDING OFFICER. The Senator is correct.

Mr. GRASSLEY. How much time is on the leader's time?

The PRESIDING OFFICER. Ten minutes of leader time.

Mr. GRASSLEY. I have been informed Senator COLLINS is on her way over and would like a couple of minutes. So I will yield myself 8 minutes and then yield the remaining time to Senator COLLINS.

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

Mr. GRASSLEY. So at the end of 8 minutes, please notify me.

The PRESIDING OFFICER. The Chair will do so.

CENTRIST/WHITE HOUSE COMPROMISE

Mr. GRASSLEY. Mr. President, the distinguished majority leader an-

nounced yesterday he is going to kill this bill if he does not prevail on the first cloture vote. Of course, we know if he did get cloture, many good amendments that have been offered to try to improve Senator DASCHLE's skeletal bill will fall. We will not be able to vote on them. All we have asked for all along on this side, and even some Members on that side, is a vote on the bipartisan centrist-White House bill that I have offered as an amendment, along with Senator SNOWE.

In fact, that bill is a product of the work of people such as Senator SNOWE and Senator COLLINS, and Democrats on this side of the aisle such as Senators NELSON, MILLER, and BREAUX. There is a long list of amendments. I do not think I will go through the long list of amendments that we will not have a chance to vote on, but I am going to highlight a couple because I think Senator NICKLES did a good job of highlighting those most important amendments.

Let me take a look at a couple that will be killed if Senator DASCHLE's cloture motion is invoked. My friend, the majority whip, who is with us, Senator REID, offered, along with Senator KYL, so it is bipartisan, an amendment that is designed to help the travel industry. We were told during the debate that this tax credit was very important. If it is that important, we ought to have a chance to vote on it.

Guess what. If the Democratic leadership prevails on the first cloture motion, Senator REID's amendment falls. I guess I can only assume that since this amendment is so important for Nevada and other States where there is a lot of tourism, the majority leader would oppose cloture. Surely he would not vote to kill his own amendment. That is what I would think. I am afraid I am probably being optimistic or maybe naive.

Other Democrats have offered amendments, too. For those Senators, a vote for cloture is a vote to kill their own very important amendment. So I hope these Democratic Senators are not telling their constituents they are for something and then turning around and voting to kill it by supporting this cloture vote.

Let us take a look at Senator ALLARD's amendment, one that is so important to have the United States competitive, particularly in manufacturing and information technology, the R&D tax credit. If cloture is invoked, that amendment is dead as well. We had 70 Senators vote for that amendment on a previous tax bill, as an example. So make no mistake about it, if the distinguished leader's cloture motion is supported, every one of these amendments will be killed, as well as the ones Senator NICKLES brought to our attention.

If the distinguished leader prevails on his cloture motion, then we end up with another conference with the House and that could take weeks or months to resolve. The best we can

hope for is delay. That means delay for the unemployed, delay for the stimulus, not helping those who are dislocated because of September 11.

By contrast, the Democratic leadership will not let us vote on the only plan that has majority support in the Senate. They are filibustering the only bipartisan stimulus plan and preventing unemployment benefits from reaching the workers who need them. That is what the second cloture vote is all about. The second cloture vote guarantees an up-or-down vote on the White House-centrist stimulus plan. A vote for that plan is a vote for a bill that the President will sign. He said he would sign it.

If cloture is voted for, Senators are saying with their vote they want to send a bill to the President that he will sign in a New York minute. That means these things will happen and happen fast. Unemployed workers get checks. For the first time, unemployed workers get health care assistance. Payroll-tax payers get a rebate. Income-tax payers get a little more tax relief in their paycheck. Businesses, large and small, get stimulative accelerated depreciation, which is going to mean more jobs. So we have two cloture votes coming up very shortly.

The first cloture vote is an effort by the majority to block further amendments to the bill, which will effectively kill the bill. I urge my colleagues to oppose that cloture vote. The second cloture vote is an effort by our side to force a vote on the bipartisan centrist amendment that the majority leader has been furiously blocking to this point. But we cannot get to this vote unless the majority leader fails his first vote.

Therefore, Mr. President, these votes come down to a choice between action now or endless delay. If we want action now, Senators should vote for cloture on the White House-centrist agreement. If Members want delay, vote for cloture on the Daschle amendment.

How much leadership time remains?

The PRESIDING OFFICER. Four minutes.

Mr. REID. How much time remains on the majority side?

The PRESIDING OFFICER. Six minutes.

A CLASSIC FILIBUSTER

Mr. REID. Mr. President, I will speak briefly about comments made by the Senator from Oklahoma. He is my dear friend, he is my counterpart, but I don't know how he kept a straight face, saying: We are not filibustering this bill. I am sure he went to his office and started laughing. This is a classic filibuster taking place on this bill—for weeks and weeks and weeks.

Of course, amendments have been offered that we like. I heard Senator ALLARD talking about tax credits. We like tax credits. In fact, it is a shame we did not extend those. I ask unanimous consent the vote occur after we have used

our time and the 4 minutes leadership time, so that the time of the vote will be changed.

The PRESIDING OFFICER. That is the parliamentary situation.

Mr. REID. Mr. President, there are a lot of amendments that we offered and the minority offered that are good amendments. Being realistic, we spent all day yesterday talking about the estate tax, making the repeal permanent, which does not take place for 10 years. That is not very stimulative. We have been told by the President and others that to have stimulative efforts, it must be short term and do nothing to exacerbate the deficit. That simply does not apply in this instance.

With all due respect to my friend, the minority whip, this is a filibuster by the Republicans. Everyone knows it is. Members can say it isn't as many times as they want, but it is still a filibuster.

Mr. GRASSLEY. Mr. President, I yield myself 15 seconds.

Let me say why the Senator from Nevada is wrong. Yesterday at about this time, morning business was imposed. We could have discussed the amendments and voted in the morning, and then when we came back at 2:15 after caucuses, there were opportunities to vote. It was announced there would be no more votes. If we are filibustering, how come the other side would not let us have time to vote on our amendments yesterday? Why piddle around the whole day?

I yield 3 minutes to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine.

EXTENSION OF UNEMPLOYMENT BENEFITS

Ms. COLLINS. Mr. President, I praise Senator GRASSLEY for his heroic efforts in trying to bring together a bipartisan group to come up with a package that would help our economy recover. I am disappointed the Senate majority leader has announced his intention to abandon work on the economic recovery package.

In light of that reality, however, it is absolutely imperative that the Senate move today to extend to unemployed workers an additional 13 weeks of benefits. This has been needed for a long time, and it is something I have been working on for the past 4 months.

In October of last year, I introduced a bipartisan bill for a 13-week extension. I was joined by Senators LANDRIEU, GORDON SMITH, CLELAND, and VOINOVICH. We introduced this bill because we thought it was important to quickly pass a measure of additional security for the 7 million unemployed workers across our Nation. Since that time, unemployment rolls have swelled by 900,000 and over 1.2 million Americans have exhausted their unemployment compensation benefits without being able to find new jobs.

Last week, Senator JACK REED of Rhode Island and I wrote to the Senate

leaders to ask them to call up legislation extending unemployment benefits as soon as possible. I am pleased that the assistant leader has indicated his intention to do just that.

Unfortunately, we saw the handwriting on the wall, spelling the demise of the broader economic recovery legislation which I believe is still very much needed.

Regular unemployment benefits end after 26 weeks in most States. When times are good and businesses are hiring, that is an adequate period of time for most unemployed workers to either find new jobs or to be rehired to their old jobs. In fact, that usually happens long before the 26 weeks have expired. However, when times are tough—and they are tough now—finding work is much more difficult and many unemployed workers exhaust their 26 weeks of regular unemployment compensation.

Congress needs to do what it has traditionally done whenever our country has been plunged into a recession. That is to temporarily extend the safety net by providing 13 additional weeks of unemployment compensation. This package would do just that for up to an additional 13 weeks for workers who lost their jobs after the economic downturn began in March and who have exhausted their benefits prior to being rehired or finding new employment.

More than 10,000 unemployed workers in my home State of Maine exhausted their unemployment benefits last year without being able to find a new job. They work hard. They want to work. They want new employment. And they have been looking very diligently. However, the economy is such that they simply have been unable to find new work. An unemployment extension would provide immediate relief to hundreds of thousands of Americans, including the 10,000 Mainers who have exhausted their unemployment benefits and have yet to find work.

Over the course of the coming year, approximately 3 million Americans who are out of work and looking for a job would be assisted. This proposal would provide approximately \$60 million in assistance to unemployed workers in Maine alone. These are our neighbors; these are families who have been hurt most by the economic downturn.

Let us, therefore, today pass this much needed legislation to extend benefits to millions of unemployed workers. Even if we have failed in coming up with a compromise on the broader package, we can at least do that, and do it today.

The PRESIDING OFFICER. The Senator's time has expired. The majority leader.

Mr. DASCHLE. Mr. President, could the Chair inform the Members of the time remaining?

The PRESIDING OFFICER. There are 4 minutes remaining under the majority's control.

ECONOMIC RECOVERY AND ASSISTANCE FOR AMERICAN WORKERS ACT OF 2002

Mr. DASCHLE. Mr. President, I will use my leader time in addition to the remaining Democratic time for my closing comments.

Mr. President, the other day I came to the floor to talk briefly about our current circumstances. I will recount one last time for the record in case there is any question about how it is we got to this point this morning. I will again briefly recount the events over the course of the last several months. There were bipartisan Finance Committee discussions as early as last September about an economic stimulus package. There was a hope that we could come together, Republicans and Democrats, on an economic stimulus package as we did on airport security, on counterterrorism, on the assistance provided to New York and to the Defense Department in the wake of the tragedy of September 11.

We reached out to experts who could give us guidance on what the principles ought to be for an economic stimulus package. We had a number of conversations with Alan Greenspan and Bob Rubin, both, early in the months of September and October.

The bipartisan Budget Committee, I think on a unanimous basis, issued some principles on October 4. Those principles were: If you are going to have a stimulus package, make sure it is truly stimulative. If you are going to have a stimulus package, make sure it is temporary. If you are going to have a stimulus package, make sure it is immediate. If you are going to have a stimulus package, make sure you take into account cost. All of those principles were ones enunciated by the economists and agreed to, in large measure on a bipartisan basis, by the Budget Committee.

That was the lead up to the discussions we had. The House Republicans broke off those bipartisan talks. What they said is that they wanted to use the regular order, move through the committee and present the Senate a bill. The Republicans blocked the Finance Committee bill on a point of order in December, even though they could have amended it. They could have said: Look, we don't like this but we will offer something else. We do not like this but we will amend this bill and have up-or-down votes on amendments.

The Republicans refused to negotiate for a 3-week period of time, as they did mostly throughout the fall. There were no negotiations in large measure because Republicans delayed. First, they didn't like virtually the shape of the table. Then they didn't like who was in the room. They came up with reason after reason why we could not sit down and talk: delay, inaction, and ultimately a conflict that could not be resolved.

In negotiations, the Republicans insisted on a couple of issues: repeal of

the alternative minimum tax and an acceleration of the rates passed last spring. The session ended, obviously, without agreement. We got nowhere. They insisted on these issues. We had ideas they didn't like. So we ended in a stalemate last December.

Over the break I kept examining ways that we might break the impasse, try to find ways with which to deal with the clear inability we had at the end of last year to come to some resolution. So what I did was to work with staff and examine just where the overlay was. Certainly all that the Republicans had proposed was not foreign to what the Democrats had suggested. And all that the Democrats had proposed was not foreign to what the Republicans had suggested. So we came up with a diagram that kind of looks like a MasterCard, ironically.

You take the circle on the right-hand side and these two columns represent basically what the Democrats insisted ought to be in an economic stimulus package. We wanted to increase the unemployment benefits. We wanted to provide coverage for part-time workers and recent hires. Republicans said: Oh, no, we can't do that. That is ripping off the Federal Government. How terrible it would be if we gave those benefits to unemployed workers. Heavens. We can't afford that.

Affordable group health coverage for the unemployed, we can't do that. We aren't going to start new entitlements, for Heaven's sake. Let's get real here.

Job creation tax credit for business is something they said might be a possibility but that clearly isn't as good as a corporate AMT repeal.

Republicans had ideas we did not like. We did not like the accelerated rate reduction. When I say "we," I am talking about probably 95 percent of the Democratic caucus. We did not like corporate AMT repeal, or health coverage for the unemployed going through the individual insurance market, pitting an individual against a company, an individual with a pre-existing condition, and just saying good luck—we can't do that.

What I said was if we can't do that, and they don't want us to do it, how about if we do the things we both said might work? We both said we wanted to extend unemployment benefits.

Again, when I say "we both," there were proposals for these issues by large numbers on both sides of the aisle. Not every single Member, but tax rebates, bonus depreciation, and 62 Senators voted for fiscal relief for States—62.

Republicans, to a Governor, across the country, are saying if you are going to do us any good at all, if you are going to help us at all, give us some relief, especially through Medicaid. Letter after letter from Governors has come to the attention of every Member of this Senate, urging support for that fiscal relief.

That was a bona fide effort to try to find common ground. I know the Republicans do not like that either be-

cause what they said, basically—and what they are saying this morning—is if you don't give us everything in our circle, we don't want to have an economic stimulus package. It is all of this or it is nothing at all.

We aren't saying if it isn't all of this it is nothing at all. We are saying we will just take what is here and it's a ticket to conference and then let's see what happens. What could possibly be wrong with sending a bill to conference, allowing both the House, the Senate, and the White House to work out a compromise? They don't want to do that. They are saying it is this entire package or we don't want to work with you. We don't want a consensus. We don't want a bill.

They have said that now for 3 weeks. They have rejected the common ground approach. They are continuing to insist on two things that I hope everybody fully appreciates before they vote this morning. They are insisting on making the estate tax repeal and the Bush tax cuts permanent—that is what they are insisting on.

Making the estate tax repeal permanent presents two concerns. If we are serious about listening to the Budget Committee recommendations, the principles the Budget Committee suggested ought to guide us, then I can't imagine that anybody with a straight face would say we want to repeal the estate tax permanently now under the guise of economic stimulus.

First of all, the Budget Committee said—didn't they?—that you have to make sure it is temporary and that it is immediate. This does not take effect until the year 2011. There may be a recession in 2011, and it might be nice to be able to deal with that 2011 recession, but not with the recession happening in the year 2002.

This thing costs \$104 billion. We agreed the entire stimulus package should not be more than \$75 billion, but they want to spend \$104 billion of Social Security money to make it permanent when it doesn't take effect until the year 2011.

The tax cut, they want to make it permanent. CBO has provided an estimate of \$350 billion in the first 10 years, \$4 trillion in the second 10. There is nothing cost effective about that. And it, too, does not take effect until 2011. Again, what is the stimulative value of a tax provision that takes place in the year 2011? What is the wisdom—I guess that is the word I am looking for—what is the wisdom of exacerbating our already growing deficit this year by adding \$350 billion more?

I don't know the answers to those questions, but I know this. On a bipartisan basis the Budget Committee said this is not the direction we should go. On a bipartisan basis, they said let us try to contain the cost. Let's do something stimulative, and do something immediate—not in the year 2011, but now.

Really, there are only two choices. We can pass it, or we can block it. I do not know of anything else.

I hope our Republican colleagues will pass it. I hope they won't block it. I hope we will do the right thing. I hope we will send the measure to conference so that we can try to work through these issues and resolve them and come back with a bill which we can support and move on to other priorities.

I yield the floor.

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 resume consideration of H.R. 622, which the clerk will report.

The senior assistant bill 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.

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.

Domenici amendment No. 2723 (to the language proposed to be stricken by amendment No. 2698), to provide for a payroll tax holiday.

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.

Smith of New Hampshire 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.

Smith of New Hampshire 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 non-residents of such State.

Smith of New Hampshire 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.

Smith of New Hampshire 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.

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.

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.

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 least 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.

Sessions (for Kyl) amendment No. 2807 (to amendment No. 2721), to remove the sunset on the repeal of the estate tax.

Dorgan amendment No. 2808 (to amendment No. 2764), to preserve the continued viability of the United States travel industry.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The senior assistant bill 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, hereby move to bring to a close the debate on the Daschle and others substitute amendment No. 2698 for Calendar No. 71, H.R. 622, the adoption credit bill:

Max Baucus, Mark Dayton, Richard J. Durbin, Harry Reid, Tim Johnson, John F. Kerry, Daniel K. Inouye, Patrick J. Leahy, Patty Murray, Byron L. Dorgan, Jack Reed, Deborah Ann Stabenow, Tom R. Carper, Maria Cantwell, John B. Breaux, Jean Carnahan, and Herb Kohl.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the Daschle and others substitute amendment No. 2698 for Calendar No. 71, H.R. 622, the adoption credit bill, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Vermont (Mr. JEFFORDS) is necessarily absent.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr.

MCCAIN), the Senator from New Mexico (Mr. DOMENICI), and the Senator from North Carolina (Mr. HELMS) are necessarily absent.

The yeas and nays resulted—yeas 56, nays 39, as follows:

[Rollcall Vote No. 13 Leg.]

YEAS—56

Akaka	Durbin	Miller
Baucus	Edwards	Murray
Bayh	Feingold	Nelson (FL)
Biden	Feinstein	Nelson (NE)
Bingaman	Graham	Reed
Boxer	Harkin	Reid
Breaux	Hollings	Rockefeller
Cantwell	Hutchinson	Sarbanes
Carnahan	Inouye	Schumer
Carper	Johnson	Smith (OR)
Cleland	Kennedy	Snowe
Clinton	Kerry	Specter
Collins	Kohl	Stabenow
Conrad	Landrieu	Torricelli
Corzine	Leahy	Voinovich
Daschle	Levin	Warner
Dayton	Lieberman	Wellstone
Dodd	Lincoln	Wyden
Dorgan	Mikulski	

NAYS—39

Allard	DeWine	Lott
Allen	Ensign	Lugar
Bennett	Enzi	McConnell
Bond	Fitzgerald	Murkowski
Brownback	Frist	Nickles
Bunning	Gramm	Roberts
Burns	Grassley	Santorum
Byrd	Gregg	Sessions
Campbell	Hagel	Shelby
Chafee	Hatch	Smith (NH)
Cochran	Hutchison	Stevens
Craig	Inhofe	Thomas
Crapo	Kyl	Thurmond

NOT VOTING—5

Domenici	Jeffords	Thompson
Helms	McCain	

The PRESIDING OFFICER (Mrs. CLINTON). On this vote, the yeas are 56, the nays are 39. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. REID. Madam President, I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the Chair directs the clerk to report the motion to invoke cloture.

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:

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, Don Nickles.

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on amendment No. 2773 offered by the Senator from Iowa to the bill, H.R. 622, shall be brought to a close?

The yeas and nays are mandatory under the rule and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Vermont (Mr. JEFFORDS) is necessarily absent.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr. MCCAIN), the Senator from North Carolina (Mr. HELMS), and the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

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

The result was announced—yeas 48, nays 47, as follows:

[Rollcall Vote No. 14 Leg.]

YEAS—48

Allard	Enzi	Miller
Allen	Fitzgerald	Murkowski
Bennett	Frist	Nelson (NE)
Bond	Gramm	Nickles
Breaux	Grassley	Roberts
Brownback	Gregg	Santorum
Bunning	Hagel	Sessions
Burns	Hatch	Smith (NH)
Campbell	Hutchinson	Smith (OR)
Cleland	Hutchison	Snowe
Cochran	Inhofe	Specter
Collins	Kyl	Stevens
Craig	Landrieu	Thomas
Crapo	Lott	Thurmond
DeWine	Lugar	Voinovich
Ensign	McConnell	Warner

NAYS—47

Akaka	Dodd	Lieberman
Baucus	Dorgan	Lincoln
Bayh	Durbin	Mikulski
Biden	Edwards	Murray
Bingaman	Feingold	Nelson (FL)
Boxer	Feinstein	Reed
Byrd	Graham	Reid
Cantwell	Harkin	Rockefeller
Carnahan	Hollings	Sarbanes
Carper	Inouye	Schumer
Chafee	Johnson	Shelby
Clinton	Kennedy	Stabenow
Conrad	Kerry	Torricelli
Corzine	Kohl	Wellstone
Daschle	Leahy	Wyden
Dayton	Levin	

NOT VOTING—5

Domenici	Jeffords	Thompson
Helms	McCain	

The PRESIDING OFFICER. On this question, the yeas are 48, the nays are 47. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Madam President, it is unfortunate we were unable to move the economic stimulus legislation forward, but I hope at the very least we could recognize, as we have in past recessions, that at some point one has to acknowledge the pain, the uncertainty, the financial difficulty that so many families are facing. In 1992, we extended unemployment benefits for up to 59 weeks. In 1982, we extended them for up to 49 weeks. In 1974, we extended them for up to 65 weeks. I ask unanimous consent that we extend them for at least 13 weeks now.

I have been discussing the matter with our Republican colleagues, and they have had the opportunity to view the language. Let me make one other clarification. This is a simple extension of current law. There is no other

extraneous matter, and there is no other issue I would suggest at this point be included in the extension. So for all Senators, this is simply an extension of current law as we now have it enacted.

AMENDMENT NO. 2819

(Purpose: To provide for a program of temporary extended unemployment compensation.)

Mr. DASCHLE. I send an amendment to the desk regarding 13 weeks' extension of unemployment benefits. I ask unanimous consent that the amendment be agreed to, that the bill, as amended, be read a third time, passed, and the motion to reconsider be laid upon the table without intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. DURBIN. Madam President, reserving the right to object, and I do not object, I believe what Senator DASCHLE is offering is something that this Senate should support in a bipartisan fashion. I ask unanimous consent to add to Senator DASCHLE's request an amendment to the same bill relative to unemployment insurance benefits, which had 57 votes and 3 absentees who are present today, a sufficient number that it be included in this unanimous consent request. It is an effort to improve and increase unemployment insurance benefits by \$25 a week to try to keep up with the cost of inflation but, more importantly, to cover temporarily displaced workers as well as expand coverage to low-wage and recent hires. This money is all Federal money going to the States. Governors have entire discretion as to whether or not they want to enhance the unemployment insurance benefits.

I ask unanimous consent to amend the request of the Senator from South Dakota, our majority leader, to include this amendment, which I now send to the desk.

The PRESIDING OFFICER. Is there objection?

Mr. DODD. Madam President, reserving the right to object.

Mr. NICKLES. Madam President, I object.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. I hope our colleagues on the other side give the Senator from Illinois an opportunity to raise this issue. This is a very modest request to include this amendment as part of the package. The other measures of the bill obviously are going to have to be addressed some other way, but I cannot imagine anyone in this Chamber, regardless of party, who would deny people who have lost jobs under the circumstance of this past number of months would want to turn down what the Senator from Illinois is suggesting. This is basic stuff for people who are hurting, and I urge my colleagues on the other side, whatever differences we may have on other issues, please do not disagree with us.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Madam President, reserving the right to object, we debated this before. If my colleague from South Dakota wants to, we have a couple of amendments on our side we did not get a vote on that I believe we would have a majority vote on as well.

Now I oppose the amendment of my colleague from Illinois because he is expanding a program that we have never done before. The majority leader mentioned all the times we have expanded unemployment compensation in the past. We have never done that for temporary workers. That is a brand new expansion that doubles the cost. That increases the cost from about \$8 billion to \$16 billion. So with great respect, I object to the unanimous consent request of my colleague from Illinois.

The PRESIDING OFFICER. The objection is heard.

The Senator from Maryland.

Mr. SARBANES. Madam President, reserving the right to object, I think the proposal the Senator from Illinois offered should be commended. It has been objected to. I certainly hope, the amendment having been objected to, that the proposal being put forward by the majority leader would not be objected to, which is a simple extension for an additional 13 weeks of unemployment insurance under the current arrangement, as I understand it.

I ask the majority leader, is that correct?

Mr. DASCHLE. The Senator is correct.

Mr. SARBANES. This is far overdue already. There are people now out of work who are hurting. The unemployment insurance for many of them has already run out. For others, it will soon run out. This is not an effort, as the Senator from Oklahoma indicated, to broaden the program in terms of its beneficiaries or its benefits. It is simply to extend it in order to take care of people who are in real and desperate need.

So I very much hope the request of the majority leader will be honored and we will at least be able to move on that aspect of this problem. I withdraw my reservation.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Reserving the right to object, and I do not intend to object, but I do object to the fact we are standing in the Senate today, and we are taking care of one group of people—and we need to and I support it—in extending unemployment benefits, but there are millions of others who are sitting in their offices watching us working who are afraid that tomorrow may be their day and we are not doing anything to help them keep their jobs. We may be giving them unemployment checks, but we are doing absolutely nothing for the millions and millions of people in America who watch us on television as their neighbors get laid off, who watch what is going on around the country with layoffs, who think they

may be next. We have done nothing to help them keep their jobs. We have done nothing in this bill. We will do nothing to help those who have been laid off, who are going to get unemployment checks, to get a paycheck again. That has been the fight all along.

The President from day 1 said we need to extend benefits. We have been unanimously supportive of extending unemployment benefits for another 13 weeks. The problem has been, and consistently is, what are we going to do about the people who want a paycheck, not an unemployment check? What are we going to do about the people who are in jobs right now who are worried about losing their jobs? What are we going to do to help those businesses survive? What are we going to do about helping those individuals who are afraid of what might happen, not what has already happened? That is the problem with what has happened in the Senate. We have provided no security for the 90-plus percent of Americans who have jobs that they will be able to keep their jobs. That is the real unfortunate situation.

Mr. WELLSTONE. Madam President, could I have 30 seconds?

Mr. DASCHLE. Madam President, I will first, again, propound the unanimous consent request, and then I will yield to the Senator from Minnesota.

I ask unanimous consent that all pending amendments be withdrawn. So I propound the unanimous consent request once more.

The PRESIDING OFFICER. Is there objection?

The Senator from Texas.

Mrs. HUTCHISON. Madam President, reserving the right to object, I, too, want to say this is too little to late. The Senator from Maryland is right. We would like to have done more. We would like to have helped all the people of this country. We could have had a stimulus package if we had had a compromise. We could have had a stimulus package that would have stabilized our economy, that would have preserved jobs. We could have given tax relief to people so they could have spent their own money that they earned.

So I hope this modest proposal that would extend the benefits for 13 weeks is not the end. I hope it is the beginning.

Mr. WELLSTONE. Reserving the right to object, Madam President, I heard my colleague from Pennsylvania speak; I heard my colleague from Texas speak. My colleague from Pennsylvania was talking about the problem being this or that and we need to make sure people are able to go back to work.

Obviously, political truth can be elusive and there can be different definitions of what we need to do. Most of the people I have talked to in coffee shops in Minnesota cannot figure out how \$1 billion for this multinational and \$1 billion for that multinational

and \$13 billion of tax breaks helps them. But that is almost beside the point.

The real problem is this. We can put aside all of our differences, because we have different views about what needs to be done, and we can say: Let's help people right now. Right now. No more rhetoric. No more speeches.

People are flat on their backs, through no fault of their own. Can we not just at least have a straight extension of unemployment insurance? That is all this vote is on now. The majority leader is asking for unanimous consent for that alone. That is it. Let's end the speeches and end the rhetoric and just support him.

Mrs. FEINSTEIN. Madam President, as I stated on the floor earlier this week, I support a 13 week extension of unemployment insurance. I do so as an issue of basic fairness to help and protect those who have been hurt by the economic downturn. Unemployed workers need assistance now.

There are people in my State of California, and indeed across the country, who need an extension not because they have not been looking for a job, but because the downturn in the economy has made jobs difficult to keep, and even more difficult to find.

As I stated earlier this week, there are over a million people unemployed in California, and since September 11, unemployment benefits have run out for 190,000 Californians.

Because an average of 40 percent of Californians who go on unemployment exhaust their regular unemployment benefits, over 360,000 people in California alone could be helped by receiving this 13-week extension.

These are the people who would be immediately helped by an extension of unemployment benefits.

Throughout the United States, workers are running out of unemployment benefits while competing for less and less open jobs. In New York, there are 515,000 people without jobs, and over 90,000 of them have exhausted their unemployment benefits since September 11. The same is true for 86,000 Texans, 47,000 Floridians, and 52,000 people from Illinois. In Pennsylvania, over 300,000 people are unemployed, and almost 47,000 of them have exhausted their unemployment benefits.

Extending unemployment coverage will benefit more than 600,000 people nationwide, and help revive an economy that needs a boost to get back on its feet.

Since the program's inception in 1934, Unemployment Insurance has served time and again to act as a stabilizing device—providing direct economic assistance to people who are likely to spend any additional money in providing basic needs for themselves and their families.

The need is no different now. As an issue of basic fairness, I strongly believe that the Senate should act to extend UI benefits by 13 weeks.

Mr. KENNEDY. Madam President, there is good news today for working men and women across the Nation.

For months, we have fought to extend unemployment benefits for the millions of workers who need them in this troubled economy. Today, after weeks of debate, our opponents in the Senate finally relented. They joined us to pass a 13-week extension for all laid-off workers who have exhausted their benefits.

Since the beginning of the recession more than 2 million workers have exhausted their unemployment benefits. Extending benefits will help these workers, including nearly sixty thousand workers in Massachusetts who have lost their jobs, and are still looking for new employment. They have been refinancing their homes, and in some cases, even selling them, just to make ends meet.

The battle is not over. We still need to get approval from the House of Representatives. And then it is up to President Bush to honor the commitment he made in his State of the Union speech to make this achievement a reality for our workers.

Unfinished business remains. Outdated unemployment rules exclude hundreds of thousands of workers who have been laid-off through no fault of their own. Laid-off part-time and low-wage workers have paid into the system, but often fail to receive the benefits they need. Recent data suggest that only 18 percent of unemployed low-wage workers were collecting benefits. For months, we have fought to expand coverage to benefit more than 600,000 additional unemployed part-time and low-wage workers. We will not give up that fight.

We have also fought to increase weekly unemployment benefits by the greater of \$25 a week, or 15 percent. Currently, unemployment benefits do not replace enough lost wages to keep workers out of poverty. In 2000, average unemployment benefits replaced only 33 percent of workers' lost income, a major reduction from the 46 percent of workers' wages replaced by jobless benefits during the recessions of the 1970's and 1980's. During an economic crisis, unemployed workers have few opportunities to rejoin a declining workforce. They depend on unemployment benefits. We will continue to work for a benefit increase to ensure that laid-off workers are not impoverished during periods of unemployment.

Benefit levels are too low for laid-off workers to afford the health care they need. Health premiums can cost nearly \$600 a month for a family—most of an unemployment check. That is why only about one in five laid-off workers today continue their coverage, even if they are eligible. For months, we have fought to pass an economic recovery plan that would cover 75 percent of the health care premium for those who are eligible to continue their coverage, but can't afford the cost.

Some workers are not eligible for any continuing health plan. Our plan would have allowed states to cover these vulnerable workers. Taken together, our

plan would have ensured that men and women who lose their jobs don't have to worry about losing their health insurance as well. We cannot let our workers down when it comes to health care. America deserves better.

We have also fought to provide fiscal relief to the states, which face serious budget shortfalls, yet must meet yearly balanced budget requirements. We have been working to increase Medicaid payments, so that states don't have to cut back on coverage, just as more workers need help. This is the top priority for Republican and Democratic Governors. We should provide our States relief now.

The American people have strongly supported our efforts to give workers the support and assistance they deserve. But some of our colleagues in Congress have stalled our efforts to help these courageous workers. Democrats have proposed an effective and balanced plan to stimulate the faltering economy, but throughout the past few months, our opponents have used procedural maneuvers to block the measure. When House and Senate negotiators tried to reach a compromise, our opponents delayed it at every turn.

They were unwilling to support any recovery package unless it contained tens of billions of dollars for new tax breaks for wealthy individuals and corporations, including \$250 million in tax breaks for Enron. It makes no sense to hold laid-off workers hostage to such irresponsible and costly tax breaks.

Our opponents consistently offered plans that fail the nation's workers. They offered a plan to extend unemployment benefits, but only to laid-off workers in a few states. They offered a plan to use National Emergency Grants for unemployment insurance, health care and job training—guaranteeing that few funds would actually go to unemployment insurance. They offered a plan to provide Reed Act distributions that would primarily be used for state tax cuts and could go into state unemployment trust funds, instead of offering new or extended benefits.

Today, we will vote to extend unemployment benefits for 13 weeks, something we have done in every recession. Today, we will celebrate our long-fought for victory. Tomorrow, we will continue the fight for America's workers.

Mrs. CLINTON. Madam President, over the past nearly 5 months, the entire Nation has been inspired by the grit, bravery and selflessness of the workers at the World Trade Center site who have labored around the clock on the rescue and recovery efforts. The courageous images of firefighters, police officers, emergency medical personnel, construction workers and clergy have inspired workers throughout the country.

There are many other images of New York, however, that have not been shown on the news, but that are also

the heart-wrenching results of the terrible September 11 attack and a weak economy.

These images that our Nation has not seen, but that everyone here knows all too well, are the faces of hundreds of New Yorkers who have found themselves without a job. These are the workers whose jobs were literally destroyed, jobs when the Twin Towers collapsed: The janitors, the doormen, the waiters and waitresses, the secretaries, and messengers.

Or, the workers who did not work in lower Manhattan, but who have felt the ripple effect of the so-called frozen zone primarily the hotel workers and small businesses owners.

In New York State, we have 71 percent more workers on Unemployment Insurance than we did one year ago. In New York City, we are experiencing unemployment rates that we haven't seen in years. In December, the unemployment rate continued to spike up to 7.4 percent—2.4 percent above the national average for the same period. New York City is expected to lose 150,000 jobs in the aftermath of September 11 and we are not expected to rebound until 2004.

What is happening to our unemployed who are waiting for the economy to rebound? Well, let me tell you—in the last quarter alone, over 65,000 unemployed workers exhausted their UI benefits.

Over the past two weeks, I have received hundreds of calls and pleas from my constituents in New York—some are being evicted from their homes, others are uncertain how they will continue to put food on their tables, and all are desperate to go back to work.

Senator DASCHLE has put forward a proposal to extend unemployment for an additional 13 weeks. This proposal is not only the right thing to do for our thousands of workers who are without a job, but it is the right thing to do for the economy. In fact, some experts argue that extending unemployment insurance is more likely than any other policy to stimulate the economy.

We may not agree on a comprehensive package to stimulate the economy, but I think we all agree that we must do the right thing for the workers of this country by extending unemployment insurance.

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

The amendment (No. 2819) was agreed to.

The bill (H.R. 622), as amended, was passed.

Mr. DASCHLE. Madam President, I hope the House will take the matter up immediately, perhaps as early as this afternoon, and get it to the President. As has been noted, the President has indicated already he supports the extension. I think it is now up to the House to do their part so that these people will be a little more confident they can be given some assistance now. Too many of them have already run out of benefits to which they are entitled. We have to act now.

For those who have lamented the fact we could not reach a compromise, 56 Senators went on record today looking for that compromise. We only fell four short. There were a couple of absentees. So there is no doubt that there is a growing percentage, an overwhelming majority, in my view, who want to move forward. I would have only hoped some of those who lamented this could have supported cloture so we could have had the ticket to conference. We were denied that. But I have said on the floor before, and I will say it again, I am open to any overtures, any suggestions, on how we might do it, that will allow the 60 votes required to move forward. Anytime I can be assured that a 60-vote margin can be achieved, we will bring this bill back up. It is unfortunate we could not do more than this, but I am very pleased and grateful to colleagues on both sides of the aisle for their willingness to support this.

AMENDMENT NO. 2820

Mr. LEVIN. Madam President, I ask unanimous consent that the title amendment with respect to H.R. 622 be considered and agreed to, and the motion to reconsider be laid upon the table.

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

The amendment is as follows:

Amend the title as to read:

"A bill to provide for temporary unemployment compensation."

MORNING BUSINESS

Mr. DASCHLE. I ask unanimous consent that the Senate now enter into a period of morning business for 35 minutes.

Ms. LANDRIEU. I reserve the right to object.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. There is another matter we want to try to take care of at this point. I don't know if this is the proper time.

Mr. DASCHLE. If I might say to my colleague, this is not the appropriate time, but we will certainly work with the Senator and find a time, perhaps before the end of the day today, where we can take up the legislation. We need to run a hotline to ensure that we can get a unanimous consent agreement to take the bill up. We will certainly do that and come back to the floor as soon as we have the assurances on both sides of the aisle that this bill can be agreed to.

Ms. LANDRIEU. I remove my objection.

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

The Senator from Oklahoma.

SENATE PROCEDURE

Mr. NICKLES. Madam President, I thank the majority leader and also appreciate his willingness to modify the

unemployment compensation amendment to make it basically universal for all States for 13 weeks. I think that is fair, appropriate, and supported by all Senators. I am glad we were able to pass it. I encourage my colleagues in the House to pass it as well.

Also, our colleague and friend, Senator LANDRIEU from Louisiana, has suggested improvements to be made on the adoption credit. Senator BUNNING also has an amendment dealing with adoption and deductibility. We will work with both colleagues to see if we cannot come up with a package in the not too distant future that I hope all of our colleagues will pass and likewise I hope the House will favorably review.

I make one additional comment. I am disappointed we have not been successful at making the bridge in partisan warfare to pass the stimulus package to help create jobs. I urge our colleagues not to be quite so fast in the future with cloture votes. I didn't like cloture votes when this side offered them, and I don't like them when the other side offers them. It denies the Senators the opportunity to offer amendments. We had several amendments on this side that we could not offer because of cloture. If cloture were invoked, they would not have the ability to offer a permanent R&D amendment, which I believe has a majority vote; we could not offer making the death tax repeal permanent, which I believe has a majority vote; we could not offer an amendment that Senator DOMENICI was pushing for, a payroll tax holiday, which many people on both sides of the aisle say has merit.

I hope in the future, when we are talking about the farm bill—and I believe we will go to the farm bill soon—I urge the majority leader not to move forward with cloture. Consider amendments. No one I know wants to filibuster the farm bill, no one was filibustering the stimulus package, but we had several provisions in the stimulus package to try to make it truly stimulative and create jobs. When we get to the farm bill, I hope the first thing we look at is not a cloture vote. Some Members want an amendment to have payment limitations so some farmers are not making millions—corporate farmers are not making millions out of the farm bill. We find out they are under present law. So there is an amendment to have payment limitations. Those amendments would fall if cloture were invoked.

I urge our colleagues to offer amendments, be timely, be considerate of others, have good debate, find out where the votes are, and, hopefully, not go through the idea of a cloture vote, and if we don't get cloture we pull the bill down. That is a recipe for getting nothing done. That is how the stimulus bill did not pass. We cannot get 60 votes; we will pull the bill down. I wish that were not the result.

I suggested we maybe take up the stimulus bill and consider X number of amendments on each side and pass the

bill. That was not the way the majority leader went on this bill. That is fine. That was his decision. I think it is regrettable. I think we could have done some things to increase employment, increase jobs.

I hope when we take up the agriculture bill, it will not be under cloture, it will be with both sides offering constructive amendments to improve a bill that is in desperate need of improvement.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. I ask unanimous consent to be recognized for morning business.

The PRESIDING OFFICER. We are in morning business.

UNEMPLOYMENT EXTENSION

Mr. REED. Madam President, I commend Senator DASCHLE, the majority leader, for his leadership on this very important measure to extend unemployment benefits. I am pleased this has received the unanimous support of this entire Senate. It is an outstanding issue that needs to be addressed today. There are millions of Americans who are exhausting benefits as we speak. Looking forward, the prospect is that more and more Americans will exhaust their benefits. The benefit extension is just simple justice for these Americans and will also provide real stimulus for our economy.

The reality is, if you have been laid off from work and you are depending upon unemployment checks, you are not typically putting that check under your mattress. You are going out and buying food, buying clothes for your children, paying your rent, doing those things that will put resources directly and immediately into the economy. That is the whole point of any stimulus proposal, to put resources directly and immediately into the economy.

That is why I have to take exception to the comments of some of our colleagues who talk about the fact that we have not done anything to stimulate the economy, to help secure the jobs of those who are still working.

Frankly, we can tell a lot about people from what they support and what they reject. If Members support the permanency of the estate tax, they should know that is not at all stimulative. It occurs 10 years from now, long after we have worked through this economic cycle one way or the other. It provides no immediate stimulus. It provides no immediate incentive for behavior because the estate tax comes with death—not a conscious decision by most people. So it has no stimulative effect. That is what they are proposing to help the Americans who are working today. It will not help people today. It will help a very few, and 10 years from now.

Now, they reject proposals such as Senator DASCHLE's proposal to provide a rebate for working Americans who did not pay income tax. It was quite

disturbing to me that the insinuation was that these people are not part of our economy; they did not pay income taxes, why should they get any rebates?

What those Members misperceive and misunderstand is the huge contributions that these millions of poor, working Americans make, in a range of endeavors, that immensely help our economy. They work very hard and, at the same time, payroll taxes are some of the most regressive taxes that Americans pay. As a result, these individuals should get some relief. Again, most likely those resources would go directly and immediately back into the economy.

So the arguments by the other side—their claims that nothing has been done to help Americans who are working today—are not consistent with the proposals they make and the proposals to which they object.

If you look in the President's budget, you'll find another indication of the insensitivity, I would say, to the issue of Americans struggling to keep their jobs and struggling to find jobs—a significant reduction in job training funds. These moneys are necessary to put people back into the workplace, to give individuals the skills they need to enhance their jobs or even keep their jobs in a tough, competitive climate.

So the rhetoric about doing nothing to stimulate the economy is just that. Senator DASCHLE made proposals that would stimulate this economy without long-run detrimental effects to our fiscal discipline.

That stimulus package, that I would argue is the only real stimulus package, was rejected by the other side. So we are left to do something that is absolutely necessary, necessary both on the grounds of providing justice for Americans and also on the grounds of providing some limited stimulus for our economy.

There are nearly 5 million workers who are out of the job market but want to work. Many have left the job market because they have been discouraged, which factors into the slightly lower unemployment rate last month. The unemployment rate went down not because there are more jobs. In fact, we lost jobs. The unemployment rate went down as people left the labor force, many discouraged by the lack of employment opportunities. For those people and for others, these unemployment benefits are important.

In January, more than 2.5 million people had been unemployed for 15 weeks or longer, and nearly half of those people had been unemployed for more than 6 months. We have in the past responded to that dilemma, that crisis, by extending unemployment benefits. I am pleased today this body has taken action to do that.

Even if the economy begins to recover, this problem will stay with us. At the end of the recessions of the last several decades, unemployment, particularly long-term unemployment,

continued to linger. On average, long-term unemployment rates grew for 9 months after the official end of the recession. So even if today—and I think we are unsure of this—even if today we are seeing some change in economic conditions, we will still see continued unemployment problems and we will still have to respond to it.

Indeed, this effort should be bipartisan because, not only in this Senate but throughout the country, I believe most people recognize the right thing to do and the smart thing to do is to give unemployed individuals a chance to get benefits until they get the opportunity to work again. Alan Greenspan, the Chairman of the Federal Reserve, has pointed it out. His words:

I have always been in favor of extending unemployment benefits during periods of rising unemployment. Clearly you cannot argue that somebody who runs past the 26-week level is slow for not looking for a job or not actively seeking to get re-employed. There are just no jobs out there.

Those are Chairman Greenspan's words. We have to respond to that, recognize that, and I am pleased that the majority leader today took that action and received the support of this Senate.

About a week ago Senator COLLINS and I wrote to Senator DASCHLE and to Senator LOTT and urged them to move on this measure if we could not find a compromise on the stimulus package. Again, I am pleased today this measure is moving forward. It does make sense. It is good policy with respect to people who need help. It is good for the economy. These resources will go back immediately and directly into our economy, helping to spur, we hope, consumer demand and help us out of this recession.

I commend the majority leader. I am pleased we are able at least to accomplish this today. I hope we can return to the stimulus debate again, but a debate about real stimulus proposals, not a debate about the warmed over tax proposals of last spring, the second phase of the tax cuts, the second phase of those tax cuts that contributed and will contribute more to the deficit in the years ahead.

Instead of those warmed over proposals, let's look at things that will help Americans and the American economy directly, immediately, in this quarter, not 10 years from now. Let's do those things.

I hope when we return to this debate we will be conscious of trying to stimulate the economy and not simply trying to rehash old tax proposals.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. I understand my friend from Michigan has a comment he wishes to make. I ask unanimous consent that I be allowed to yield to him for 2 minutes, and then I retain my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Michigan.

Mr. LEVIN. I very much thank my friend from Utah.

EXTENSION OF UNEMPLOYMENT BENEFITS

Mr. LEVIN. Madam President, I think we have a basic obligation to provide relief to Americans who have lost their jobs. This is one of the most fundamental responsibilities of this Congress. The extension of unemployment benefits today for an additional 13 weeks is a way of carrying out that obligation.

We are all aware of the increase in the number of Americans who have lost their jobs as a result of this recession. Every one of our States is feeling it. Michigan alone has over 300,000 workers who have lost their jobs, and that number, as the numbers in many of our States, is likely to continue to rise in the coming months.

I am terribly disappointed we could not agree on an economic stimulus package, but that is no excuse for failing to address the plight of Americans who have lost their jobs. Extending unemployment benefits is not just about doing what is right and doing what is equitable and doing what is fair; it is elementary economics. It is common sense. Providing additional unemployment benefits is a very good economic stimulus.

The Department of Labor has found that for every dollar invested in unemployment insurance, we generate \$2.15 for our gross domestic product. So putting money into the hands of people who need it, we are also putting money into the hands of people who are going to spend it. That helps our economy. That helps create jobs.

I congratulate Senator DASCHLE for offering this legislation today, and I hope now that the House will promptly pass it.

I thank my friend from Utah.

The PRESIDING OFFICER. The Senator from Utah.

INABILITY TO ACT

Mr. BENNETT. The Chamber seems to be filled with congratulatory messages. We are congratulating ourselves that we have finally acted, when, in fact, all we have done is the least possible, minimum, lowest common denominator kind of action, and we have demonstrated our inability to act on any kind of visionary plan.

The majority leader says he will be happy to bring this subject up again if there is an indication that we can get something upon which we can agree. There is an indication that we can get something upon which we can agree, that we can get something that is a compromise, that we can get something that cuts across party lines. That is the proposal made by the Centrist Coalition.

I have been a member of the Centrist Coalition, and its predecessor names of the group, ever since I came to the

Senate in 1993. We started out holding meetings in Senator John Chafee's hideaway. John Chafee was the founder of this group. He said, let's reach across party lines and see if we can't put partisanship aside and come up with some kind of a solution. We have had our good moments. We have had our disappointing moments. But we have hung together as a group, even as the membership has changed in the years since I have been here.

The Centrist Coalition, involving Democrats and Republicans, involving people of very strong positions on the liberal side of issues and very strong positions on the conservative side of issues, have said: For the good of the country, let's see if we can't fashion a package that makes sense. And the majority leader will not allow a vote on that package.

He will not allow us even to debate it. He will not allow us to bring it up. He will not allow people who were not part of the Centrist Coalition to offer amendments. Then as he shuts the process down, he says: I am open to any suggestion from anybody. I will take him at his word, and I have a suggestion for him. I say to the majority leader, bring up the Centrist Coalition stimulus package backed by Republicans as well as Democrats. Put it on the floor and allow it to be amended by those who say it isn't wonderful; allow the normal parliamentary procedure to go forward; and then allow it to come to a vote.

I suggest to you that if the majority leader really believes we need a stimulus package, if he is really true to his word that he is open to any suggestion, if he really does want to move in this direction, that is the way he should go. But he has not allowed that. He has not allowed a vote. Let us understand that.

There is a proposal. It is not a series of rehashed tax ideas, as the Senator from Rhode Island suggested, about some of the things people on this aisle wanted to put in. It is something worked out by a group of Republicans and Democrats acting in good faith and in consultation with the White House—reaching out beyond the Congress to get the opinion of the President of the United States, and receiving from the President the comment that, well, it is not exactly what I want but I would be willing to sign it.

It seems to me this is an extraordinary moment in cooperation, reaching out, and resolution that the majority leader will not allow to come up. This is an extraordinary opportunity which the majority leader will not allow to happen.

I hope the majority leader reconsiders. I hope he recognizes that taking a strong partisan position on one side, or taking a strong partisan position on the other side, has been proven ineffective; that he recognizes that there are those of us who have spent time talking to each other across the aisle outside of the partisan straitjacket who have reached out in an effort to find a

compromise that makes sense, who have crafted something that we think will pass and the President has indicated he will sign, and that this is available to the majority leader and to the country if the majority leader will simply allow it to come to a vote.

Mr. President, as you and others know, my father served in this body for 24 years. My first experience here was sitting up in the family gallery as a teenager watching the Senate operate as I tried to understand it. My father said something that was very profound. When people would say to him, why didn't you do this or why didn't you do that, he would say: We legislate at the highest level at which we can obtain a majority.

I think there is a majority for the centrist package. I ask the majority leader to let us find out.

NEED FOR AN ECONOMIC STIMULUS PACKAGE

Mr. BYRD. Mr. President, over four months after the idea was originally proposed, the Senate remains divided on an economic stimulus package.

Much has changed since an economic stimulus was first proposed in response to the September 11 attacks. Both the stock markets and the economy have proved to be more resilient than economists had expected.

Moreover, there are signs, as Federal Reserve Chairman Alan Greenspan told the Budget Committee last month, that some of the forces that have been restraining the economy over the past year are starting to loosen their strangle hold. The Fed Chairman told the Committee that "while 3 months ago, [a stimulus package] was clearly a desirable action . . . I do not think it is a critically important issue to do. I think the economy will recover in any event."

Aside from the positive economic data that have been released by government agencies in recent weeks, there is already a significant amount of stimulus in the pipelines.

That's not to say that we are home free. As Chairman Greenspan pointed out last month, the economy could go either way at this point. Most troubling is the higher unemployment rate since last year.

However, we must not delude ourselves into thinking that an economic stimulus package—whether crafted by Democrats or Republicans—is some sort of panacea. Stimulus packages can't work miracles. We have a \$10 trillion economy. That's gross domestic product—the total of all spending. We cannot flip the economy over like a pancake. A boost of \$70 billion to \$100 billion would amount to less than 1 percent of GDP.

Nobody can say at this point with certainty in which direction the economy is headed.

What we know is that, since the recession began last March, the Labor Department reports that 1.8 million

workers have lost their jobs. We could address this problem by temporarily extending unemployment insurance.

What we do not know, is whether a more comprehensive stimulus package at this point is really necessary.

I submit that the danger we face is not that the economy won't turn around—inevitably it will—but that we may unnecessarily worsen our budgetary position by taking unnecessary, but politically popular, action on a so-called “stimulus package.”

Any stimulus package, at least in the short-term, will increase the projected budget deficits for fiscal years 2002 and 2003. We may well need to devote more resources to our military overseas and to homeland defense, and we will have to bear the costs of doing so.

The erosion in the budget picture over the past year, along with the defense and homeland security demands placed on our budget and the inevitable long-term Social Security and Medicare deficits overshadowing the retirement of the baby-boomers, suggests that tough choices must be made as to whether the limited dollars we spend will provide a worthwhile return on our investment. From what we have seen from experts ranging from the Federal Reserve Chairman, to Congressional Budget Office officials, to private-sector economists, a stimulus package does not meet that test.

ECONOMIC STIMULUS

Mr. ENZI. Mr. President, I thank you for the opportunity to comment on the Senate's inability to pass an economic stimulus package. I, like most of my colleagues, wanted to pass an economic stimulus package. We wanted to pass such a package not only at the end of last year, but at the beginning of this year in order to jump start our economy.

Finally, the majority leader allowed us an opportunity to look at an economic stimulus bill. But it wasn't a bill that came out of the Senate Finance Committee nor was it the bipartisan/centrist proposal offered by my colleagues and which the President said he would support. Instead, it was a one-man show, put on the floor with no input from other Senators.

As I said on the floor almost 2 weeks ago, the Daschle substitute amendment is much like a patient needing emergency treatment. Our only choice was to patch it up.

So, for the last several days, we were performing emergency surgery—one “amendment bandage” at a time. Some of my colleagues have since described the stimulus package or the economy as a patient on life support.

While I am not a surgeon, I do take great pride in being the only accountant in the Senate. As a result, I think I have a good understanding of what is needed to help the economy. So, I had a few amendments to offer to fix up the substitute amendment offered by the majority leader, and to really help stimulate the economy.

One of those amendments would have repealed the special occupational tax on alcohol. This is an unfair tax imposed on all businesses that manufacture, distribute or sell alcohol products. It is one of the most egregious taxes to affect small businesses. My amendment would have taken a regulation and tax off the books which the General Accounting Office has concluded cost too much to administer compared to the revenues it generates. That is a bad tax.

And it is unfair, too. The same tax is paid by little businesses as large ones. Let me explain. Right now, four small family-owned bait shops which sell beer pay as much in taxes as the nation's largest single site brewery—a whopping \$1,000.

Repeal of this tax would have helped stimulate the economy. Last year, rebate checks put \$300 in American citizens' back pockets, and most people went out and spent it on much needed back-to-school clothes and supplies; toward that new computer; and to buy groceries.

My amendment would have put \$250 to \$500 back in the hands of small “Mom and Pop” businesses around the country. In turn, those small businesses owners would have used that extra money to make more needed purchases or pay expenses.

I also had a couple other amendments to offer. One would have put more money into the hands of charities, who in turn could buy needed supplies, including food, clothing, shelter, blankets, medicine, and hygiene and other products. When charities buy these things they are not only helping those in need, they are helping businesses and workers who manufacture or sell those products or services. In a small, but important way, this would also stimulate the economy.

How would my amendment have done this? It would have allowed those contributing their IRA's to charities to not have to pay a tax on the distribution to the charity. In other words, the government won't be skimming money off the donation. As a result, charities would have had more money, and the donors would have had the pleasure of giving more and the feeling of helping their communities and our nation.

My colleagues on both sides of the aisle had good amendments to offer too. The senior Senator from Montana and I had a drought relief amendment we could have used to help ranchers and farmers. I proudly endorsed our bipartisan amendment. Wyoming really needs the drought relief contained in that piece of legislation.

The senior Senator from Texas had amendments to speed up the tax rate reductions and tax cuts implemented last year. Senator BOND had an amendment that passed the Senate 92 to 0 to allow an increase in small businesses expensing. This would have given vital assistance to small businesses across this country affected by the recession we are in. The Senator from Idaho had

an amendment to make the death tax repeal permanent.

Well, we do have a death right now to contend with, and it's a casualty that even Senator KYL's death tax amendment can't help. As my colleague from Georgia explained, we are now having to pull the plug on an economic stimulus bill and will be attending a funeral on its demise. Why? Because this country could have largely benefitted from a reasonable economic stimulus package, which now will not be passed.

Like my distinguished colleague Senator MILLER said, we are all here giving our eulogies. Those eulogies extend to those many amendments truly meant to stimulate the economy. It is extremely disappointing we will not be able to help the unemployed, or our American workers and small businesses.

Mr. President, I yield the floor.

THE NEED FOR A STIMULUS BILL

Mr. VOINOVICH. Mr. President, with the votes that have been cast this afternoon, we have once again shown the American people that we have put politics before their needs. Quite frankly, I think this body should be ashamed that we could not rise above our party differences and give the American people a stimulus package that will help secure our economy, put people back to work and respond to the human suffering that is occurring as a result of the recession.

Too often, it seems to me, we spend more time trying to score political points than addressing the needs of real people. And I can tell you, there are real needs in the State of Ohio. Despite claims that an economic turn around is just around the corner, the citizens of my State are still suffering the effects of this recession. Many more are “shaking in their boots,” wondering if they are going to be laid-off and the next to join the unemployment line.

Since the first week of December, we have had 320 companies in Ohio announce their intention to lay-off workers, affecting nearly 70,000 people.

Right now, we have some 191,000 people receiving unemployment benefits, and each week, thousands file for initial benefits.

Also each week, around 3,000 people exhaust their benefits without having found another job.

In 2001, initial unemployment claims in my state jumped by 41.5 percent compared to 2000—the highest since 1992.

While the U.S. Department of Commerce reported a two tenths of a percent increase in the economy in the fourth quarter, I consider it anemic economic growth, which is providing little benefit—if any to the men and women of Ohio.

We need robust growth, and a balanced stimulus package is critical to getting us there.

The President was right on target in his State of the Union address last

week when he called for an economic stimulus. He did not advocate for a partisan stimulus measure, trying to maximize his political advantage, but rather he elected to press for the stimulus proposal that was initially proposed by the Senate Centrist Coalition.

I am a member of the Centrist Coalition, and I was proud to work with my colleagues Senators SNOWE, COLLINS, BREAUX, MILLER, and BEN NELSON on a bipartisan measure that would be fair, would help stimulate the economy and would respond to basic human needs.

This proposal does not have everything I, the other members of the coalition, nor the President want. In fact, it includes items I might not necessarily support as freestanding legislation. However, this proposal is the embodiment of compromise, and this is how it should be in an evenly divided Senate. That is why I cannot believe that members of this Senate have allowed economic stimulus to fail.

If we are to have any progress this year, we must work together as our constituents elected us to do.

I voted in favor of cloture on both versions of the stimulus package, since I felt it necessary to move the process along and not demagogue the issue just to score a political victory. I had hoped to move something along to a conference committee.

I think if we all had simply agreed to the majority leader's stimulus package when he proposed it 2 weeks ago, we could have gone to conference with the House, hashed out our differences, and today we could possibly be voting on a compromise stimulus bill.

Conversely, if the majority leader had recognized the bipartisan nature of the Centrist Coalition package—crafted by members of his own party here in the Senate and passed by the House—we could possibly be at a bill signing ceremony today. However, the process has degenerated into a political fight.

The Senate could pass a stimulus bill. Senator GRASSLEY proposed a very good compromise by offering the Centrist Coalition package, which should have been adopted because it gets the job done.

In fact, I believe if the Senate was given the opportunity to cast a straight “up or down” vote on the Grassley amendment, it would pass by a large margin since many in this Chamber actually want to pass a meaningful stimulus bill.

However, that is not the way things sometimes work around here, and the American people are the ones who suffer because they will not get the economic relief they need. In the end, the only person who got what he wanted was the majority leader. He did not want a bill, and he got his wish.

Still, I think the American people deserve to know what the Senate could have passed and what the Centrist Coalition package could have provided in the way of economic stimulus to illustrate the good policy that too often falls victim to partisan politics in this Chamber.

One thing the Centrist Coalition proposal would do is provide a real boost to roughly 38 million low-income workers who did not qualify for rebate checks last summer and fall. Those rebates would mean \$13.5 billion would go into the pockets of those individuals to help them through these difficult times. And I am sure it would help stimulate the economy because they would likely spend that money rather than save it.

The Centrist Coalition package would also lower the marginal tax rate on individual income from 27½ percent down to 25 percent. That means single people who make between \$28,000 and \$68,000 a year, and married couples who make between \$47,000 and \$113,000 a year would find additional money in their pockets. About one-third of the taxpayers in this nation, 36 million people, would benefit with these rate reductions.

Add the 38 million beneficiaries of the rebate checks, and the 36 million who would benefit from the reduction in marginal rates, and the Centrist Coalition package would help a majority of the roughly 100 million American households that file taxes.

The thing I would really like to concentrate on is the part of this package that deals with health care. When we got started debating the stimulus package, the House passed a package that had something like \$3 billion for health care. Likewise, the President's package also had \$3 billion. The Democratic Finance Committee proposal was \$16.7 billion. At the end of the day, the Centrist Coalition and White House compromise package had \$21 billion in it for dislocated workers' health care, and money for the States for national emergency grants, including \$4 billion to the States for Medicaid funding. This is a tremendous amount of help for the needy.

The Centrist Coalition proposal would also assist displaced workers by providing an extension of 13 weeks of unemployment benefits—benefits that would be available to those who became unemployed between March 15, 2001, and December 31st of this year. An estimated 3 million unemployed workers would qualify for benefits averaging about \$230 a week. Those extended benefits would be 100-percent federally funded at a cost of about \$10 billion to the Federal Government, so States would not have to pick up the tab.

The bill would allow states to accelerate the transfer of \$9 billion from State unemployment trust funds so they could distribute that money earlier than now possible. This transfer of money, which already belongs to the states, would help state treasuries, which are in dire straits today.

With respect to health care benefits, the Centrist Coalition and White House compromise proposal would provide \$19 billion in health care assistance for all dislocated workers who are eligible for unemployment insurance with a refundable, advanceable tax credit for

the purchase of health insurance—not just individuals who are eligible for COBRA coverage. This is an important distinction since the credit is available to unemployed people who do not have access to coverage through COBRA, since their employers did not provide health insurance or their employer went out of business. Under this bill, these individuals would have been able to get a 60-percent subsidy of their health insurance costs without any cap on the dollar amount of subsidy.

The proposal also would include reforms to ensure that people have access to health insurance coverage in the individual market. If a person has 12 months of employer-sponsored coverage, rather than 18 months as under the current law, health insurers are required to issue a policy and not impose any preexisting condition exclusion.

The Centrist and White House proposal also includes \$4 billion in enhanced national emergency grants for the States which Governors could use to help all workers—not just those eligible for the tax credit. They could use this to pay for health insurance in both public and private plans. In other words, we would be paying \$4 billion out to the States so they can reach out and help people in their respective States who are not covered by some of the particular provisions in the stimulus package.

The Centrist Coalition package would also provide a \$4.6 billion, one-time grant to assist States with their Medicaid programs. Our States are in deep budgetary trouble because, unlike the Federal Government, they have to balance their budgets every year. The money isn't there for them to take care of the many needs they face. This \$4.6 billion grant would go out to the States to help them provide Medicaid for the neediest Americans. In many States, they are going to cut Medicaid payments because they simply do not have the money since their State treasuries are in such deep financial trouble.

All in all, I believe the Centrist Coalition and White House compromise package was a good proposal, one that should have passed easily in the Senate before Christmas and which should have easily passed today.

There are a lot of concerned Americans, men and women who have lost their jobs, and who do not know where they are going to get health care for themselves and their families. We have an obligation to help. At the very least, we have provided an additional 13 weeks of unemployment benefits to our constituents who are out of work. It is only a fraction of what we should have done, but it will give some assistance to those who need it. Still, I believe we must address our unfinished business.

I believe that there is still time to set aside our differences, put the needs of the American people ahead of politics and pass the Centrist Coalition proposal. It is fair, it is balanced and it is bipartisan and I believe it is the best thing we can do to restore people's

faith in the economy and restore people's faith that we do care about them.

BIPARTISAN, BICAMERAL STIMULUS PACKAGE

Ms. SNOWE. Mr. President, while I am pleased that this body has passed legislation to extend unemployment benefits for thirteen weeks, I rise to express my deep regret at an opportunity lost to help American workers. . .to help create jobs. . .to bolster our economy. . .to provide vital health insurance benefits. . .and to increase our federal surplus projections for the long term.

I voted for cloture on both the Daschle and the Grassley-Snowe amendments because the bottom line is, I am convinced an economic stimulus plan would make a vital difference when it comes to the strength of our economic recovery. And I cosponsored Senator GRASSLEY's amendment not only because it is the product of the work of the Centrist Coalition, which I co-chair with Senator BREAU, but also because it was crafted through bipartisan, bicameral negotiations with the White House and already passed the House of Representatives in December on a bipartisan vote.

I want to thank all of us who worked so diligently on that package, most especially Senators JOHN BREAU, GEORGE VOINOVICH, BEN NELSON, SUSAN COLLINS and ZELL MILLER. And of course I want to thank Senator GRASSLEY for his remarkable commitment to building consensus and getting a strong stimulus package passed. We earnestly believe and I still believe that the adoption of the Centrist package would have been our best means to get a final conference report to the President's desk, and ensure that the economy and America's workers would benefit from the most robust economic recovery possible.

I have said I think it's critical at the beginning of this new legislative session that we start off on the right foot by enacting an economic recovery plan for the American people. I was prepared before Christmas, and many of my colleagues were prepared, to stay here to address the needs of those who have lost their jobs and their health insurance—and to bolster economic growth. Because the fact of the matter is, we knew then what is still very much true today—this economy remains in a recession and people are hurting while Congress has dithered.

We now know we lost more jobs last year than in any year since 1982, which was during the worst recession since the Great Depression, and we lost almost a million jobs since the President proposed an economic stimulus plan on October 5. And while the unemployment rate in January fell to 5.6 percent—the first decline in 15 months and certainly better than the alternative—the two-tenths percent drop was likely more a sign of job-seekers giving up than the economy improving.

As a February 4 Wall Street Journal article put, "Economists warned the drop in the jobless rate could be misleading. The January decline was largely due to the fact that the Labor Department reported an unusually large drop of 924,000 in the size of the labor force, to 141.4 million people. A shrinking labor force, say economists, could be a sign workers have become discouraged and have stopped looking for jobs."

And, finally, consider this statement from the Federal Open Market Committee on January 31—in deciding to keep its target for the federal funds rate unchanged at 1¾ percent, it said, "...the Committee continues to believe that...the risks are weighted mainly toward conditions that may generate economic weakness in the foreseeable future."

Of course, the economy may, in fact, be on the road to recovery. I certainly hope that's the case. But it's also a question of what kind of recovery. Will it be a robust recovery with rising employment and new job opportunities, or a "jobless recovery" as we had back in 1991? Given our nation's war on terrorism both at home and abroad—the future is far from certain. Any "shock" could immediately send our economy reeling, so I am especially disappointed that we haven't taken the appropriate steps to ensure that the road to recovery is an "expressway," rather than a dirt road.

The bottom line is, a well-structured, comprehensive stimulus package is the means by which we could have at least laid the foundation for such a road. The reality is, such a package could have had an impact on the kind of recovery we ultimately realize. And you don't have to take my word for it. Just two weeks ago, Chairman Greenspan testified before the Senate Budget Committee on the state of the economy. And while some have latched onto Chairman Greenspan's remarks that "...the economy will recover in any event" and argue that a stimulus package is, therefore, no longer necessary, it's critical to listen to the rest of testimony.

Specifically, when I asked Chairman Greenspan about whether or not a stimulus package could aid in the type of economic recovery we experience, he stated that, although it was difficult to judge how the economy would develop this year, quote:

...with the potential, at least, that the economy may be more tepid than we would like later in this year, some form of stimulus program probably would be useful.

So I, for one, was not prepared to risk a more "tepid" recovery—not with millions of Americans already out of work and America engaged in a war that will be carried out over a matter of years, not months. And based on the Chairman's response, a strong and effective stimulus plan could have been the difference.

Moreover, let's not forget—restoring economic growth would not only re-

store jobs, it would also help restore our projected budget surpluses.

Specifically, last week, the Congressional Budget Office outlined new budget surplus estimates for the coming 10 years. As we learned, the projected surplus through the year 2011 has fallen 70 percent, from \$5.6 trillion last year to \$1.6 trillion today—the most dramatic decline in budget projections ever. While a combination of factors has brought about this decline—including last year's \$1.3 trillion tax cut and \$550 billion in projected new spending—the most dramatic impact, fully 40 percent of the lost surpluses—or nearly 1.6 trillion dollars—arose from economic and technical changes linked to our current economic decline.

What is both alarming and instructive is that a downgrading in projections of economic growth for just a relatively short amount of time clearly has a dramatic impact on our 10-year surplus projections. As you can see by this chart, the contents of which I'd like to submit for the record, CBO has only lowered its economic growth projection for 2001 and 2002—by 1.4 percent and 2.6 percent respectively—while 2007 onward remains the same and 2003 to 2007 is actually higher. And yet, those lowered growth projections for just those two years have dramatically reduced the surplus projections in the long run.

This fact, coupled with CBO's estimates that an annual increase in economic growth of only one-tenth of one percent translates into a \$244 billion increase in the surplus over 10 years, should tell us something. It should tell us that the benefit of a strong recovery in the near term—and the resulting increase in average economic growth in the long-term—cannot be understated. And the stimulus could have helped us achieve that critical goal.

In fact, Bruce Steinberg, a chief economist with Merrill Lynch, estimated in November that a stimulus package could add one percent to economic growth this year. The White House put the figure at half a percentage point, which would put 300,000 more Americans to work, while Macroeconomic Advisers of St. Louis estimated a stimulus package could actually double economic growth projections.

And Allen Sinai of Decision Economics argued that a package could mean the difference between a weak rebound, such as in the 1991 recovery, and one with real potency. He said, "At this point what you're doing, with both monetary and fiscal stimulus, is loading powder into the recovery."

Which brings me to what happened today on the floor of the Senate. The fact of the matter is, we should have passed the bipartisan Centrist plan that already passed the House of Representatives on a bipartisan vote and enjoyed the support of the White House—and that accomplished what several weeks of bicameral negotiations failed to achieve at the end of

last year: a consensus on all provisions addressing the needs of the unemployed, including health insurance assistance, and providing a boost for the economy.

And the bottom line, is that developing a consensus requires compromise. The bicameral negotiators made significant progress during their negotiations last year, but, unfortunately, were unable to break through on several final issues and, consequently, negotiations broke down.

So, given this stalemate and the risks it posed to workers and the economy, members of the Centrist Coalition—which I co-chair with Senator BREAUX and which had already put forward a compromise proposal in November—sat down with Republican leaders and the White House to see if we could reach the agreement that had proven so elusive. And I ask unanimous consent have printed in the RECORD at the conclusion of my remarks a time line of all our efforts on the stimulus package, because I think it illustrates why we had such a strong bipartisan basis for moving forward.

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

(See exhibit 1.)

Ms. SNOWE. The fact of the matter is, we already had bipartisan agreement on issues like stimulus checks for low-income individuals, accelerated depreciation, increased expensing, and an extension of and increased funding for unemployment benefits. So we had a sound foundation for a compromise, and the package that cleared the House was the product of our negotiations.

That package truly reflected the middle ground on both tax and spending issues that had confounded the bicameral negotiators. Just consider where we started on many of these issues and where we ended up.

At the outset, one of the most controversial issues was that of accelerating marginal rate reductions that were adopted last year. While President Bush called for an acceleration of all marginal rate reductions and Democrats opposed any acceleration, the Centrist package would have accelerated the reduction in the 27 percent bracket only, to 25 percent—an imminently reasonable middle ground approach.

This change—which only applied to taxable incomes of \$27,050 to \$65,550 for individuals and \$42,500 to \$109,250 for married couples—would have put money in the hands of 36 million taxpayers, or one-third of all taxpayers, at a time when consumer demand needs a boost. And let me make one point perfectly clear—more than two-thirds of these beneficiaries have incomes under \$100,000.

Or consider another controversial issue: corporate AMT. While the original House-passed package would have repealed the corporate AMT, the Democratic proposal only included a “hold-harmless” so that businesses taking advantage of accelerated depreciation

and other provisions in the stimulus package would not see an increase in their AMT liability.

The Centrist package found the middle ground by ensuring that items that are currently added-back to a company’s taxable income for purposes of calculating the AMT—namely, depreciation, net operating losses, and foreign tax credits—would no longer be included in this calculation. And by achieving that compromise, we dramatically reduced the cost of the proposal as well—falling from \$25 billion in 2002 in the House-passed package, to \$1.3 billion in the White House-Centrist package.

But as we learned from the breakdown in the bicameral negotiations, the most controversial element of the stimulus debate proved not to be over tax policy, but on health care assistance for workers who lost their jobs. However, policy trumped ideology and politics during the Centrist negotiations—and our package provided a better benefit more rapidly for more unemployed workers than anything that had been previously proposed.

The starting positions on this issue were stark, as the original House-passed measure—and White House position—called for \$3 billion in funding to states to help those who could lose their health coverage if they lost their job. The original Centrists package went further by proposing \$13.5 billion in federal health care assistance for displaced workers.

The \$16.7 billion package put forward by Democrats last year proposed a 75 percent subsidy to help displaced workers afford COBRA health coverage, and assistance and coverage through the Medicaid program for individuals who are not eligible for COBRA benefits. The Democratic proposal also offered a temporary increase in federal Medicaid matching funds for states that are struggling with increased Medicaid costs.

Many people, including the nation’s governors, did not believe the Democrat’s proposal for relying on Medicaid was feasible because states would have to contribute about 25 percent of the cost—funds the states do not have because of estimate state revenue shortfalls of \$15 billion due to the economic downturn. In fact, the governors were calling for increased federal funding for Medicaid just to maintain coverage and benefit levels for current Medicaid recipients.

On the health care issue too, the Centrist package found the middle ground and even went further. Specifically, our bipartisan package would have provided a total of \$21 billion in federal health care assistance—or \$21 billion more than Senator DASCHLE proposed in his amendment. I can’t understand why or how we could have denied four million hardworking Americans this kind of assistance this year for the sake of shadings in philosophical positions.

The fact of the matter is, it didn’t have to be that way. Our package pro-

vided \$13 billion in health care tax credits to displaced workers who are eligible for unemployment insurance who do not have other health care coverage, \$4 billion in National Emergency Grants, and almost \$5 billion in emergency Medicaid funding so states would not have been forced to cut back their current health care programs for children, workers, and families with low-incomes.

Indeed, our displaced worker proposal went further in covering displaced workers than any other proposal that was considered—increasing funding to provide health coverage to displaced workers by almost 700 percent from where we started. This package would have helped those workers who lost their jobs regardless of whether they worked for the largest corporation or the smallest business or even if they were self employed.

Under this plan, any worker who involuntarily lost their job and who is eligible or formerly eligible for unemployment insurance benefits would have been eligible for a 60 percent tax credit to use for continued health coverage. Workers would have automatically received a tax credit certificate when they applied for unemployment compensation.

The tax credit certificate could have been used toward COBRA coverage from their former employer, if eligible, or for purchasing health insurance coverage of the individual’s choosing. The monthly premium payment would have been reduced by the amount of the tax credit so that displaced workers would not be forced to pay the full cost of their health coverage up front, while waiting for federal assistance that would arrive at a later date. In addition the states would have used the \$5 billion in National Emergency Grant funding to provide further assistance and additional benefits.

The bipartisan agreement gave displaced workers portable assistance that they could use in any part of the country to get health coverage. Displaced workers who cannot continue coverage with their current plan, would have had federal-law protections that require health plans to offer guaranteed issue coverage with no pre-existing condition exclusions.

Our proposal for assisting displaced workers with their health benefits was a straightforward proposal that could have been implemented quickly for all firms and all states because the Department of Labor would have made the funds immediately available to states so they could deliver assistance to displaced workers.

The bottom line is that the Centrist package provided the most comprehensive approach to addressing the needs of those who are out of work and an economy trying to pull itself out of a recession. And by enjoying bipartisan, bicameral support as well as the support of the White House—it would have ensured that this relief would be on the way in the fastest manner possible.

Again, I deeply regret that stimulus delayed has now become stimulus denied.

EXHIBIT 1

CBO PROJECTED ECONOMIC GROWTH

	2001	2002	2003	2004–07	2008–11
January 2002	1.0	0.8	4.1	3.3	3.1
January 2001	2.4	3.4	3.3	3.0	3.1

CBO January 2002, Budget & Economic Outlook.

TIMELINE

September 25, 2001: Finance Committee meets with former-Secretary Rubin and Chairman Greenspan to discuss basic principles of economic stimulus package.

October 17, 2001: Centrist Coalition lays out principles to leaders Daschle and Lott.

October 24, 2001: (1) Centrist Coalition meets with Secretary O'Neill; (2) House passes first version of stimulus plan.

October 31, 2001: Centrist Coalition meets to consider compromise package.

November 8, 2001: Stimulus markup in Finance Committee, Democrat package reported.

November 13–14, 2001: Senate Finance stimulus plan (Baucus) on Senate Floor. Plan was defeated on a Budget point of order. On the same day (11/14), Centrist group laid out its alternative plan.

November 15, 2001: Leaders of both parties and both houses agreed to try to come together and pre-negotiate . . . but couldn't agree on who would comprise the negotiators.

November 16, 2001: Talks stalemated.

November 19, 2001: Centrists, including Senators Snowe, Breaux and Grassley, had conference call with Secretary Paul O'Neill about their plan; O'Neill called it a "basis for a deal".

November 20, 2001: Secretary O'Neill, on Good Morning America, called Centrist approach a basis for a deal; Senators agreed to talk after Thanksgiving.

November 26, 2001: Senators returned from recess; recession declared by National Bureau of Economic Research. There was still no agreement over who would negotiate.

November 28, 2001: Wednesday Leadership Meeting with Bush—breakthrough on negotiators to jumpstart negotiations.

November 29, 2001: Divisions over exactly how negotiations could begin remained.

November 30, 2001: Continuing impasse over negotiations; House wanted more negotiators Senate, fewer.

December 3, 2001: Negotiations began.

December 11, 2001: Centrists meet with Senator Lott and President Bush at the White House on a plan.

December 15–16, 2001: Centrist plan emerged as likely basis for any final deal.

December 19, 2001: President Bush meets with Centrists, declares agreement on plan.

December 20, 2001: House passes Centrist plan.

Ms. SNOWE. Mr. President, I yield the floor and suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

Mr. REID. 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. REID. Mr. President, the hour of 1:30 having arrived, I call for the regular order.

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001—Resumed

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1731) to strengthen the safety net for agriculture producers, to enhance resource conservation and rural development, to provide farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

Pending:

Daschle (for Harkin) amendment No. 2471, in the nature of a substitute.

Wellstone amendment No. 2602 (to amendment No. 2471), to insert in the environmental quality incentives program provisions relating to confined livestock feeding operations and to a payment limitation.

Harkin modified amendment No. 2604 (to amendment No. 2471), to apply the Packers and Stockyards Act, 1921, to livestock production contracts and to provide parties to the contract the right to discuss the contract with certain individuals.

Burns amendment No. 2607 (to amendment No. 2471), to establish a per-farm limitation on land enrolled in the conservation reserve program.

Burns amendment No. 2608 (to amendment No. 2471), to direct the Secretary of Agriculture to establish certain per-acre values for payments for different categories of land enrolled in the conservation reserve program.

Mr. REID. Mr. President, what is the pending issue before the Senate on the farm bill?

The PRESIDING OFFICER. The Burns amendment No. 2608.

Mr. REID. 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. HARKIN. 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. HARKIN. Mr. President, here we are. It is now February 6, 2002. That comes as no shock to anyone. We are back on the farm bill—where we were back on December 6, 2001.

Again, we are trying to get this bill finished before it gets too late in the planting season. I am hopeful that we can work out some arrangements to do that. The beginning of a new session always marks an opportunity for a renewed effort to solve the challenges before us. In a spirit of cooperation, I look forward to working with my colleagues to pass this new farm bill without further delay, in order to provide farm families in rural communities critically needed stability and insurance for this year and in the future.

There is widespread agreement that farm families and rural communities are in dire need. The Senate has dealt

with the farm bill for 12 days already. Again, I want to underscore that rural America cannot survive under the current Freedom to Farm bill. It will suffer severely if the farm bill here is further delayed. I look forward to working with Senators on both sides of the aisle to get the bill finished deliberately but quickly, and we will work our way through amendments. I hope that maybe even this afternoon sometime we may reach an agreement on a finite list of amendments, with a reasonable amount of time to debate them. Then we can work through that list of amendments and, hopefully, within 2 or 3 days, go to third reading and passage.

I believe we can get the conference done in adequate time to have the bill enacted for this crop year. A tremendous amount is at stake in this farm bill, not only for farmers but for rural and agriculture-related businesses, rural communities, conservation, trade, nutrition programs, and renewable energy.

The Department of Agriculture recently predicted a 20-percent drop in net farm income for this year if we do not take action on this new legislation—20 percent. Farmers are struggling as it is. They most certainly cannot afford to take a fifth off their net income.

I understand that after the farm bill the Senate will take up an energy bill. During debate on the energy bill there will be a lot of discussion about CAFE standards, and about drilling for oil in the Arctic National Wildlife Refuge, which I am sure will be a hotly contested issue. Well, this farm bill has a new energy title in it. As it is written now, the energy title calls for an investment of half a billion dollars in mandatory money over 5 years to spur production of renewable energy.

Even if we do drill for oil in ANWR, we will remain dependent on foreign oil unless we begin making significant investments in the production of renewable energy. Moreover, a greater emphasis on renewable energy in our nation's energy policy will also create new markets for agricultural products. We need to develop these new markets, and I submit that one of the biggest opportunities we will have to do this in the future will be in the area of renewable energy. It has been said that anything that can be made from a barrel of oil can be made from a bushel of corn, soybeans, cottonseed oil, or any number of other crops that we grow in this country.

I visited a project in northern Iowa last week involving agriculture-based industrial lubricants. It is a project sponsored and supported by the University of Northern Iowa. I actually visited a farm where they have set up equipment. They bring in raw soybeans, crush them, take out the oil, and they mix it and put it through another machine I can't describe, and they get grease, like axle grease. It looks just like that—the same thing you use in your grease gun when you

are greasing a car, or an axle, or anything such as that. I understand the Norfolk Southern Railway has begun using this product to grease the railroad tracks. Trucking companies are using it for the fifth wheels on trucks, where they put a lot of grease.

The beauty of this is it is all biodegradable. I understand some railroads, because of the grease going down the railroad track lines, have to put down liners underneath the tracks. This agriculture-based industrial lubricant is a new product that can take the place of all the grease we use, it is made out of soybeans and it is biodegradable. All the hydraulic fluid required by machinery could one day be made out of soybean oil.

And then there is ethanol. We haven't even scratched the surface in terms of the use of ethanol. Fuel that is 80 percent ethanol—developed over the next 10, 15 years—can drastically reduce our dependence on foreign oil and help clean up our atmosphere. Again, that is biodegradable, and it is renewable every year, with every corn crop.

So I think if we really want to become more energy independent and less dependent on the Middle East for our oil, it is not drilling in ANWR that will accomplish that—at least not from the data I have seen—it is developing new markets for agricultural products in this country by supporting the development of renewable fuels made from agricultural commodities.

We now have over 30 buses running in Cedar Rapids, IA, on soy diesel. All the trucks on the nation's highways could one day be burning soy diesel. When one thinks about the potential market for agricultural-based lubricants, fluids, and fuels, that market is the same as the market for the oil we are getting from the Middle East now. Maybe we cannot take up all of that market with renewable lubricants, fluids and fuels, but we can take up enough of it so the producers of oil in the Middle East will not have us by the throat any longer. We can have enough of that market that the Middle East will be a minor supplier, not a major supplier, of the energy we use in this country. There is a lot in this farm bill to start moving us in that direction.

We have done our work in the Committee. We had an aggressive schedule of hearings on the farm bill. We had hearings here in Washington, DC, and in several States across the country. Then, of course, our timetable was set back by the terrorist attacks on September 11. Nonetheless, we moved ahead and started marking up the bill on October 31, voted to report the bill out of committee on November 15, and we were on the Senate floor November 29. We acted expeditiously to get this bill done. We went from markup on October 31 to the Senate floor on November 29, and yet we are still here today, February 6, 2002.

It is essential that the new farm bill be completed without further delay be-

fore the planting of this year's crop. Again, if we do not pass it in time, this year's crop will be covered by the existing Freedom to Farm legislation and, Mr. President, as you know, we will probably have to come up with another supplemental payment for this year's crops. That is why we need a new farm bill and not more uncertainty.

The longer the bill is delayed, the greater the risk the \$73.5 billion in new farm bill funding will be forfeited. As I said, the planting season is here. The stimulus bill just went down, as I understand it, but this farm bill is also a stimulus bill a stimulus bill for rural America.

President Bush was recently in Moline, IL, which is part of the quad-cities area, across from Davenport and Bittendorf, IA. Of course, Moline is the home of John Deere. A lot of Iowans across the river work at that Moline plant. We also have John Deere plants in Iowa.

President Bush visited that plant a couple weeks ago. I was with him, as were other Senators and Congressmen. In a meeting with the CEO of John Deere, it was said by him or by some of the other people in the management of John Deere that they have laid off a lot of people. They have 300 people working at the plant who are working because of contractual arrangements with the union, but they are not building anything. I asked whether there is any hope that these people can start building again.

The response was: Yes, we know there are orders out there or pending orders for new combines, tractors, planters, and other equipment, but the farmers are going to the bankers to get the financing to buy the equipment, and the bankers are saying: What is your income going to be like this year? What are you counting on? And the farmer says: I don't know, they haven't passed the farm bill yet.

The message came through clear to me and others and, I hope, to the President that we have to get this bill done. It not only helps the farmers, but it helps rural America and it helps the workers in that John Deere plant, too. It helps them get back to work. That is why we need to get this bill through in as short order as possible.

I believe bipartisanship has been the hallmark in our work of crafting this farm bill. At the outset, Senator LUGAR, the committee's ranking member and former chairman, and I developed a set of objectives. We worked in consultation with other members of the committee on all titles of the bill that the committee reported out, with the exception of the commodity title, to be honest, where we recognized we probably would not find any agreement.

Other than the commodity title, all reported titles were approved by voice votes. Of the votes on amendments to those titles, not one was along party lines. We did have a recorded vote on adopting the commodity title, as I

said, and even that was a bipartisan vote.

We have tried to come out with as bipartisan a bill as possible, and I believe that is what we have done. This is a balanced, comprehensive bill. It is a bill that does very well by commodities but also goes well beyond the commodity programs to address needs in the areas of conservation, trade, rural development, research, energy, which I mentioned earlier, credit, nutrition, and forestry.

On the commodity side, we have maintained full planting flexibility, and we have restored a stronger countercyclical income protection system. The bill continues fixed direct payments but phases them down, not totally out, as a new countercyclical payment system is phased in.

Also, farmers may elect to update their program bases and payment yields instead of using outdated ones, but they may keep the old bases and yields if that is more advantageous to them. We leave that choice up to farmers.

The bill continues marketing assistance loans with modestly higher loan rates for feed grains, wheat, and cotton. The soybean loan rate is reduced by 6 cents but that reduction is offset by new fixed and countercyclical oilseed payments which were not in the previous Freedom to Farm bill. Keep in mind, all of these loans are marketing assistance loans, so the higher loan rates will not build stocks and will, in fact, enhance our international competitiveness.

When I hear arguments that somehow the higher loan rates will price us out of the market, I do not understand that. These are marketing assistance loans so that cannot be true.

One key difference between the Senate bill and the House bill is the approach to farm income protection. The Senate bill puts a greater emphasis on countercyclical income protection. If commodity prices are not as high as predicted, which is usually the case, then the Senate bill offers the better income protection. There is a built-in price protection mechanism to increase payments if prices fall.

Again, one of the biggest outcries I heard about the Freedom to Farm bill is that in the good years—the initial years under Freedom to Farm when farmers were making good money from the market—they were still getting Government payments. That did not seem to make sense to anyone.

What we have done is phase those payments down, and we will have a countercyclical program so if prices go down, farmers will be held harmless.

The majority of people in this country do not know a lick about agriculture but would support it. They say there are certain times when for certain reasons—whether it is trade, the strength of the dollar, or other factors—prices for agricultural commodities just go all to heck.

I think most people recognize the cyclical nature of agriculture, that it is

different from a hardware store, that it is very reliant on so many outside factors over which a person has no control.

I believe most Americans would say: Yes, if these things happen and prices fall, you ought to support the farmers until we can get the prices back up. I find general acceptance of that. What I do not find is any support anywhere for the proposition that if farmers are doing well in the marketplace we ought to give them more money. I do not find any support for that anywhere. That is what we tried to do in this bill: to get off that old system and get onto a new system of countercyclical payments.

Regarding international trade, the Senate bill will comply with our WTO commitments and will put our Nation in a strong position to negotiate new trade agreements.

This bill gives the Secretary of Agriculture the authority to adjust support payments to make sure we do not violate WTO limits. However, there is only a very remote chance this authority will ever be needed. Under the expected market conditions for the next 10 years, the amber box limit "amber box" means that under WTO agreements we can only spend so much money on certain types of support—is \$19.1 billion. Under all of the scenarios we have run on our bill, the most we can see is about \$16 billion in amber box payments.

Now I have heard—I will admit I have not heard it lately, but last December I heard a lot of talk from the administration and the Department of Agriculture that somehow what we had in our bill would bump us up against the WTO limits, and that would take us to court and all kinds of dire things would happen. At that time, I challenged those who were making such statements to come forward and give us the proof, give us the data, show us what they mean, how we were going to bump up against the \$19 billion limit. Well, I have been waiting since then. I still do not have it.

So I said at the time, if the administration keeps saying this, then I am simply going to have to call another hearing of the Agriculture Committee and we will have to have the Secretary of Agriculture down to tell us. If they have data, I would like to see it. I think the fact is that it is not so. Even if we do get up around \$16 billion or \$17 billion, so what? That is well within our limit.

It seems to me there is some thought we ought to be down around \$10 billion or less. I say, why? Do you think the Europeans would do that? Of course not. They are going to be right up to their limits under the WTO.

Well, we are not even that close. We are still quite a bit under the limit. All I can say is, if we ever got to the point where our payments would bump up against that \$19.1 billion, we would be in such bad shape that the WTO would be the least of our worries.

Mr. REID. Madam President, I ask the Senator from Iowa if he would yield for a unanimous consent request.

Mr. HARKIN. Yes, I am glad to yield to our assistant majority leader.

Mr. REID. While the two managers have been speaking, I did what they asked me to do, and we now have a unanimous consent agreement that will move us through a good part of the afternoon. I ask unanimous consent that there be a time limitation on the following pending amendments: 40 minutes equally divided on both of the pending amendments by Senator BURNS, Nos. 2608 and 2607; 40 minutes equally divided on Senator WELLSTONE's amendment No. 2602; and 30 minutes equally divided on Senator HARKIN's amendment No. 2604.

I further ask unanimous consent that Senator HARKIN do his amendment first—there has been a request that he do his amendment first and the others can come up later—that all times be divided in the usual form; that no other amendments be in order prior to disposition of the above listed amendments; that at the conclusion or yielding back of time on all of these amendments, the Senate proceed to a vote on or in relation to each amendment, with 2 minutes for debate equally divided between the votes following the first vote; that the vote sequence be as follows: Senator HARKIN be first; Senator BURNS; Senator BURNS; and then Senator WELLSTONE; that if any amendment is not disposed of after the first vote, they remain debatable and amendable.

The PRESIDING OFFICER (Ms. STABENOW). Is there objection?

Mr. LUGAR. Madam President, reserving the right to object, I think the agreement is an excellent one. I simply want to raise the question with the distinguished Senator. After Chairman HARKIN has completed his opening statement, I would like to make an opening statement before we proceed to the amendments.

Mr. REID. I think that would be entirely appropriate. Does the Senator request up to half an hour?

Mr. LUGAR. That would be adequate, yes.

Mr. REID. I further ask unanimous consent—the only change that has been brought to my attention by the staff on both sides—that the language be that "no other amendments be in order prior to the votes in relation to the above listed amendment" rather than "the disposition of the above listed amendments."

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. A point of clarification: Is that 40 minutes on each of the Burns amendments?

Mr. REID. Forty minutes total.

Mr. LUGAR. I have a question for the distinguished manager. Then we would have four stacked votes? Members could anticipate, once we begin voting, there will be four votes?

Mr. REID. Probably around 4 p.m.

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

Mr. HARKIN. That is good news. I thank the assistant majority leader for working this out, and I thank Senator LUGAR for working this out on all sides. That is progress. So we are going to be able to dispose of four amendments that have been hanging since December, and hopefully that indicates some progress on this farm bill. So I will wrap up my comments very shortly.

I was talking about the WTO, and I will wrap it up in terms of income protection for farmers. I describe our bill as having four legs, which makes it very sturdy. We have fixed payments, countercyclical payments, marketing loans, and conservation payments, all of which will help support farming.

Lastly, I want to talk a little bit about the conservation title. We have been able to accomplish a great deal on the conservation title. It is important in and of itself. Farmers and landowners desire to conserve soil, water, and other natural resources. Sound conservation is one of the best ways for agriculture to continue to build good will with the rest of America. Plus, it is also a way in which we can help promote better farm income. So we have funded programs like the Wetlands Reserve Program, the Farmland Protection Program, the Wildlife Habitat Incentives Program. Those three programs, I might add, are all out of money right now. So every day we do not pass this farm bill and get it through, none of those programs will be funded.

We made a large increase for the EQIP, the Environmental Quality Incentives Program, and I think improved that substantially for livestock, dairy, and poultry producers.

Our main emphasis in conservation in this bill has been on land in agricultural production. I believe that is where our focus should be, and the Senate bill reflects that. It contains the new Conservation Security Program, which will provide incentive payments for maintaining existing and adopting new conservation practices on lands that remain in production. Thus, it does both, promotes conservation and supports farm income.

The other good thing about it is that it is fully within the WTO green box. So whatever we spend to help support farm income does not bump up against our WTO limits.

One other thing I will mention before I yield the floor is what I said before, in December—I think I may have said it in committee, too: If this farm bill devolves into being a commodity bill, then I think we will do a great disservice to our farmers and to all of America because we will have narrowed the farm bill to a very small scope of people who produce storable commodities. I think the farm bill is much broader than that. It speaks not only to those who produce the food and fiber and to those who produce our livestock, but also to those who produce

fruits and vegetables, specialty crops, orchards, many of the items we buy in our grocery stores that do not come from row crops.

And it is even more than that. It is rural economic development. It is small towns and communities. It is making sure we have jobs and economic opportunity in our small towns. This bill has a very strong rural economic development portion to it. There are even things in the bill to get broadband access to our small towns and communities.

I happened to meet a farmer this morning from northwest Iowa. I asked him what he was doing here. He said his wife was here on a business trip and he was accompanying her and sort of relaxing a little bit, going down to the Smithsonian and coming to watching the Senate—things like that.

I asked him what kind of business his wife is in. Well, it is over my head, but it has something to do with computers and software. So I got to thinking about that and thinking, here is someone who lives in a small town in northwest Iowa doing a job that normally might be done in a large city. Now, again, the problem is getting broadband access so that they have all of the access to the Internet in a high-speed setting. We can develop those types of job opportunities for people who live on our farms in rural America. That is in this bill, too.

Commodities, yes, but it is broader than that. Rural economic development, as I mentioned, is so important. That is why in this bill we have a treasury equity fund, a rural business investment program to support equity groups. We have a national rural cooperative and business equity fund to try to get equity capital to rural areas so we can promote the kind of business development we need. We have a four-fold increase in the value-added agricultural product market development grants. These grants help develop solid value-added enterprises owned by agricultural producers. The business and industry loan guarantee program is improved. We provide \$100 million a year for broadband Internet access to our small town communities.

This is a broadly based bill. I not even touched on the enhanced nutrition, forestry, or trade programs. We put more funds and guidance and direction into the foreign market development program and the foreign market access program. We enhance our trading abilities. For forestry, we have new language and new programs to provide more support for the private forests and renewable forestry incentives.

There is a lot more than just commodities in this bill. That is as it should be. Agriculture touches everyone in America. It is more than just that one person on a farm. It is people all up and down the food chain: our processors, shippers, wholesalers, grocery stores, and consumers. We have put a lot in here to protect consumers, to make sure we have the safest and

most affordable and steady food supply of any country in the world.

That is why this bill is so important and why we have to move this bill. I think it does no one any good to continue a filibuster or delay. I am hopeful with the breakthrough we had this afternoon with these four amendments, we look forward tomorrow to continuing to debate some amendments. I hope some time, perhaps even later today, we can reach an agreement on a finite list of amendments, and how much time. Then we will know exactly when we will finish the farm bill and get to conference and get it to the President as soon as possible.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Madam President, I appreciate the excellent statement by the distinguished chairman of our committee. I join him in attempting to work constructively for completion of a good piece of legislation.

There is broad agreement among Members of the Senate Committee on Agriculture, Nutrition, and Forestry, on the titles, aside from the commodity title. We have had amendments that have pertained to the other title and some may still be heard from Members who were not a part of our committee deliberations.

Clearly, the bill before the Senate does excellent things in the area of conservation, possibly a credit for young farmers, rural development, nutrition, agricultural development, to try to get jobs in rural America for people not engaged in farming.

This is why I regret that the commodity section, as it now stands, seems to me to be a considerable step backward. I am not going to engage in extravagant language about the situation. Honest Senators can differ as to the implications of this. One good reason the Senate chose not to pass legislation before Christmas was that this disagreement pertains to a lot of farmers and other Senators who are not farmers wanted to take a second and third look at this legislation.

I want to talk during these informal remarks at the beginning of our session today about the prospect of some who are well informed who have looked at our work so we might improve it through the amendment process we are about to undertake. I mention, first of all, a report by the Food and Agricultural Policy Research Institute, well-known to Members of our Agriculture Committee, and, I think, to the general public as an extraordinarily reputable agricultural institution at the University of Missouri and Iowa State University. I cite specifically their report of November 2001, at the time we were last deliberating on the farm bill, on the trade issues.

The distinguished chairman has mentioned the attempt by the committee to stay clear of ceilings that might lead the United States to severe difficulties with the World Trade Organi-

zation and our other trading partners. Some Senators might say that is the tough luck of anybody else who happens to stand in our way; this is the United States of America, and if we want to spend money on our farmers, by golly, we ought to do that—leaving aside whether we run into conflict that is likely to lead to lawsuits, less exports, and blockages that are already considerable with foreign trading partners.

Clearly, in most of our debates on agriculture, we are in agreement that if farm income is going to go up substantially in the United States, it will have to be through exports because we have a market in the United States which is often termed mature. There is only so much food that we can consume in the United States of America. Even though we must do a better job with our food pantries, with feeding programs—and this farm bill does address those issues and they are important for low-income Americans and for those who are unfortunate—the fact is, given the productive capability of American agriculture, we have to move the product.

In order to move the product, we have tried to work with other nations under an agreement called the World Trade Organization. That gives us some certainty of legal status in other countries. If they complain and were to take action to stop our exports, we have an action to get moving, to move this through arbitration or decisions of the World Trade Organization. Most people in the agricultural business understand that.

What is in dispute is whether the Harkin-Daschle bill now before the Senate bumps up against the ceilings or, in fact, goes through them. The distinguished chairman has said in his best calculation, in fact, we are well below the ceiling, in a safety margin. However, if the FAPRI is not so assertive, and I read from page 7 of the November 2000 report:

Under the Uruguay Round Agreement on Agriculture, the United States agreed to limit spending on domestic support programs that are considered trade distorting to \$19.1 billion per year.

We made that agreement.

Given the structure of the proposed policy changes, we calculate a 30.3 percent chance that the United States will exceed this limit in the 2002 marketing year.

This is the marketing year that will begin later this calendar year after the 2002 crops are harvested this fall.

Over the projection period, price increases result in smaller marketing loan expenditures, which will tend to decrease this probability. But the counter-cyclical program begins payments in the 2004 marketing year, essentially replacing green box expenditures. . . with amber box expenditures.

Those are ones that become more dangerous in the calculations.

This substitute increases the probability that the U.S. exceeds its WTO limits.

I mention that because clearly this can still be remedied. We are in the course of having a debate in which

other Senators or other institutes may make calculations. But I am suggesting that we have a serious point of jeopardy here that may not be well understood by Senators. That is why in this opening statement I move, not to the rhetoric of my colleagues, but rather to an independent organization that is in a position to make informed comment on this.

We have a further problem that is posed simply by the way this bill is structured in the payments. I cite an article by Philip Brasher of the Associated Press, dated today, in which he points out:

A Democratic-backed farm bill pending in the Senate would use an estimated \$45 billion by the end of 2006

This is of the \$73.5 billion in new spending over a 10-year period of time that has been often mentioned—leaving but \$28.5 billion for the remaining 5 years. The problem comes up that the Department of Agriculture has spoken, through the Secretary, Ann Veneman, who said, again yesterday, that the money should be distributed evenly over the 10-year period of time.

Secretary Veneman says:

We feel strongly that we shouldn't front-load a farm bill.

Let me mention that this is a fairly large sum of money. Just a quick division of the \$73.5 billion, if one agrees that much more on top of the baseline ought to be spent, would mean if we were to have fairly level payments, our work should come out at something less than \$37 billion.

The Daschle-Harkin bill amounts to \$45 billion now. Some others have cited figures between \$42 billion and \$43 billion. It would appear to be \$5 billion or \$6 billion too rich in the first 5 years. It got that way through a number of compromises.

I sympathize with the distinguished chairman of the committee who must entertain all sorts of suggestions from people who come in and have enthusiasm for doing it now, but I would point out one reason for not moving ahead in November or December, with the farm bill, is that, obviously, we have a disagreement.

One may say the Secretary of Agriculture is entitled to her opinion and we may be entitled to ours. If we want to stack the \$73.5 billion, \$50 billion in the first 5 years, that is up to us. But on the other hand, at this point the administration has indicated the \$73.5 billion is available, that the budget assumptions that have been made are the ones that have been followed through, and, indeed, the President's budget submission includes this.

But she is saying maybe enough is enough. We don't want to spend any more of that money in the first half because that is going to make for a very difficult period following that, in which the suggestions of Senators will be: Let's at least do what we have been doing before. At that point we have a much richer product over the 10-year period of time than the administration

or the Budget Committees have agreed to. In any event, we will address that. I am certain, in several amendments that will reduce that sum of money in the first 5 years.

A more comprehensive critique of what we have been doing appeared in the Washington Post this morning. It appeared earlier in Newsweek magazine under the byline of the noted economist Robert J. Samuelson. I wish to quote directly from some of the paragraphs of economist Samuelson's analysis.

He starts with the proposition:

Government programs are, for all practical purposes, immortal.

Perhaps so and perhaps not. But then he offers as evidence of this.

Anyone who doubts this last proposition should examine the farm subsidy programs, which are the classic example of how unnecessary spending survives. Here is a parable for our larger budget predicament. Every year the government sends out checks to about 700,000 to 900,000 farmers. Since 1978, federal outlays to support farmers' incomes have exceeded \$300 billion. How large is that? Well, the publicly held federal debt (the result of past budget deficits) is about \$3.3 trillion. The past 23 years of farm subsidies equal almost 10 percent of the debt.

But wait: Congress is about to expand the subsidies. The Congressional Budget Office estimates that new farm legislation would increase costs by \$65 billion over a 10-year period, on top of the \$128.5 billion of existing programs. (And these figures exclude costs for agricultural research, trade and nutritional programs.) The Republican-controlled House has passed one version; the Democratic-controlled Senate is about to debate a slightly different version. And the Bush administration has supported what it calls the bill's "generous" funding levels. "Extravagant" would be more like it.

Government spending should reflect some "public interest." For farm subsidies, this is hard to find.

Let's examine the possibilities. Do we need subsidies to ensure food production? No. The subsidies go mainly for wheat, corn, rice, cotton, soybean and airy production, representing about a third of U.S. farm output. The rest (beef, pork, chicken, vegetables, fruits) receive no direct subsidies. Has anyone noticed shortages of chicken, lettuce, carrots or bacon? The idea that, without subsidies, America wouldn't produce ample wheat for bread, milk for ice cream or corn for animal feed is absurd. Before the 1930s no federal subsidies existed, yet annual wheat production rose 77 percent to 887 million bushels from 1880 to 1930.

Do subsidies "save the small family farm"? In the 1930s, or even 1950s, this argument might have been plausible. No more. Mechanization and better seed varieties have promoted farm consolidation. In 1935 there were 6.8 million farms. In 1997 there were 1.9 million and, of these, about 350,000 accounted for almost 90 percent of farm production. These farms had at least \$100,000 in sales. About 42 percent of food production came from farms with \$1 million or more in sales. Countless newspaper stories complain that subsidies go overwhelmingly to large, wealthy farmers. But given the distribution of food production, they must go to large farmers—unless government decides to subsidize farmers who essentially don't farm.

Do subsidies stabilize farm incomes, offsetting period of low prices? Not much. There are two problems. First: When crop prices drop, the subsidies promote overproduction,

which prolongs and deepens the price decline. Second: The value of the subsidies increases the prices of agricultural land by about 20 percent, according to the Agriculture Department. This raises the purchase prices for new farmers or lease payments for farmers who rent their fields.

We found in the USDA report this year, 42 percent of farmers are, in fact, renters.

About 45 percent of crop land is leased [according to Samuelson] as opposed to the 42 percent USDA suggested. And of course, there's this question: Why should government stabilize farmers' incomes? It doesn't stabilize incomes of plumbers, print shops or most businesses.

Despite farm programs' nonexistent public benefits, Congress routinely extends the programs for political reasons. On the public-relations front, farmers are thought to be hard-working and, therefore, deserving. Somehow, it seems unfair to withdraw a government benefit they're accustomed to receiving. And if farm programs didn't exist, the congressional agriculture committees would be less powerful. So would various farm lobbies and interest groups. They all have an interest in perpetuating the subsidies. Finally, there's control of Congress.

At this point, Mr. Samuelson quotes me. So this quote was my own.

"The main factor is a concern among lawmakers of both parties that power in Congress could hinge on a few races in heavily subsidized agricultural regions," Sen. RICHARD LUGAR, Republican of Indiana, bravely wrote in *The New York Times*. "If either party stands in the way of this largesse, they risk being labeled the 'anti-farm party' and targeted with sentimental imagery associated with farm failures."

Back to Samuelson:

Farm subsidies are huge political bribes. Though they're perfectly legal, the ethics are questionable. The trouble is that hardly anyone raises the questions. The silence defines Washington's self-serving and hypocritical "morality." Everyone in Congress is justifiably outraged these days by Enron's collapse and the losses for workers and investors. But the same legislators will vote for massive giveaways of billions of dollars to farmers without any sense of shame or outrage. There is no inkling that they might be plundering the public purse and doing wrong. (The press is guilty of similar hypocrisy. Farm subsidies excite casual, intermittent curiosity.)

I am hopeful that these remarks will excite both Senators and the press because I think we are on the threshold of a very large mistake in the commodity section.

I have made these points before, but let me tick through them quickly.

One problem with the farm bill that now lies before us is that it does increase subsidies very substantially.

From the beginning of the debate, the suggestion has been that the Budget Committee set aside \$73.5 billion for additional farm subsidies over the next 10 years. The dilemma here is that the subsidies will create incentives for more production. They are production based. The more bushels, the more dollars for the farmer who produces the bushels. As a result, unless El Nino, or some extraordinary weather phenomenon such as a comet crash, or something of that variety occurs, it is

very predictable that production of the five basic row crops—cotton, rice, soybeans, corn, and wheat—will increase very substantially over the next 5 years. Perhaps export demand will escalate rapidly. Perhaps we will do the things we need to do and evade the blockages of the World Trade Organization and our trading partners that for the moment are outraged by this bill.

Letters I have received from ambassadors from friendly trading countries—the Australian Ambassador, for example, or Commissioner Fisher of the EU, and others—point out very troubled waters ahead. But perhaps we will overcome that. I hope we will because there is no way out of the box unless we export a whole lot more to meet the production gains we are going to have.

The genius of American agriculture is that the yields continue year by year. That is the potential salvation for feeding people all over the world. But between now and then, the question is, How do we get the product out of the country? Failure to do that will lead to oversupply in the country and lower prices. That will trigger higher subsidies. This is what countercyclical is all about. It never counters, it goes one way—down.

If that were all of it, that would be bad enough. But the problem is that only 40 percent or fewer of American farmers are going to receive any of these subsidies. That is the nature of the row crop situation.

Sixty percent—three-fifths—a majority of farmers, really have no interest in these subsidies at all. At least they are not going to receive them. That is not widely understood among farmers, quite apart from the public as a whole. The public as a whole, when they hear of that, say: How can this be? This is the way the program started in the 1930s, and it has been perpetuated.

That is not the half of it. Take this 40 percent. The statistics show in State after State over two-thirds of the money—just in this 40 percent—goes to this 10 percent of the 40. The 4 percent is the total. Stated another way, we are now down to 60 percent at zero, and 10 percent of the 40, or 4 percent, are getting about two-thirds of all the money. The public say, that is preposterous; how in the world can people in a democratic legislative body skew the payments in such a distorted manner that 4 percent of the farms get two-thirds of all the results? We are doing it. We have done it, and we are about to compound it.

It is no wonder that small farmers go out of business. These bills guarantee it. The same Senators on the floor today who will say, What about the small family farmer, and what about the medium-sized family farmer—I am here to tell you that farmer is not going to do well under this bill. Land prices will continue to go up. I do not predict a bubble. Nevertheless, in my own farm situation, I have witnessed management—I have owned farms

since 1956—and at least two situations of crash and burn. I can recall—I think most Senators who are following this in our committee will recall—the boom of the 1970s in which those of us who had land throughout that greater time saw an increase of two or three times the value only to see 50 or 60 percent of that stripped away in the early years of the 1980s.

Why is it that we are failing by going through this history again and again? We do it because our programs almost mandate it. USDA's 120-page booklet goes through chapter and verse about how it happens. It is no mystery.

The problem is, for young farmers looking into this, it is a tragedy in terms of entry. For 42 percent of our farmers who rent, it is a tragedy because their rents go up. That is a big percentage.

Whether Members understand who the farmers are in their States or not, the farmers understand their predicament, and the 60 percent who are getting nothing understand that zero. By now, given the Environmental Working Group site, the rest of the farmers understand who the 10 percent are who are getting two-thirds of what happens in their States. They have them listed by name. That is new. And a good number of farmers are suggesting is not fair because it is an intrusion of Government payments. It is an intrusion because in some cases farmers have been receiving hundreds of thousands of dollars a year.

I don't go into the extraordinary cases of movie stars, basketball players, universities, and so forth. After all, under the rules of the game, they own the land and they produce the stuff. Nevertheless, there are some anomalies here that have not been taken well.

The predicament is that we have a farm bill as it stands before us, before we start amending it, that, in my judgment, almost guarantees lower prices, guarantees larger payments, and the payments we know go to very few people. They are huge.

In November and December, I made the point—and I will make it even more forcefully now—that this debate occurs in almost an "Alice in Wonderland" situation in which somehow we can talk about farm policy as if it were totally divorced from the budget of the U.S. Government or from the needs of ordinary people.

The distinguished chairman of the Budget Committee, Senator CONRAD, and others on the committee have pointed out that the billions of dollars in deficit that we are now piling up are taken out of the Social Security funds. That is now clear. We are in deficit finance. We are not in surpluses. This is not free money. Social Security recipients surely understand that the \$73.5 billion is coming out of the Social Security fund. It is money that could be spent perhaps for reform of Medicare, prescription drugs for the elderly, and other items that most of us in our cam-

paign talked about and promised but clearly are not going to occur so long as our Government is running huge deficits.

We are doing the deficits because we have a war on. And that is proper because terrorists hit our country on September the 11th. But that is the country in which we live. Agriculture is not divorced from that which is our country. It is not another world in which we deal with a very few farmers, maybe 4 percent of the people who are doing business.

How farmers could get into such a predicament is easily predictable, given the types of policies we are about to formulate; albeit, telling the farmers: We are doing it for you and we want your support.

If farmers ever figure this out, we will not have their support. They will wonder how misguided we could have been.

We have been through these arguments several times. I appreciate the indulgence of my colleagues in listening to them again. But we do have a second chance. Thank goodness we did not adopt this legislation in unamended form in November or December because we will be coming into conference with a House bill that, in my judgment, is equally disastrous.

Madam President, with these thoughts in mind, I hope we can proceed through the amendments in an orderly way. I promise to work with the distinguished chairman to make that so.

We are now getting the ideas from all of our Senators on this side of the aisle. I understand that is occurring with the chairman. Hopefully, we will have a finite list of amendments and have an idea of a roadmap for a successful conclusion.

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

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

AMENDMENT NO. 2604

Mr. HARKIN. Madam President, parliamentary inquiry: What is the business before the Senate at this time?

The PRESIDING OFFICER. The Senator's amendment No. 2604 with a 30-minute time limit.

Mr. HARKIN. With a 30-minute time limit?

The PRESIDING OFFICER. That is correct.

Mr. HARKIN. Madam President, I yield myself such time as I may consume.

Madam President, this amendment is cosponsored by Senators GRASSLEY, FEINGOLD, WELLSTONE, and ENZI. This is the livestock production contract amendment that I offered in December. This amendment furthers one of the

most important goals of this farm bill, and that is to promote competition.

We had a competition title in the original farm bill I introduced in the committee. Two other amendments have already been adopted: Senator FEINGOLD's amendment prohibiting mandatory arbitration in livestock contracts, and Senator JOHNSON's amendment on packer ownership.

My amendment will address yet one more issue in the competition arena, and that is livestock production contracts and the right to discuss contracts with close advisers.

The amendment does two things: It closes a loophole in the Packers and Stockyards Act by including livestock production contracts under its jurisdiction; and, secondly, it provides livestock producers the ability to discuss terms of their contracts with certain people, such as their attorney, banker, landlord, and Government agencies charged with protecting a party to the contract.

Livestock production contracting is an arrangement between a packer or another owner of livestock and a farmer. The basic contract requires a farmer to provide the buildings, the equipment, and the labor to raise the livestock; and the livestock is owned by someone else, the contractor.

This type of arrangement differs from the traditional livestock industry structure where the farmer both owned and raised the livestock. In the poultry sector, production contracting is nearly universal and, I might add, has been covered by the Packers and Stockyards Act since 1935. It is becoming more prevalent in hogs, and is growing in the cattle industry.

What this amendment would do is protect livestock production growers from unfair and deceptive acts. The same type of fairness rules are common in other markets where people are threatened by inequitable bargaining positions. For instance, Federal law affords similar protections to produce and vegetable growers, automobile dealers, gasoline franchisees, individual securities investors, and livestock farmers who own the livestock.

Currently, the Packers and Stockyards Act provides protections for farmers who sell livestock to packers. That has been in the law since 1921. But the act does not protect those who raise livestock, under a production contract, for someone else. The amendment would close this loophole. Current law does not fit current practice. Production contracts, as I said, are becoming more common.

In 1990—just 11, 12 years ago—production contracting in the hog industry was almost unheard of. By the year 2000, 34 percent of hogs were raised under production contracts.

So again, farmers and ranchers need this amendment because the consolidation and vertical integration of the markets are providing them an unequitable bargaining position.

Livestock production contract growers are the ones most at risk of unfair

conduct because, like a franchisee, they tend to make large investments to enter into a contract, and then they feel constrained to endure unfair treatment because of their large capital investments.

Basically, the amendment would allow a producer to share his or her contract with their attorney, business adviser, landlord, manager, family, and State and Federal agencies charged with protecting parties to the contract.

The amendment does not require anyone to share the contract if they do not want to. And it does not say the contract should be made public in any way. The provision even allows contracts between a contractor and farmer to prohibit farmers from sharing a contract with their neighbors or the contractor's competitors, for example.

So, again, the amendment enjoys broad support. The American Farm Bureau Federation and the National Farmers' Union—the two largest general farm organizations—as well as dozens of other farm and consumer groups, support the amendment.

It is bipartisan. As I mentioned, there is support on both sides of the aisle for this amendment. I am hopeful we can adopt the amendment.

AMENDMENT NO. 2607, AS MODIFIED; AMENDMENT NO. 2608, AS MODIFIED; AND AMENDMENT NO. 2602, AS MODIFIED

Mr. HARKIN. Madam President, I ask unanimous consent that amendment Nos. 2607 and 2608 be modified with the text at the desk, and that Wellstone amendment No. 2602 be modified with the text of amendment No. 2631.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

The amendments (No. 2607, as modified; No. 2608, as modified; and No. 2602, as modified) are as follows:

AMENDMENT NO. 2607, AS MODIFIED

On page 205, strike lines 8 through 11 and insert the following:

(c) MAXIMUM ENROLLMENT.—Section 1231(d) of the Food Security Act of 1985 (16 U.S.C. 3831(d)) is amended—

(1) by striking "The Secretary" and inserting the following:

"(1) IN GENERAL.—Subject to paragraph (3), the Secretary";

(2) by striking "36,400,000" and inserting "41,100,000"; and

(3) by adding at the end the following:

"(2) PER-FARM LIMITATION.—In the case of a contract entered into on or after the date of enactment of this paragraph, or in the case of a contract entered into before that date that expires on or after that date, an owner or operator may enroll not more than 50 percent of the eligible land (as described in subsection (b)) of an agricultural operation of the owner or operator in the program under this subchapter.

"(3) EXPENDITURE OF FUNDS.—In carrying out this subsection, the Secretary shall ensure, to the maximum extent practicable, that the total amount of payments made under the program under this subchapter does not exceed the amount made available to carry out the program for the fiscal year in which the payments are made."

AMENDMENT NO. 2608, AS MODIFIED

On page 212, strike lines 13 through 15 and insert the following:

reduce the amount of payments made by the Secretary for other practices under the conservation reserve program.

"(j) PER-ACRE PAYMENT LEVELS.—

"(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall conduct a study to determine, and promulgate regulations that establish in accordance with paragraph (2), per-acre values for payments for various categories of land enrolled in the conservation reserve program.

"(2) VALUES.—In carrying out paragraph (1), the Secretary shall ensure that—

"(A) the per-acre value for highly erodible land or other sensitive land (as determined by the Secretary) that is not suitable for agricultural production; is greater than

"(B) the per-acre value for land that is suitable for agricultural production (as determined by the Secretary).

"(3) EXPENDITURE OF FUNDS.—In determining the per-acre values for land under paragraph (2), the Secretary shall ensure, to the maximum extent practicable, that the per-acre values are such that the total amount of payments under the program under this subchapter made in accordance with those values will not exceed the amount made available to carry out the program for the fiscal year in which the payments are made."

AMENDMENT NO. 2602, AS MODIFIED

Beginning on page 226, strike line 1 and all that follows through page 235, line 6 and insert the following:

"(4) LARGE CONFINED LIVESTOCK FEEDING OPERATIONS.—

(A) DEFINITION OF LARGE CONFINED LIVESTOCK FEEDING OPERATION.—In this paragraph:

(i) IN GENERAL.—The term 'large confined livestock feeding operation' means a confined livestock feeding operation designed to confine 1,000 or more animal equivalent units (as defined by the Secretary).

(I) WAIVER.—The Secretary may on a case by case basis grant states a waiver from the requirement in (4)(A)(i), of this section, in accordance with Volume 62, No. 99 of the Federal Register.

(ii) MULTIPLE LOCATIONS.—In determining the number of animal unit equivalents of the operation of a producer under clause (i), the animals confined by the producer in confinement facilities at all locations (including the producer's proportionate share in any jointly owned facility) shall be counted.

(B) NEW OR EXPANDED OPERATIONS.—Subject to (4)(A)(i)(I) of this section, a producer shall not be eligible for cost-share payments for any portion of a storage or treatment facility, or associated waste transport or treatment device, to manage manure, process wastewater, or other animal waste generated by a large confined livestock feeding operation, if the operation is a confined livestock operations that—

(i) is established as a large confined livestock operation after the date of enactment of this paragraph; or

(ii) becomes a large confined livestock operation after the date of enactment of this paragraph by expanding the capacity of the operation to confine livestock.

(C) MODIFICATION OF OPERATION.—A modification of a large confined livestock operation shall not be considered an expansion under subparagraph (B)(ii) of this section, if as determined by the Secretary, the modification involves—

(i) adoption of a new technology;

(ii) improved efficiency in the functioning of the operation or,

(iii) reorganization of the status of the entity; and

(iv) the capacity of the operation to confine livestock is not increased.

(D) **MULTIPLE OPERATIONS.**—A producer that has an interest in more than 1 large confined livestock operation shall not be eligible for more than 1 contract under this section for cost-share payments for a storage or treatment facility, or associated waste transport or transfer device, to manage manure, process wastewater, or other animal waste generated by the large confined livestock feeding operation.

(E) **FLOOD PLAIN SITTING.**—Cost-share payments shall not be available for structural practices for a storage or treatment facility, or associated waste transport device, to manage manure process wastewater, or other animal waste generated by a confined livestock operation if

(i) the structural practices are located in a 100-year flood plain; and

(ii) the confined livestock operation is a confined livestock operation that is established after the date of enactment of this paragraph.

(e) **INCENTIVE PAYMENTS.**—The Secretary shall make incentive payments in an amount and at a rate determined by the Secretary to be necessary to encourage a producer to perform 1 or more practices.

(f) **TECHNICAL ASSISTANCE.**—

(1) **IN GENERAL.**—The Secretary shall allocate funding under the program for the provision of technical assistance according to the purpose and projected cost for which the technical assistance is provided for a fiscal year.

(2) **AMOUNT.**—The allocated amount may vary according to—

(A) the type of expertise required;

(B) the quantity of time involved; and

(C) other factors as determined appropriate by the Secretary.

(3) **LIMITATION.**—Funding for technical assistance under the program shall not exceed the projected cost to the Secretary of the technical assistance provided for a fiscal year.

(4) **OTHER AUTHORITIES.**—The receipt of technical assistance under the program shall not affect the eligibility of the producer to receive technical assistance under other authorities of law available to the Secretary.

(5) **INCENTIVE PAYMENTS FOR TECHNICAL ASSISTANCE.**—

(A) **IN GENERAL.**—A producer that is eligible to receive technical assistance for a practice involving the development of a comprehensive nutrient management plan may obtain an incentive payment that can be used to obtain technical assistance associated with the development of any component of the comprehensive nutrient management plan.

(B) **PURPOSE.**—The purpose of the payment shall be to provide a producer the option of obtaining technical assistance for developing any component of a comprehensive a nutrient management plan from a certified provider.

(C) **PAYMENT.**—The incentive payment shall be—

(i) in addition to cost-share or incentive payments that a producer would otherwise receive for structural practices and land-management practices,

(ii) used only to procure technical assistance from a certified provider that is necessary to develop any component of a comprehensive nutrient management plan; and

(iii) in an amount determined appropriate by the Secretary, taking into account—

(I) the extent and complexity of the technical assistance provided;

(II) the costs that the Secretary would have incurred in providing the technical assistance; and

(III) the costs incurred by the private provider in providing the technical assistance.

(D) **ELIGIBLE PRACTICES.**—The Secretary may determine, on a case by case basis, whether the development of a comprehensive nutrient management plan is eligible for an incentive payment under this paragraph.

(E) **CERTIFICATION BY SECRETARY.**—

(i) **IN GENERAL.**—Only persons that have been certified by the Secretary under section 1244(f)(3) shall be eligible to provide technical assistance under this subsection.

(ii) **QUALITY ASSURANCE.**—The Secretary shall ensure that certified providers are capable of providing technical assistance regarding comprehensive nutrient management in a manner that meets the specifications and guidelines of the Secretary and that meets the needs of producers under the program.

(F) **ADVANCE PAYMENT.**—On the determination of the Secretary that the proposed comprehensive nutrient management of a producer is eligible for an incentive payment, the producer may receive a partial advance of the incentive payment in order to procure the services of a certified provider.

(G) **FINAL PAYMENT.**—The final installment of the incentive payment shall be payable to a producer on presentation to the Secretary of documentation that is satisfactory to the Secretary and that demonstrates—

(i) completion of the technical assistance; and

(ii) the actual cost of the technical assistance.

(g) **MODIFICATION OR TERMINATION OF CONTRACTS.**—

(1) **VOLUNTARY MODIFICATION OR TERMINATION.**—The Secretary may modify or terminate a contract entered into with a producer under this chapter if—

(A) the producer agrees to the modification or termination; and

(B) the Secretary determines that the modification or termination is in the public interest.

(2) **INVOLUNTARY TERMINATION.**—The Secretary may terminate a contract under this chapter if the Secretary determines that the producer violated the contract.

SEC. 1240C. EVALUATION OF OFFERS AND PAYMENTS.

(a) **IN GENERAL.**—In evaluating applications for technical assistance, cost-share payments, and incentive payments, the Secretary shall accord a higher priority to assistance and payments that—

(1) maximize environmental benefits per dollar expended; and

(2)(A) address national conservation priorities, including—

(i) meeting Federal, State, and local environmental purposes focused on protecting air and water quality, including assistance to production systems and practices that avoid subjecting an operation to Federal, State, or local environmental regulatory systems;

(ii) applications from livestock producers using managed grazing systems and other pasture and forage based systems;

(iii) comprehensive nutrient management;

(iv) water quality, particularly in impaired watersheds;

(v) soil erosion;

(vi) air quality; or

(vii) pesticide and herbicide management or reduction;

(B) are provided in conservation priority areas established under section 1230(c);

(C) are provided in special projects under section 1243(f)(4) with respect to which State or local governments have provided, or will provide, financial or technical assistance to producers for the same conservation or environmental purposes; or

(D) an innovative technology in connection with a structural practice or land management practice.

SEC. 1240D. DUTIES OF PRODUCERS.

(a) To receive technical assistance, cost-share payments, or incentive payments under the program, a producer shall agree—

(1) to implement an environmental quality incentives program plan that describes conservation and environmental purposes to be achieved through 1 or more practices that are approved by the Secretary;

(2) not to conduct any practices on the farm or ranch that would tend to defeat the purposes of the program;

(3) on the violation of a term or condition of the contract at any time the producer has control of the land—

(A) if the Secretary determines that the violation warrants termination of the contract—

(i) to forfeit all rights to receive payments under the contract; and

(ii) to refund to the Secretary all or a portion of the payments received by the owner or operator under the contract, including any interest on the payments, as determined by the Secretary; or

(B) if the Secretary determines that the violation does not warrant termination of the contract, to refund to the Secretary, or accept adjustments to, the payments provided to the owner or operator, as the Secretary determines to be appropriate;

(4) on the transfer of the right and interest of the producer in land subject to the contract, unless the transferee of the right and interest agrees with the Secretary to assume all obligations of the contract, to refund all cost-share payments and incentive payments received under the program, as determined by the Secretary;

(5) to supply information as required by the Secretary to determine compliance with the program plan and requirements of the program, and

(6) to comply with such additional provisions as the Secretary determines are necessary to carry out the program plan.

SEC. 1240E. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM PLAN.

(a) **IN GENERAL.**—To be eligible to receive technical assistance cost-share payments, or incentive payments under the program, a producer of a livestock or agricultural operation shall submit to the Secretary for approval a plan of operations that specifies practices covered under the program, and is based on such terms and conditions, as the Secretary considers necessary to carry out the program, including a description of the practices to be implemented and the purposes to be met by the implementation of the plan, and in the case of confined livestock feeding operations, development and implementation of a comprehensive nutrient management plan.

(b) **AVOIDANCE OF DUPLICATION.**—The Secretary shall, to the maximum extent practicable, eliminate duplication of planning activities under the program and comparable conservation programs.

SEC. 1240F. DUTIES OF THE SECRETARY.

(a) To the extent appropriate, the Secretary shall assist a producer in achieving the conservation and environmental goals of a program plan by—

(1) providing technical assistance in developing and implementing the plan;

(2) providing technical assistance, cost-share payments, or incentive payments for developing and implementing 1 or more practices, as appropriate;

(3) providing the producer with information, education, and training to aid in implementation of the plan; and

(4) encouraging the producer to obtain technical assistance, cost-share payments, or

grants from other Federal, State, local, or private sources.

SEC. 1240G. LIMITATION ON PAYMENTS.

(a) IN GENERAL.—Subject to subsection (b), the total amount of cost share and incentive payments paid to a producer under this chapter shall not exceed—

(1) \$30,000 for any fiscal year, regardless of whether the producer has more than 1 contract under this chapter for the fiscal year,

(2) \$90,000 for a contract with a term of 3 years,

(3) \$120,000 for a contract with a term of 4 years, or

(4) \$150,000 for a contract with a term of more than 4 years.

(b) ATTRIBUTION.—An individual or entity shall not receive, directly or indirectly, total payments from a single or multiple contracts this chapter that exceed \$30,000 for any fiscal year.

(c) EXCEPTION TO ANNUAL LIMIT.—The Secretary may exceed the limitation on the annual amount of a payment to a producer under subsection (a)(1) if the Secretary determines that a larger payment is—

(1) essential to accomplish the land management practice or structural practice for which the payment is made to the producer, and

(2) consistent with the maximization of environmental benefits per dollar expended and the purposes of this chapter.

(d) VERIFICATION.—The Secretary shall identify individuals and entities that are eligible for a payment under the program using social security numbers and taxpayer identification numbers, respectively.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. How much time does the Senator want on this amendment?

Mr. GRASSLEY. Could I have 10 minutes?

Mr. HARKIN. I yield the Senator 10 minutes.

Mr. GRASSLEY. I am sorry, I did not realize we were under time agreements.

The PRESIDING OFFICER (Mr. HARKIN). The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I would like to go back to a very important subject that the Senator from Indiana brought up, and that is whether or not the bill is compliant in the future with some of our World Trade Organization obligations.

I think it is very obvious that the committee anticipated that it might not be compliant because on page 35 of the report there is a paragraph on the Secretary of Agriculture doing an adjustment to farm payments if that becomes a problem.

I cannot find fault with the writers of the legislation for putting this in here because in the other body, in the House bill—a Republican bill—they saw this as a problem, too.

On page 131 of that House bill it says: The Secretary may make adjustments in the amount of such expenditures during that period to ensure that such expenditures do not exceed but in no case be less than such allowable levels.

To me, it is a very serious problem we have; albeit, you might say it is going to happen—if it happens at all—in a minority of the instances because, as the Senator referred to FAPRI of Iowa State and Missouri, you said you think they said it would happen 30 percent of the time.

But if you are in a situation where it happens that 37 percent of the time and we exceed and we are retaliated against, and that would be legal retaliation and it would be retaliation at a time, presumably, we get high payments, farmers are already in trouble or they wouldn't get the additional payments. So you could find yourself in a situation where at the very time prices are going down, and we also have the additional problems that we can't export because we are being retaliated against, that just at the time farmers need the safety net, then that safety net has one great big hole in it.

We need to find some way to protect the American farmer so that the safety net the farmer has doesn't have a big hole in it. And we ought to also do it because we are in the leadership of all the nations of the world on reducing barriers to trade, particularly through our work in the Cairns group of nations. We are trying to get impediments to agricultural trade down to zero, both from the standpoint of market opening and from the standpoint of tariffs. That is our goal in the next round of negotiations under WTO.

If we are a nation in trade that believes in the rule of law, we have to follow the rule of law. We anticipate we would be in trouble on that because of the farm bill. It seems to me at a time that we are talking about a safety net for farmers, we ought to do what we can to make sure that hole is mended before this bill leaves the Senate. If it goes to the House and the House is willing to ignore it, then where are we? We are in a situation where down the road 5 to 10 years, depending on how long a farm bill we have, we have a big potential problem for the American family farmer. When they need help, they aren't going to get it. We can't go to the WTO and complain because we ourselves have recognized the possibility we might be in jeopardy.

In this regard, since we are going into the negotiations in the WTO—they start next week—I think, in the special round on agriculture that is going to be discussed in Geneva, for example, even the larger negotiations of the Doha development round, we are hoping to accomplish a great deal in reducing or eliminating tariff barriers and tariffs on agricultural products. In fact, it is such an important item, I think eventually we are going to start referring to this as the agricultural round. We are going to set an example. We have always tried to set an example.

Where we are, if we pass a bill that potentially violates WTO, we are giving encouragement to the competitor that we most have trouble with—Europe. Europe has about 85 percent of all of the subsidies for exports in the entire world. Europe has about a \$400 billion common agricultural program.

We want that common agricultural program reduced. I think Europe knows they have to reduce it. We are going to be in a situation where we

pass this legislation and, as they are looking at their common agricultural program, which they are doing, they are going to put off the big decisions of reducing that until probably the year 2005.

In the process of our complaining to them about they aren't doing enough, they are obviously going to cite not only what they believe the impact of our legislation is, but they are also going to cite that our legislation actually recognizes that as based upon this paragraph on page 35 and based upon the House bill.

I don't know why we don't live in the real world and why we don't try to deal with this. I am not saying that in a denigrating way to the Senator from Indiana. I am just saying that in a commonsense approach because he recognizes it. I suppose for the people who write the bill, they don't find an easy way to get out of it other than putting this paragraph and this language in the respective bills of the House and the Senate. This isn't directed towards Democrats because Republicans have put us in this boat as well.

I know that the White House sees this as a problem. They want us to work our way out of it. I happened to be able to have breakfast this morning with the person who is going to succeed Mr. Moore as executive for the World Trade Organization, Dr. Supachai Panitchpakdi of Thailand. He is a parliamentarian there. He is going to take over in September. He expressed this concern to me as well. And, by the way, his country is very much a participant in the Cairns group that wants to eliminate agricultural subsidies. He reminded me, even though he has a small country, his agricultural subsidies are \$1.3 billion compared to Europe's \$400 billion. But regardless, he says that it does not put the United States in a very good position going into the Doha round of negotiations to be able to say to the other 142 nations, in particular, as we address the 77 developing nations within the World Trade Organization that tend to be more protective about their agriculture, and wanting to do less in this area, it doesn't put us in a very good position if we are writing legislation that we recognize is a potential violation of the world trading organization because we are exceeding the \$19.1 billion that is in the amber box limit.

I have put forth some suggested amendments, a couple different approaches that I would have to confess maybe don't totally meet our requirements under the WTO, but I think tend away from heavy reliance upon price and heavy reliance upon production, which are the two items that if we tie our payments to tend to make us violate amber box requirements.

I want to work with both managers of the bill and see what we can do about this. To repeat the two or three reasons why I want to work with them, because, No. 1, we brag about passing a safety net for farmers, that safety net

should be a pretty certain safety net for the next 5 to 10 years, the length of the legislation. At a time when it is most needed, it should be most predictable what would happen.

This language tells me that the bankers, to whom we are always listening, have to know what the farm program is going to be so they can make loans to farmers. They are going to look at this and say: We really don't know.

The PRESIDING OFFICER. All time has expired.

Mr. GRASSLEY. May I have 30 seconds?

Mr. LUGAR. I am happy to yield 30 seconds of the opposition time.

Mr. GRASSLEY. No. 2, then, so that we maintain our leadership in this effort to reduce trade barriers.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, may I ask a question of the Chair? Is there 15 minutes of opposition time, minus the concession to the distinguished Senator from Iowa?

The PRESIDING OFFICER. That is correct.

Mr. LUGAR. Mr. President, the legislation offered by the distinguished occupant of the chair contains provisions that respond, in my judgment, to a number of unintended consequences for the farm sector of our economy.

I believe it is a matter of fact that in order for Senators to have a pretty good idea, at least, of how this amendment shapes up, a letter has come to me from a number of groups that are affected. Let me cite those groups. It was signed by the American Cotton Shippers Association; American Soybean Association; National Cattlemen's Beef Association; National Chicken Council; National Corn Growers Association; National Cotton Council; National Pork Producers Council; National Sunflower Association; United Egg Producers; U.S. Canola Association, and the Wheat Export Trade Committee.

They have written the following letter, which responds to the Senator's amendment:

The Senate Agriculture Committee may soon be considering legislation as part of the Farm Bill to address the issue of agricultural competition and concentration. This extremely broad legislation would give the U.S. Department of Agriculture unprecedented authority to regulate corporate relationships, commercial practices and contracts for the production of agricultural commodities.

Tough laws already exist to ensure open and fair competition throughout the U.S. economy—including agribusiness. The current laws should be aggressively enforced. Creating new laws in an already complex regulatory environment is unnecessary and could result in serious unintended consequences. Legislation limiting the ability of agribusiness to attract the needed capital for future development could harm the constituents that this legislation is intended to serve.

Risk is an ever-present element of agriculture and effectively managing risk is a

fundamental goal of agricultural producers. The key to effectively managing risk involves the use of creative risk management tools. Farmers and ranchers have worked with agribusiness firms to develop creative solutions for managing risk. Implementing these solutions requires capital investment, and to attract the necessary capital, firms must offer attractive rates of return. Statutory and regulatory burdens that focus on agriculture—ignoring the broader economy—inhibit the ability of agribusiness to attract the necessary capital to stay competitive and provide innovative risk management solutions.

Unique marketing opportunities and new products present premium opportunities for producers. Placing agriculture under an isolated legal umbrella could well inhibit progress and limit the ability of agricultural producers to adopt new and innovative systems that increase profitability and sustainability. Modifying existing laws and statutes could segregate agriculture from the rest of the economy, causing capital flight and hurting long-term growth, investment, competitiveness and success of agribusiness and consequently American agriculture.

Several state legislatures have taken steps such as the ones we are concerned about, and the results have been negative not only for agribusiness, but for producers as well. For instance, South Dakota and Missouri passed well-intentioned price discrimination legislation that resulted in severe cash/spot market disruptions, and Minnesota has passed legislation that has hindered the availability of some risk management and quality-based production contracts.

In this day and age, agriculture needs more capital and human investment in order to remain productive for the long term. The undersigned organizations will not support legislation that would create unfair regulatory burdens or cause scarce capital resources to be diverted away from agriculture toward other sectors of the economy.

Sincerely,

American Cotton Shippers Association
American Soybean Association
National Cattlemen's Beef Association
National Chicken Council
National Corn Growers Association
National Cotton Council
National Pork Producers Council
National Sunflower Association
National Turkey Federation
United Egg Producers
U.S. Canola Association
Wheat Export Trade Education Committee

I find merit in what has been suggested by these groups. I regret that the amendment would add, in my judgment, burdens and costs, restrictions, and more regulations for producers. It appears to me the tools that have been created are, in fact, both innovative and do help to manage risk. I hope they will be perpetuated.

Processors use contracting, which is a specific subject of the Senator's amendment, to secure stable and consistent supplies of the products that the market desires, as well as increasing operating efficiency.

A Purdue University study of agricultural contracting conveys the concern that legislation prohibiting or impeding contracting in agriculture could spur increased coordination in agribusiness. The study discusses the need for a contract in order for a process or to guarantee a quality and consistent product to consumers. I think that is the heart of the argument.

In essence, contracting is helpful in managing risk. It is helpful, at least to the buyer, to make certain of the quality and quantity and the supply of what is required for the benefit of consumers down the trail. Therefore, I am hopeful that the amendment will not be adopted. I appreciate the spirit in which it has been offered. I hope Senators will take seriously the arguments I have presented and, even more importantly, the arguments presented by the distinguished list of agricultural producers that authored the letter I cited.

I yield the floor.

(Mrs. CARNAHAN assumed the chair.)

Mr. HARKIN. Will the Senator yield for a mild colloquy?

Mr. LUGAR. Yes.

Mr. HARKIN. I ask the ranking member, is that the letter that came last fall or is it a new one? I am not familiar with that. If that is the one—

Mr. LUGAR. It came in November of last year.

Mr. HARKIN. I think that letter is just opposed to the whole competition title that we had in the chairman's mark of the farm bill last fall.

Mr. LUGAR. I am sure the Senator is correct. There are a number of aspects of the competition title to which it would refer.

Mr. HARKIN. Yes. That is why this amendment I have offered is much more limited in scope than the broad issue they were talking about.

Mr. LUGAR. They cited contracting in that part of it specifically, but it covers, obviously, a much more comprehensive set of circumstances.

Mr. HARKIN. I wanted to make sure this wasn't a different letter. I thank the ranking member.

Madam President, when I took the chair, I had yielded some time to Senator GRASSLEY from Iowa. I thought he was going to talk on this amendment. He wanted to talk on something else. I think my time has expired on this side.

The PRESIDING OFFICER. The Senator is correct.

Mr. HARKIN. Madam President, I ask unanimous consent for 2 more minutes to respond a little bit to the letter written.

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

Mr. HARKIN. I think, again, the letter that was read addressed the entire competition title and it was comprehensive. This amendment is much more narrow. It only affects production contracts in livestock. The letter does not point out, nor have I heard anybody point out, any specific negative consequences that could occur from this very limited type of amendment. This provides for fairness in production contracting. It closes a loophole in the Packers and Stockyards Act. That act already covers production contracting in poultry and has since 1935, if I am not mistaken. But at that time there

was no such thing as production contracting in other areas, such as livestock, cattle, and hogs, it was not addressed. Since then, production contracting has become much more prevalent in livestock.

As I pointed out, in 1990, there wasn't such a thing. Now, 30 to 35 percent of all our hogs are raised under production contracts. If we will provide fairness rules for gasoline station owners, for Dairy Queen owners, or securities dealers, or others that are franchisees, to give them a little bit of fairness in their contracts, that is all we are trying to do with our cattle and hog producers.

Again, this is to close the loophole in the Packers and Stockyards Act. I cannot imagine why our cattle producers or any organization that represents them would be opposed to that. Who are they representing? What organization is going to tell my farmers they can't have protections under the Packers and Stockyards Act like our poultry producers do?

The packers, of course, want unlimited power. All we are trying to do is put in some fairness, and this amendment does that.

I thank the Chair for yielding this additional time.

Mr. ENZI. Madam President, today I rise in support of the amendment offered by Senator HARKIN. This amendment puts ranchers with production contracts under the same umbrella of protections the Packers and Stockyards Act provides to other livestock producers. Producers with production contracts, excluding those that raise poultry, are not included in the Packers and Stockyards Act. They are not protected from unfair and deceptive practices as other livestock producers are.

In a production contract, a producer provides the labor and materials to raise livestock owned by another individual, the contractor. Until recently, the contractor could be a packer or another person. On December 13, 2001, this body passed an amendment to the farm bill that prevents packers from owning, feeding, or controlling livestock more than 14 days before slaughter. This means that packers can no longer directly enter into production contracts because they would own the livestock more than 14 days before slaughter. However, the amendment we passed in December does not prevent other individuals from production contracting with producers. These producers with production contracts need the same protections other producers receive against unfair and deceptive practices.

We should not be fooled into thinking that this ban of packer ownership we passed in December will completely shrink packer influence over the market. This bill must still go to conference and the ban will face incredible scrutiny. The ban will probably go the way many similar amendments have gone in the past. Amendments that re-

duce the choke hold of the packers have routinely disappeared in conference. It took years of work to get mandatory price reporting into law. However, we all know the packers are still withholding a fair amount of pricing information from producers.

Many of you may be wondering why these producers need protection from their contractors. A production contract entails a large capital investment to feed, shelter, and care for the livestock that the producer does not own. Many producers have suffered through unfair treatment because their contract was too large to risk contending with the unfair practices. This great pressure from the contractor was also the reason the second part of the amendment was included.

The second portion of the amendment guarantees that the producers have the right to discuss the contract with their business advisors, landlord, managers, family, and State and Federal agencies charged with protecting parties to the contract. In States where producers already have this right, the pressure and intimidation from contractors is so extreme producers forego sharing the contents of their contracts. They fear retribution. Other producers are given contracts with secrecy clauses that prevent them from discussing the contract terms with individuals that could help protect their interests.

This amendment offers an overlooked group of livestock producers the same protections others in their industry already have. They would be protected from unfair and deceptive acts and given the right to discuss their contracts with certain individuals. I urge my colleagues to throw your support behind this amendment.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Madam President, I appreciate the arguments made by the distinguished Senator. It would appear to this Senator, however, that the objectives of the Harkin amendment are already met on the statute books. The reason I have suggested that the amendment creates confusion is that it might subject the current law to reinterpretation. To that extent, it seems to me that this amendment is not productive, except of potential confusion and difficulty. Very clearly, current statutes are against fraud, unjust practices, and abusive activity in contracting.

I say to the Presiding Officer, the groups I cited, that at least a good number of members who are subject to the competition section, as the distinguished Senator from Iowa has pointed out, and this part of it in particular, object for good reason and cite this is going to be disruptive at least in terms of their operations and capital flow in what they are doing.

For those reasons, I do not perceive the necessity for the amendment and ask Members to vote in opposition.

Madam President, unless there is further need of debate by my distin-

guished colleague, I yield back my time on this issue.

The PRESIDING OFFICER. All time is yielded back.

Mr. HARKIN. Madam President, parliamentary inquiry: Under the unanimous consent agreement entered into some time ago, what is the next order of business?

The PRESIDING OFFICER. The next order of business is 40 minutes of debate on the two amendments by the Senator from Montana.

Mr. HARKIN. I understand the Senator from Montana will be in the Chamber very shortly. Madam President, 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. BURNS. 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. 2607, AS MODIFIED, AND
AMENDMENT NO. 2608, AS MODIFIED

Mr. BURNS. Madam President, I thank my ranking member. I assume my two amendments are in order.

Mr. LUGAR. The Senator is correct. I yield to the Senator 20 minutes of the 40 minutes allocated for debate on the amendments for his control.

Mr. BURNS. I thank my good friend from Indiana. I do not think I will take that much time because these amendments were pretty well discussed prior to the holiday break.

There was some question about a budgetary point of order. I have since modified these amendments, and they are in concert with the budget and ready for consideration because it is a change in policy on how we handle CRP, the Conservation Reserve Program.

One of the amendments limits the number of acres—these will be the new acres coming into the system or any acres that are renewed—a farmer can enroll in the CRP.

What we are seeing in rural America is that instead of selling the farm or the ranch to a younger farmer or putting the acres into production, those acres are enrolled in the CRP and they do not produce anything. In other words, the farmer who enrolls them takes the check and it is like going to Arizona—he is still getting the paycheck and still paying for the farm.

I think this is wrong. Those acres are enrolled for a good purpose. The original intent of CRP was to put marginal acres in the CRP and leave the good acres to production. What happened? The trend has reversed, and farmers are putting in some good land. It forced some of the fellows who needed to raise their production into breaking up some land that was marginal for grain production.

This one amendment calls for a limitation on the number of acres a farmer can put in the CRP. It is not the total

acres of a county or a State but for each farmer.

The other amendment deals with the form of payment. As I said, we had one payment for everything. It was designed to take those marginal acres, highly erodible acres, out of production for a conservation reason—wildlife habitat. It worked. Land was set aside. The population of upland birds, sporting birds, and wildlife returned to those areas.

Then, because payment for the acres increased, good land was being put into the CRP. That was not the intent of the Conservation Reserve Program.

What my second amendment says is we will pay higher prices for those acres that are highly erodible and should not be farmed and should be set aside for conservation purposes—in other words, it is just good conservation—and a lower price for the highly productive land because that is the land that should be in production.

I do not know how many people have gone through our rural areas, but CRP has not been a great thing for our smaller towns. One does not see dealerships. Machinery dealerships have gone away, and feed and wheat houses have gone away because good land was put into the CRP and taken out of production, and nothing happens on that land. That is not what the original intent of CRP was about.

As I stated to the ranking member of the Agriculture Committee, these issues have been pretty well aired. The purpose, as far as I can see, is good conservation. It also is good business practice.

If there are questions, I will certainly entertain some conversation on these amendments. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative proceeded to call the roll.

Mr. HARKIN. 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. HARKIN. Madam President, in conversations with my friend from Montana and with the staff, I understand there is a budget score on these amendments that may be a problem. In discussions with the Senator from Montana, he has obviously raised some good points. Part of the bill addresses some of the problems already. I refer to page 213 of the bill, section 212. We provide for a study on economic effects regarding the Conservation Reserve Program.

Our staffs are going to work together to develop further language, as I understand, that could be added to this section to for additional studies in the area that the Senator from Montana is concerned about, but that would not have a budget scoring implication. We will work together with the staff of the Senator to try to develop that language.

Mr. BURNS. Madam President, I thank my friend from Iowa. I don't think we have any other route until we complete this study. Maybe we can enlighten our friends down at the CBO. They came up with unbelievable numbers. We changed our language, on their recommendation. There was a point of order raised when we first offered the amendments; they were wrong then. Then they suggested the language. Now they say the language is not good enough. So here we go again.

I take issue with their numbers. However, I will not take issue with the recommendation made from the chairman of the Committee on Agriculture. We need to complete some sort of a comprehensive study of rural areas and the impact that CRP, specifically this program, has had on rural communities, when you take good land out of production or you pay the same for highly erodible land and highly productive land. I think we can work on some language.

We would like to see what happened. Maybe they will put some little fellow somewhere to work, give him a job for the next 2 or 3 months and maybe we can come back and change some of this.

It defies common sense. They say that is about all the sense I have—pretty common—but it defies common sense that this would have an impact on the budget or outlays of money when we talk about the enrollment of acres into a conservation program, designed for a good reason, but that has gone astray. We are trying to fix that. That is all we are trying to do. If it requires a study and we have to go back and visit with those people, that is what we will have to do.

I thank my friend and his staff for that recommendation. I think it is a good recommendation.

AMENDMENT NO. 2607, AS MODIFIED, AND AMENDMENT NO. 2608, AS MODIFIED, WITHDRAWN

Mr. BURNS. Madam President, I will withdraw these amendments.

If the manager of the bill will permit me a hold somewhere in there, say, if we get the language worked out, then we can reoffer these amendments, referring to the section that he recommended in his opening statement.

I appreciate the help of my good friend from Iowa.

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

The amendments (Nos. 2607 and 2608, as modified) were withdrawn.

Mr. HARKIN. I say to my friend from Montana, we will work together to try to get this language modified. I guarantee the Senator he will have the opportunity to offer that at some point before we finish this bill.

Mr. BURNS. I thank the Senator.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WELLSTONE. 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. 2602

Mr. WELLSTONE. Madam President, I call up my amendment No. 2602.

The PRESIDING OFFICER. The amendment is now pending.

Mr. WELLSTONE. Madam President and colleagues, this is a simple reform amendment. We have done a lot of good in the farm bill—I thank the chairman, Senator HARKIN—which I really think represents a reform measure. The energy section of the bill is very important, economic development, and the Conservation Security Act, and the list goes on.

I think the amendment Senator JOHNSON offered—I was proud to offer it with him—on captive supply is extremely important. The country-of-origin label is really important. Later in this debate, we will consider a payment limitation amendment that I am in favor of which would stop subsidizing the megafarms that have driven independent producers out of business.

Part of the problem right now in the food industry is a few conglomerates have muscled their way to the dinner table exercising their raw economic and political power over independent producers, over taxpayers, and over consumers.

This debate has made me a true conservative. I am interested in putting more free enterprise into the free enterprise system. I want more competition in the food industry and more competition in agriculture.

If you support a payment limitation, you should certainly be in support of this amendment. This amendment is about stopping the flow of benefits to these large livestock conglomerates that over the years have been squeezing out the independent producers and that have also all too often represented an assault on the environment.

The amendment is simple. It says we in the Congress should and will work to help alleviate the environmental and public health threat posed by existing large-scale animal factories. However, Congress should not be subsidizing the expansion of these large animal confinement operations.

My colleagues should know that this amendment has broad support from both the farm and environmental community with groups such as the National Farmers Union, Defenders of Wildlife, Environmental Defense, Environmental Working Group, the Humane Society, the National Wildlife Federation, National Resources Defense Council, and the Sustainable Agriculture Coalition.

Problem: Current law limits payments under the Environmental Quality Incentives Program—we call it EQIP—to small- and medium-sized operations. Any operation with over 1,000 animal units is not now eligible for EQIP farms. Again, any operation with over 1,000 animal units is not now eligible for EQIP funds.

For colleagues who are not from agricultural States, what does 1,000 animal

units mean? It means 1,143 cattle, 714 dairy cows, 5,400 hogs, 454,545 boilers, and 66,667 turkeys.

Unfortunately, the farm bill of the House of Representatives removes the 1,000 animal unit cap, opening millions of dollars to factory farms for managing their livestock waste. The House bill also raises the current payment limitation to \$50,000 a year. The Senate Agriculture Committee's farm bill also eliminates the 1,000 animal unit cap and raises current payment limits to \$50,000 per year.

Over the last decade, there is little doubt and little debate that we have seen these large-scale animal factories proliferate across the Nation. These big operations have grown with little regard for environmental damage and public health threats rising from the huge amounts of animal waste generated by these operations. Many rural communities have seen drinking water supplies and recreational waters degraded. In some cases, neighboring property owners, including those who have lived in their communities for generations, have been driven from their homes as a result of the animal waste. Farmers and ranchers have joined with others in bringing legal action against these factories for the unbearable stench from millions of gallons of liquid animal feces and urine or tons of poultry waste for the degradation of surface and ground water.

This is an environmental amendment, but it is more than that. Additionally, the expansion of these factory farms has, in large part, led to the disruption of family farms. Across America you see this concentration of livestock production into fewer and larger industrial operations taking over, driving out the small businesses.

I am saying that these large operations can right now get technical assistance. They can receive EQIP money with no problem whatsoever.

But what I am saying is they want to expand. Later in the Chamber we are going to be talking about this again. If they want to expand, they will be receiving more Government money. The Government ought not be in the business of promoting this expansion by giving money to these large conglomerates which quite often are destructive of the environment and destructive of what is good for consumers and are driving independent producers out of business.

Again, Senators, I will repeat what I said earlier. There is going to be a payment limitation amendment on the floor. Anyone who is for that certainly ought to be supportive of this amendment.

It is very simple. My amendment is simple. It says new or expanding large-scale animal factories shall not be eligible to receive cost-share funds under the EQIP program for animal waste structures. Existing large animal operations would continue to be eligible.

That is a very important point for EQIP assistance. Let me be crystal

clear about that. Let me also say that there has been language added in consultation with both the majority and the minority committee staff to my amendment to clarify the point that adoption of new technologies does not, absent expansion of capacity, trigger new or expanding provisions. You can always add technology. It is not a problem. We are not talking about new technology. We are talking about the actual expansion of these operations.

Another point: What you have going on with these CAFOs is some of these big conglomerates don't own just one but there is multiple ownership.

What I am simply saying is to let us do something but let us do something for the family farmers. Let us not oversubsidize corporate operations that own multiple CAFOs around the country. Some of the biggest hog producers in the United States are these large corporations that own 10, 15, or 20 CAFOs.

My amendment says if you own more than one CAFO, you don't get any taxpayer subsidy. I am sick and tired of this taxpayer subsidy in inverse relationship to need in agriculture. By the way, so are consumers, so are taxpayers, and so are the citizens we represent.

Finally, this amendment also disqualifies funds for construction of new livestock waste facilities located in a 100-year floodplain. That is a no-brainer. I don't think I even need to explain it.

But I do want to point out that this revised amendment would allow livestock operations to expand up to 1,000 animal units, even if they are in a 100-year floodplain, but would retain the restriction on establishing new facilities in the floodplain.

Colleagues, I have already made it clear that the payment goes not from 10 to 50 but 10 to 30. So we increase the payment.

I have also made the case that for those who say we ought to be targeting the assistance, we ought not to have this largess going out to the largest conglomerates, we ought not be using taxpayer money for subsidizing environmental degradation, we ought to be getting this to the independent producers, this amendment is a dream for you.

If we do not pass this amendment, you are going to have editorials, and I am sure there will be a Web site somewhere that is going to track these CAFO payments and reveal just how these integrators and corporations are receiving them. Frankly, the reason for that is Congress just gave it away.

This is a reform amendment. I urge my colleagues not to go down this road again. I urge my colleagues to retain some degree of reasonableness on the payment limit issue.

For those who support reform on the crop side, we should support this measure. If we don't pass this amendment, we will see the same abuses in the EQIP program as we have seen under

the commodity programs with all of the money going to the very biggest of the operators. Let us make sure that the small and midsize producers are the ones that get the help. Let's make sure they have access to environmental quality incentive payments. Let's not open the floodgates wide to take care of the full costs of any operation no matter how large it is and no matter its environmental degradation.

I simply say the limits in my amendment are triple the size in current law and nearly 10 times larger than the current average payments. It is reasonable. I urge your support.

This is a reform amendment for agriculture. It should be adopted.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Madam President, how much time does the Senator from Minnesota have?

The PRESIDING OFFICER. Nine minutes.

Mr. HARKIN. Madam President, I ask the Senator if he will yield me a couple minutes.

Mr. WELLSTONE. Madam President, absolutely. I am very proud to have the support of the chairman.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Madam President, during the 1996 farm bill debate, I successfully offered an amendment to limit cost-share funding under EQIP for large confined animal feeding operations, which is present law.

I offered that amendment because of the special environmental concerns associated with these large operations. Again, let's keep in mind, as the Senator from Minnesota said, these are large CAFOs, operations larger than 1,000 animal units. That is 4,000 head of veal, or 5,400 head of swine, with an average weight of 185 pounds. So, again, we are talking about pretty large operations.

I believe we need to help producers comply or avoid the need for regulations. I believe we should provide cost-share funds to these CAFOs to build structures that will contain waste to protect and improve water quality, and to protect the quality of the environment.

However, as the Senator from Minnesota has said, EQIP was never designed to subsidize expansion of livestock operations.

The underlying bill allows for the use of cost-share funds for existing and expanding CAFOs. This amendment, as I understand it, does not prevent the use of funds for existing CAFOs but prohibits cost-share funding for new or expanding CAFOs; that is, operations over 1,000 animal units, but with several exceptions like for operations that expand using innovative technologies.

So this amendment still allows cost-share funding for existing and smaller facilities but does not subsidize growth of the very largest livestock operations that are not yet in existence. Remember, it grandfathers the ones that are

already large. That is, the existing CAFOs are not limited or excluded.

I believe this amendment is consistent with the underlying bill. It still helps all livestock producers now in operation. But, as the Senator said, we should not be in the business of subsidizing for further expansion. I do support the amendment and hope that it is adopted.

I thank the Senator for yielding me time.

The PRESIDING OFFICER (Mr. CLELAND). Who yields time?

If no one yields time, the time will be charged equally to both sides.

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

The PRESIDING OFFICER. The Senator from Indiana is informed we are not in a quorum call.

Mr. LUGAR. I thank the Chair.

Mr. President, I yield myself 5 minutes of the opposition's time.

Mr. President, I will not, in fact, oppose the Wellstone amendment because it appears to me to be consistent with the legislation that is before us with some modification with regard to expansion. But I want to take this time to try to indicate the logic for my views on this in view of an amendment I will be offering tomorrow that is obviously a great deal more restrictive than the Wellstone amendment today or, in fact, payment limitation amendments that will be offered by distinguished colleagues.

Essentially, tomorrow, I am going to offer an amendment that would displace the entire commodities section of the bill and substitute for that a system of payments to farmers in this country that has basic, fairly simple elements, unlike the present system in which 60 percent of farmers do not receive subsidies, which includes, in most cases, farmers who are purely in the livestock business, as well as those who are involved in vegetables and fruits and various other agricultural products that do not have row crop situations.

In the current situation, 40 percent of farmers receive money, and in that group about two-thirds of the money goes to 10 percent of the farmers. As I have mentioned earlier today, using arithmetic, this reduces to 4 percent the number of farmers—principally, those in the five row crops: cotton, rice, soybeans, corn, and wheat—receiving two-thirds of the money.

I want to end all of that and, as a matter of fact, now consider every farm in America that has \$20,000 of revenue. I select that figure because that at least denotes, in much agricultural literature, a farm that is a serious farming effort as opposed to a hobby farm or someone who is involved in incidental planting.

In America, there are about 800,000 farms that have \$20,000 of income—farm entities that would meet that criteria. In some of these cases, these farms have an owner and those who are doing the farming and they share the

risk. So both of those would count for a farm entity provided the amount of revenue coming into the farm meets my criteria.

Essentially, under my plan, each of these 800,000-plus farm entities in the country would receive \$7,000 a year for the 4 years starting with fiscal year 2003. That means 100 percent of farms—not 40 percent—would receive money. That would be the safety net, the cashflow, the money that we have often talked about as saving the small family farmer and keeping everybody alive.

But it also means farmers who are now receiving hundreds of thousands of dollars a year would, in fact, receive \$7,000. We would finally come back to market economics in terms of what we plant. We would come back to a situation which is clearly competitive in the world trade situation without danger of running into retaliation for trade practices which I believe the legislation in front of us now brings us to.

We would end the bubble effect of agricultural land being priced beyond that which the young farmer has any hope of meeting.

We would meet the situation of 42 percent of farmers who rent as opposed to own and do not benefit from our farm program that escalates land values artificially.

In short, we turn around a bill which I believe has very unfortunate implications for the future in agriculture to one of equity. And we do so for tens of billions of dollars less than the moneys that are now talked about in this farm bill.

That, I believe, is important for each one of us who wants to reduce deficits, who wants to take less money from the Social Security account, who wants to at least make possible some type of forum in which we might talk about medical reform and other issues that are important to the American people.

For that reason, because I am going to present that kind of an idea, I do not plan to oppose the Wellstone amendment which in fact does have some modest limitations in the livestock area. My amendment and others that deal with payment limitation really pertain principally to the CCC payment, commodity payments. It would be inconsistent to support that kind of limitation and to find that it occurred, only to find that in another part of agriculture people were able to proceed without restraint and sometimes in ways which the Senator from Minnesota has pointed out are environmentally destructive.

For these reasons, my own view is that the legislation that we now have before us in this area is in fact reform and is important. And the distinctions made by the Senator from Minnesota are there, but they are not large. Therefore, I do not plan to oppose the legislation, but I did want to explain why I took that point of view and at least the logic of my own position in view of an amendment which will be before Senators tomorrow.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Six minutes.

Mr. WELLSTONE. Mr. President, if the other side wants to yield back time, I will.

I thank the Senator from Indiana for his intellectual integrity. The argument he made, if I understood—and I do not want to at all misconstrue his point—was that he will not oppose this amendment because that would be inconsistent with his very strong focus on payment limitation. I am thrilled because I very much want to pass this amendment. I think it is the right thing to do.

If the other side wants to yield back its time, I will as well. We can move forward.

Mr. LUGAR. Mr. President, I know of no other Senator who wishes to speak in opposition. And having called for such and not finding the same, I am prepared to yield back. Let me ask, however, for just a moment to make sure, as we check our cloakroom, that there is not someone who wants to speak and who will be precluded from doing so. For that reason, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LUGAR. 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. LUGAR. Mr. President, I yield 3½ minutes of the opposition time to the distinguished Senator from Iowa and 3½ minutes to the distinguished Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I rise in opposition to the amendment offered by my colleague, the Senator from Minnesota. I certainly commend the Senator's role of reversing the trend towards larger farms and greater concentration in agriculture. I have been pleased to work with Senator WELLSTONE to address a number of concerns related to concentration and consolidation in the agricultural industry. Most recently we worked together to secure passage of the bipartisan amendment to address vertical integration by limiting packer control over livestock.

While the Senator from Minnesota and I share the goal of reversing that, I am concerned that this amendment would fall short of that goal. In short, Senator WELLSTONE's amendment would have the detrimental effect on many midsize family farmers who are struggling to comply with stringent new environmental regulations by slashing the amount of funding available to make responsible environmental improvements in rural areas.

The reason I take some caution in addressing opposition to his amendment is that I complimented the Senator from Minnesota, as we were debating this bill in December, that he was going to offer this amendment. But when I held meetings in my State of Iowa during the month of January—I held several town meetings just on the farm bill—I had this concern from people who are strictly family farmers who came to my meetings. They were very concerned about the CAFO regulations that they have to meet and the fact that if they have to meet those, they may not be able to stay in livestock. They did find EQIP provisions in the original farm bill to be helpful to meet those requirements so they could stay in agriculture.

So I changed my mind, I need to tell the Senator from Minnesota. I say it apologetically, in the sense that I had encouraged him in the first instance. I think these stringent, new regulations proposed by EPA are meant to get help from the provisions of this farm bill in addressing water pollution from livestock operations. According to EPA's own estimate, the new regulations could cost producers from \$280,000 to \$2.4 million over 10 years.

While the goals of the new regulations are certainly commendable, we obviously have to take the financial costs of the regulations into consideration. I drew the conclusion, after my meetings in January, that it was too much for many family farmers to absorb.

Recognizing the dire situation of these farmers, last year the Senate supported the amendment I offered to the budget resolution to increase EQIP funding by \$350 million in each of the next 10 years. This important funding will provide cost-sharing assistance to family farmers to help them comply with the new CAFO regulations.

The Wellstone amendment would significantly reduce the level of EQIP funding available to family farmers. According to EPA estimates, over 1,000 livestock operations in Iowa would be ineligible for EQIP funds.

Mr. President, again, I am in opposition to the amendment offered by my colleague, the Senator from Minnesota. Let me first say that I certainly commend the Senator's goal of reversing the trend toward larger farms and greater concentration in agriculture. I have been pleased to work with Senator WELLSTONE to address a number of concerns related to concentration and consolidation in the agriculture industry. Most recently, we worked together to secure passage of a bipartisan amendment to address vertical integration by limiting packer control over livestock.

While the Senator from Minnesota and I share the goal of reversing concentration, I am concerned that this amendment falls far short of that goal. In short, the Senator's amendment would have a detrimental effect on many of my state's mid-sized family

farmers who are struggling to comply with stringent new environmental regulations by slashing the amount of funding available to make responsible environmental improvements in rural areas.

Mr. President, the future prosperity of Iowa's family farmers, and farmers across this nation, is currently threatened by stringent new regulations proposed by the EPA aimed at addressing water pollution from livestock operations. According to EPA's own estimates, the new regulations could cost producers from \$280,000 to \$2.4 million over the next ten years.

While the goals of the new regulations are certainly commendable, the financial costs of these regulations will simply be too much for many family farmers to absorb.

Recognizing the dire situation of these farmers, last year the Senate supported an amendment that I offered to the budget resolution to increase EQIP funding by \$350 million in each of the next ten years. This important funding will provide cost-sharing assistance to family farmers to help them comply with these new regulations.

The Wellstone amendment, however, would significantly reduce the level of EQIP funding available to family farmers. According to EPA estimates, over 1,000 livestock operations in Iowa would be ineligible for EQIP funds. Another 500 to 1,000 could be ineligible if they expand in order to remain competitive or to comply with the new rules by building new structures with new technologies.

The bottom line is that if these family farmers are denied EQIP assistance, the result will be poorer management systems and practices, and the environment will suffer.

The farm bill reported by the Agriculture Committee makes reasonable changes to the rules of the EQIP program by limiting eligibility by a simple and reasonable payment limit—not by the size of the operation. A payment limit puts livestock and poultry operations on an even footing with the program limits for row-crops.

Without the technical and cost-sharing assistance provided by EQIP, many family farmers in my state will be forced out of business—leaving only the largest farms who can absorb the costs—and leading to even greater concentration in the industry. In this farm bill, we have made great strides toward reducing the level of concentration and vertical integration in agriculture. Unfortunately, this amendment would be a step backwards.

Over 80 percent of Iowa's farms are individually or family-owned. It's these producers I have always sought to help. These are the people who produce our food and keep main streets in rural America in business. These are the farmers who depend on the assistance from the EQIP program. It is for these farmers that I will oppose this amendment and support a strong EQIP.

The PRESIDING OFFICER. The Senator from Wyoming is—

Mr. WELLSTONE. Might I inquire, Mr. President, how much time remains?

The PRESIDING OFFICER. There are 5 minutes remaining.

The Senator from Wyoming is recognized.

Mr. THOMAS. Mr. President, I rise in opposition to this amendment. I think what we really have to do, as in the case of other kinds of issues, is look at what it is we are seeking to do. If the purpose of this EQIP program—which, by the way, is used thoroughly in my State with a lot of good success—is to limit the environmental impact, or if it is to help with the technical information necessary for operators to do something about the impact of the CAFO regulations or those kinds of things—if you want to try to find a way to limit the size of farms and redistribute income, those are two different things.

The purpose here is to find the most efficient way we can to deal with the most livestock out there putting the environment at risk, so we can do something about it, and to then provide it to those people who can have the most impact on doing something about the environment. That is what it is all about. It is not about trying to keep farmers smaller or having to do with size. There is a limitation under the law on how much money can go to any operator during the period of the life of the farm bill, over the 6-year period. So I think we may want to, obviously, do something about payments, total payments. That is a different question.

The question here is, how do you best utilize the resources in an effort to help farmers and ranchers deal with the question of environment and, more particularly, to deal with the regulations that have been put in place for nonpoint source pollution, and the idea of having lots and corrals and feedlots along water supply sources. I think it is very important that we look at it in a broader sense. If EQIP cost-sharing assistance is not made available to operations with a thousand animal units or more, EQIP would fail to meet the needs of the producers managing more than half the livestock in the country.

If you are trying to do something about the pollution problems and give help to people who are seeking to limit the livestock's involvement in pollution of water and nonpoint source waters, then I think this kind of a limitation is not in keeping with that purpose and indeed hinders that purpose. Like my friend from Iowa, I joined with the Senator from Minnesota on several amendments, and I certainly want to continue to do that. I just don't believe this amendment helps to accomplish the goals out there for the EQIP program. So I hope people will vote against this amendment so we can move on to accomplishing environmental solutions.

I yield the floor.

Mrs. BOXER. Mr. President, the farm bill before us recognizes the importance of environmental conservation in agriculture and provides funding for programs that support those measures. California livestock operations come in all sizes, but many of them are large operations requiring substantial environmental management activities. Access to programs that support environmental improvements is key to ensuring that the best environmental practices are undertaken on these farms.

Senator WELLSTONE's amendment, which would limit access to conservation funding based on factors like the size of the farm, falls disproportionately hard on California farmers and would ultimately slow down environmental improvements. Limitations on these payments will not eliminate those farms, it will only limit support for conservation efforts that are so critically important in these operations. For those reasons, I must vote against the Wellstone amendment and support conservation funding for California farmers.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, both my colleagues and good friends, the Senator from Iowa and the Senator from Wyoming, break my heart. First of all, actually with this amendment, under current law, if you are over a thousand animal units, you don't get any EQIP money whatsoever. Under my amendment, if you are over a thousand animal units, you can get the money. We go from \$10,000 to \$30,000 a year. If you are over a thousand units, you can get money. You can't right now.

We are saying that if you are under a thousand units and you want to expand to over a thousand, or you are over and you want to expand even further and you want to get bigger and bigger, at that point the Government ought not to be subsidizing this expansion.

This is a reform amendment. This is consistent with those who are in support of payment limitations. This is ranked by the environmental community as a key environmental amendment because it is crazy for the Federal Government to be subsidizing this environmental destruction.

I say to my colleague from Iowa, we are going to provide the money. Right now, under current law, if you are over a thousand animal units, you can't get EQIP money. Under this amendment, you can. If you want to expand it more and get bigger, at that point it is not appropriate for the Government to provide the payments. That is exactly what the Grassley amendment is going to say when it comes to payment limitations. It is exactly the same philosophy.

This is a reform amendment. It is an environmental amendment. It is an amendment that is for our independent producers. If you look in your State and at your producers, the vast major-

ity of them are helped by this amendment, as opposed to current law. The only thing this amendment says is, if you want to get bigger and expand even more, at that point, you are not going to get any more Government money. This is a reform amendment. It deserves support.

I yield the floor, and if my colleagues want to yield back the remainder of their time, I will do so also.

Mr. LUGAR. How much time remains on our side?

The PRESIDING OFFICER. Fifteen seconds.

Mr. LUGAR. I thank the Chair. We are prepared to yield back that time.

Mr. WELLSTONE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

Mr. WELLSTONE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Vermont (Mr. JEFFORDS) is necessarily absent.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr. MCCAIN), and the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

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

The result was announced—yeas 44, nays 52, as follows:

[Rollcall Vote No. 15 Leg.]

YEAS—44

Akaka	Durbin	Mikulski
Biden	Ensign	Reed
Byrd	Feingold	Reid
Carnahan	Gregg	Rockefeller
Carper	Harkin	Santorum
Chafee	Hollings	Sarbanes
Cleland	Inouye	Schumer
Clinton	Johnson	Smith (NH)
Collins	Kennedy	Snowe
Conrad	Kerry	Specter
Corzine	Kohl	Stabenow
Daschle	Leahy	Stevens
Dayton	Levin	Torricelli
Dodd	Lieberman	Wellstone
Dorgan	Lugar	

NAYS—52

Allard	Edwards	McConnell
Allen	Enzi	Miller
Baucus	Feinstein	Murkowski
Bayh	Fitzgerald	Murray
Bennett	Frist	Nelson (FL)
Bingaman	Graham	Nelson (NE)
Bond	Gramm	Nickles
Boxer	Grassley	Roberts
Breaux	Hagel	Sessions
Brownback	Hatch	Shelby
Bunning	Helms	Smith (OR)
Burns	Hutchinson	Thomas
Campbell	Hutchison	Thurmond
Cantwell	Inhofe	Voinovich
Cochran	Kyl	Warner
Craig	Landrieu	Wyden
Crapo	Lincoln	
DeWine	Lott	

NOT VOTING—4

Domenici	McCain
Jeffords	Thompson

The amendment was rejected.

AMENDMENT NO. 2604 TO AMENDMENT NO. 2471

The PRESIDING OFFICER. Under the previous order, there are now 2 minutes evenly divided prior to the vote on the Harkin amendment.

The Senator from Iowa.

Mr. HARKIN. Mr. President, this amendment closes a loophole in the Packers and Stockyards Act by including livestock production contracts under its jurisdiction. It also provides livestock producers the ability to discuss the terms of the contract with certain people, such as their attorney, banker, landlord, and government agency charged with protecting a party to the contract. It does not say they have to but they are so allowed.

Basically, since 1935, poultry producers have uncovered production contracts under the Packers and Stockyard Act but other livestock were not—for example, swine and cattle were not. But production contracts are becoming a bigger and bigger part of the establishment. Yet they are not covered under the Packers and Stockyards Act.

The two largest farm organizations, the American Farm Bureau Federation and the National Farmers Unions, as well as dozens of other farm groups, support this amendment. It does not create any regulatory burden.

As I said, we have had this provision under the Packers and Stockyards Act since 1935. If we can help Dairy Queen franchisees and gasoline franchisees, and if the poultry people have lived under this since 1935, I think it is time we give the cattle producers and the pork producers in this country the same kind of protections under the Packers and Stockyards Act.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I oppose the Harkin amendment on the basis that it is likely to confuse interpretation of the contract issue. It is a narrow issue we are discussing. The amendment offered by the distinguished chairman of the committee is a narrow issue. On balance, it appears to me to be unnecessary and redundant.

It is opposed by a host of livestock and poultry organizations for those reasons. I cited a letter from many of them with regard to a number of competitive issues that are in the bill, and this one in particular.

For these reasons, I suggest a "no" vote on this amendment.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, for all Members, this will be the last vote of the day. We have an agreement tentatively worked out that is being cleared by both sides that there will be debate on an amendment offered by Senator DURBIN tonight. There will be a second-degree amendment offered by Senator GRAMM of Texas on that amendment tonight or in the morning. I think Members can expect a rollcall vote around 10 or 10:30 in the morning,

after which there will be two amendments that will take approximately 4 hours. There will be a vote after each one of those. So we have until 3 or so tomorrow afternoon already tentatively worked out on this bill.

We also are going to try to work out a finite list of amendments. The minority and majority staffs are now working to whittle that down. It is down now, even as we speak, to a fairly small number of amendments. So hopefully there is some end in sight for this legislation.

The PRESIDING OFFICER. The question is on agreeing to the amendment, No. 2604, as modified. The Senator from Iowa.

Mr. HARKIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Vermont (Mr. JEFFORDS) is necessarily absent.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr. MCCAIN), and the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

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

The result was announced—yeas 82, nays 14, as follows:

[Rollcall Vote No. 16 Leg.]

YEAS—82

Akaka	Edwards	McConnell
Allard	Ensign	Mikulski
Baucus	Enzi	Miller
Bayh	Feingold	Murkowski
Bennett	Feinstein	Murray
Bingaman	Fitzgerald	Nelson (FL)
Bond	Frist	Nelson (NE)
Boxer	Graham	Nickles
Breaux	Gramm	Reed
Brownback	Grassley	Reid
Bunning	Gregg	Roberts
Burns	Hagel	Rockefeller
Byrd	Harkin	Santorum
Cantwell	Hatch	Sarbanes
Carnahan	Hollings	Schumer
Chafee	Hutchinson	Sessions
Cleland	Inhofe	Shelby
Clinton	Inouye	Snowe
Collins	Johnson	Specter
Conrad	Kennedy	Stabenow
Corzine	Kerry	Thomas
Crapo	Kohl	Torricelli
Daschle	Landrieu	Voinovich
Dayton	Leahy	Warner
DeWine	Levin	Wellstone
Dodd	Lieberman	Wyden
Dorgan	Lincoln	
Durbin	Lott	

NAYS—14

Allen	Craig	Smith (NH)
Biden	Helms	Smith (OR)
Campbell	Hutchison	Stevens
Carper	Kyl	Thurmond
Cochran	Lugar	

NOT VOTING—4

Domenici	McCain
Jeffords	Thompson

The amendment (No. 2604), as modified, was agreed to.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, parliamentary inquiry: For the benefit of

all Senators, what is next on the agenda under the unanimous consent agreement?

The PRESIDING OFFICER. That particular unanimous consent agreement has run its course.

Mr. REID. I did not hear the Chair.

The PRESIDING OFFICER. That particular unanimous consent agreement has run its course. The pending question is now the Harkin substitute.

Mr. HARKIN. I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The 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.

Mr. REID. Mr. President, I ask unanimous consent that Senator DURBIN be recognized now to offer a Durbin-Lugar amendment, as modified, regarding cropping history and nutrition, with 60 minutes for debate in relation to the amendment this evening, equally divided in the usual form, with no amendments in order prior to a vote in relation to the amendment; further, that when the Senate resumes consideration of the farm bill at 10 a.m., on Thursday, there be 5 minutes for closing debate in relation to the Durbin-Lugar amendment, followed by a vote in relation to the amendment; further, that following the vote, regardless of the outcome, Senator DORGAN, for himself and Senator GRASSLEY, be recognized to offer an amendment regarding payment limitation; that there be 105 minutes for debate in relation to this amendment, equally divided in the usual form; that upon the use or yielding back of time, the Senate proceed to vote in relation to the Dorgan-Grassley amendment, with no second-degree amendments in order prior to the vote; further, that following the vote, regardless of the outcome, Senator LUGAR be recognized to offer an amendment regarding payment mechanism, that there be 2 hours for debate, equally divided in the usual form, with no second-degree amendments in order prior to a vote on the Lugar amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Nevada.

Mr. REID. Mr. President, the RECORD should be clear that on the Lugar amendment, the unanimous consent agreement should read: "On or in relation to the Lugar amendment," rather than "on the Lugar amendment." I ask unanimous consent for that modification.

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

Mr. REID. I advise all Members, we are trying to work on a finite list of amendments. We are whittling ours down significantly. The staff is going

to exchange those shortly. Maybe tonight we can enter into an agreement as to a finite list of amendments on both sides.

Mr. DURBIN. Will the Senator from Nevada yield?

Mr. REID. I am happy to yield.

Mr. DURBIN. I thank the Senator for his unanimous consent request he pro-
pounded. I do not believe I am going to use the 30 minutes allotted to me, but I would like to have the opportunity to yield, during the course of that time, to the Senator from Michigan, who has asked for a brief period of time to speak.

If there is no objection, I would like to have that included in the unanimous consent request.

Mr. REID. It is certainly appropriate. The Senator has been waiting all afternoon to make this statement. She can do so whenever it is appropriate.

Mr. President, before I yield the floor, it is my understanding that Senators DURBIN and LUGAR have worked out their modification on this amendment.

Is that right?

Mr. DURBIN. Responding to the Senator from Nevada, Senator GRAMM is working on language which is coming during the course of this debate. I have agreed to accept his second-degree amendment, and I will speak to it during the course of my remarks.

Mr. REID. If, for some reason, you cannot work this out, we would have to come back later and revisit this.

Mr. DURBIN. That is correct.

Mr. LUGAR. Mr. President, may I respond briefly to the leader's comment? The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. My understanding, as Senator DURBIN has represented it, is that Senator GRAMM has offered language that has been accepted. The language is being written even as we speak. The presumption is that it will be acceptable. In the event, for some reason, it should not be, then, at that point—I suppose tomorrow morning—we would have to deal with a second-degree amendment. But, obviously, we hope we have dealt with it this evening. And I believe we have.

On a second point, I understand staff will be working—even as we debate this amendment—on the overall list. There has not been agreement, as I understand it, but, nevertheless, constructive work has occurred in defining the issues that still remain.

Mr. REID. I am confident that Senator GRAMM of Texas and Senator DURBIN will work this out. They have already agreed. You always have to be careful when people start putting things in writing; there could be a problem.

I say to the distinguished manager of the bill, the senior Senator from Indiana, in his usual, deliberate manner, with the background of being a Rhodes scholar, he has explained it better than I did.

Mr. LUGAR. I thank the Senator.

Mr. DURBIN. Will the Senator from Indiana yield?

Since I have not seen the language from Senator GRAMM, and I want to have a chance to reflect on it this evening, could we leave open the possibility, if there is any disagreement—I want to make it clear on the floor, I will protect Senator GRAMM's right to offer and debate the second-degree amendment without any objection—then I would have a chance, after his second-degree amendment has been considered, to offer my amendment.

Mr. LUGAR. That is our understanding.

Mr. DURBIN. Any disagreement would have to be reflected on the contents.

AMENDMENT NO. 2821

Mr. DURBIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN], for himself, Mr. LUGAR, Mr. BINGAMAN, Mr. DOMENICI, Mr. GRAHAM, Mr. WELLSTONE, Mr. KERRY, and Mr. SMITH of Oregon, proposes an amendment numbered 2821.

Mr. DURBIN. Mr. 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 restrict commodity and crop insurance payments to land that has a cropping history and to restore food stamp benefits to legal immigrants who have lived in the United States for 5 years or more)

On page 128, line 8, strike the period at the end and insert a period and the following:

SEC. 166. RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND; FOOD STAMP PROGRAM FOR CERTAIN QUALIFIED ALIENS.

(a) RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND.—Section 194 of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104-127; 110 Stat. 945) is amended to read as follows:

"SEC. 194. RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND.

"(a) DEFINITION OF AGRICULTURAL COMMODITY.—In this section:

"(1) IN GENERAL.—The term 'agricultural commodity' has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

"(2) EXCLUSIONS.—The term 'agricultural commodity' does not include forage, livestock, timber, forest products, or hay.

"(b) COMMODITIES.—

"(1) IN GENERAL.—Notwithstanding any other provision of this title, except as provided in paragraph (2), the Secretary shall not provide a crop payment, crop loan, or other crop benefit under this title to an owner or producer, with respect to an agricultural commodity produced on land during a crop year unless the land has been planted, considered planted, or devoted to an agricultural commodity during —

"(A) at least 1 of the 5 crop years preceding the 2002 crop year; or

"(B) at least 3 of the 10 crop years preceding the 2002 crop year.

"(2) CROP ROTATION.—Paragraph (1) shall not apply to an owner or producer, with respect to any agricultural commodity planted or considered planted, on land if the land—

"(A) has been planted, considered planted, or devoted to an agricultural commodity during at least 1 of the 20 crop years preceding the 2002 crop year; and

"(B) has been maintained, and will continue to be maintained, using long-term crop rotation practices, as determined by the Secretary.

"(c) CROP INSURANCE.—Notwithstanding any provision of the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), the Federal Crop Insurance Corporation shall not pay premium subsidies or administrative costs of a reinsured company for insurance regarding a crop insurance policy of a producer under that Act unless the land that is covered by the insurance policy for an agricultural commodity—

"(1) has been planted, considered planted, or devoted to an agricultural commodity during—

"(A) at least 1 of the 5 crop years preceding the 2002 crop year; or

"(B) at least 3 of the 10 crop years preceding the 2002 crop year; or

"(2)(A) has been planted, considered planted, or devoted to an agricultural commodity during at least 1 of the 20 crop years preceding the 2002 crop year; and

"(B) has been maintained, and will continue to be maintained, using long-term crop rotation practices, as determined by the Secretary.

"(d) CONSERVATION RESERVE LAND.—For purposes of this section, land that is enrolled in the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) shall be considered planted to an agricultural commodity.

"(e) LAND UNDER THE JURISDICTION OF AN INDIAN TRIBE.—For purposes of this section, land that is under the jurisdiction of an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)) shall be considered planted to an agricultural commodity if—

"(1) the land is planted to an agricultural commodity after the date of enactment of this subsection as part of an irrigation project that—

"(A) is authorized by the Bureau of Reclamation or the Bureau of Indian Affairs; and

"(B) is under construction prior to the date of enactment of this subsection; or

"(2) the land becomes available for planting because of a settlement or statutory authorization of a water rights claim by an Indian tribe after the date of enactment of this subsection."

(b) PARTIAL RESTORATION OF BENEFITS TO LEGAL IMMIGRANTS.—Section 403(c)(2)(L) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613(c)(2)(L)) (as amended by section 452(a)(2)(A)) is amended by inserting "provided to individuals under the age of 18" after "benefits".

(c) FOOD STAMP EXCEPTION FOR CERTAIN QUALIFIED ALIENS.—

(1) IN GENERAL.—Section 402(a)(2) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)) (as amended by section 452(c)(2)) is amended by adding at the end the following:

"(M) FOOD STAMP EXCEPTION FOR CERTAIN QUALIFIED ALIENS.—With respect to eligibility for benefits for the specified Federal program described in paragraph (3)(B), paragraph (1) shall not apply to any individual who has continuously resided in the United

States as a qualified alien for a period of 5 years or more beginning on the date on which the qualified alien entered the United States."

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect on April 1, 2003.

Mr. DURBIN. Mr. President, I thank my colleagues who are cosponsoring this amendment, Senators HARKIN and LUGAR, who come to this floor in their capacities as chair and ranking member of the Agriculture Committee, both of whom have joined me in cosponsorship of this amendment, together with several of my other colleagues.

What we are trying to do in this amendment is twofold. In the first instance, we are trying to avoid overproduction on farmland in America that would be encouraged by the farm bill—not by the market, not by any other consideration. We don't want to create a farm bill which pushes farmers into overproduction, bringing prices down. What we are trying to do is to increase production but only in a way that is at a price level, a cost level so that a farmer can make a fair living. And so we are trying with this amendment to protect from that possibility.

The second part of the amendment sounds so totally unrelated, people may wonder why it is in the farm bill. The second part relates to the Food Stamp Program. If my colleagues are aware of the Department of Agriculture, they know that it administers the Food Stamp Program. A decision was made some years ago—I will address it in my remarks—that those who are legal immigrants to the United States would not qualify for food stamps. On reflection, we have seen that the victims of that policy have primarily been poor children in America. I am heartened by the fact that President Bush, in his budget message, has decided to change this policy. He has said that we will allow legal immigrants to receive food stamps. That is the right and humane thing to do. It is the right thing to do to make certain children are healthy. If we are going to have a strong Nation, we need healthy kids. So the second part of my amendment addresses the restoration of eligibility for food stamps for legal immigrants.

Senator GRAMM of Texas has his own opinion as to what we should include in the food stamp portion of the amendment. He is preparing that now. We have discussed it briefly. I will repeat what I said earlier: If the second-degree amendment that he has proposed ends up being something I cannot personally accept, I promise that I will protect his right to offer and debate that amendment and bring it to a vote before there is a vote on my amendment. So there will be no disadvantage to Senator GRAMM, even if there is some disagreement in terms of the content of his amendment.

Let me speak briefly to what my overall amendment does. This amendment has one basic purpose, and that is to provide a safety net for farmers

without distorting the marketplace. Everybody in this debate on the farm bill wants to protect farmers. I hope we can agree that we don't want to do it at the expense of the supply and demand laws which govern our economy.

This amendment will help to meet both goals. It simply states: Crop support payments will not be made for crops that are grown on land that is not already being used for agricultural production. It only applies to land that has not been cropped even 1 year in the past 5 years or 3 years in the past 10. So if I am a farmer in downstate Illinois and I have acreage that has not been used for agricultural production, even 1 year out of the last 5 or 3 out of the last 10, I cannot bring that into the program and say: Now that you have a farm bill that may compensate me, I am going to produce on this land and I am going to get payments from the Federal Government.

That land was taken out of production for market reasons or other reasons. And we believe that no farm bill should drag it back into production.

If I am a farmer, though, and want to produce on the land, that is my right; I own the land. But I can't go to the Federal Government, having made that decision, if I haven't put a crop on that land for 1 out of 5 years, 3 out of 10 to support this effort.

I yield to the Senator from Michigan. (The remarks of Mrs. STABENOW are located in today's RECORD under "Morning Business.")

Mr. DURBIN. My goal is to make certain that farmers make decisions based on the marketplace, not based on the farm bill, particularly when it comes to that land that has not been in production. That is what this amendment seeks to achieve.

It is in no way a restriction on a farmer's freedom. A farmer is still free to plant any new ground he wishes. What we are talking about is eligibility for Federal payments. The amendment uses an extremely broad definition of agricultural commodity. Farmers can switch crops on land and, despite that switching of crops, not lose eligibility under this amendment. That is only fair because in many good farming practices, that is done on a regular basis. It allows long-term crop rotation, permits an exception for that. There are some lands primarily used for hay but that may be cropped 1 or 2 years between hay plantings. This amendment would not deny support payments to the crops during that period. However, it is intended to be a narrow amendment, only for those who can demonstrate that they have both established and are maintaining such long-term rotation.

The amendment does not interfere with the CRP program in any way. The Conservation Reserve Program is an important program. It conserves America's natural resources. This amendment simply provides that when farmers decide to plant on new ground, they will do it because of the market, not because of Government subsidy.

Prior to the 1996 farm bill, the farm policy of our country recognized that our support programs could drive up supply. So for decades, farm policy attempted to limit subsidies in one form or another.

This was done through various definitions of base acres. I remember as a Member of Congress for many years in the House, and now in the Senate, dealing with farmers who were trying to establish their base acreage and qualifications eligibility for Government payment. In 1996, Congress did away with all these rules on the theory that it was going to phase out support payments.

We now know that, at least today, we can't phase out support payments without jeopardizing our farms. However, we need to be careful that we don't inadvertently encourage farming of new land when market conditions don't warrant it.

In essence, under prior farm policy, support payments had a foot on the pedal driving new production, but also with a foot on the brake. New policy, as currently envisioned, fails to add in the brake. That is what this amendment does.

This amendment will not reinstate it completely, but it will ease up on the pedal. The farmers can still drive themselves into new cropland, but the Government would no longer drive them there.

What is the environmental impact of this amendment? The facts show that this amendment is needed. According to the USDA, the United States lost 22 million acres of grassland between 1982 and 1997. The vast majority of that became new croplands.

This occurred even while the Federal Government was laying out roughly \$30 billion over the same period to take more than 30 million acres of cropland from production through the Conservation Reserve Program, the twofold purpose of which was to increase conservation efforts and limit supplies so as to boost prices.

What this means is that while our Government was trying to limit supplies in order to boost prices on the one hand, it was effectively encouraging farmers to convert new land into cropland on the other. This has undoubtedly contributed to the current situation in which farmers have faced record low prices in recent years.

This loss of grassland as an environmental impact throughout the country contributed to the decline of many bird species that nest in grasslands. Grassland birds as a whole are the most threatened category of birds in our country. This amendment makes environmental sense as well as economic sense.

This amendment has the added benefit of saving money. The Congressional Budget Office estimates that the Durbin amendment would reduce crop overproduction which will result in \$1.4 billion in savings over the next 10 years.

Let me tell you that the second half of the amendment takes the savings and uses it for the Food Stamp Program. The savings generated by this bill will further strengthen the nutrition title of this same farm bill. This is really a farm and nutrition bill. I think addressing the Food Stamp Program along with the farm program is appropriate because both are under the jurisdiction of the Department of Agriculture.

Food stamps are a part of our Nation's first line of defense in America to protect families in a recession. Now, as we reauthorize the Food Stamp Program, we should make sure to effectively put into place protections against economic downturns.

This farm bill passed by the Agriculture Committee makes some important changes in the Food Stamp program. I join in thanking the committee's ranking Republican for the hard work he has put into this section of the bill.

Here is what my amendment does. It restores eligibility for the Food Stamp Program to legal immigrants who have lived in the United States for 5 years or longer. I will repeat, it restores eligibility for legal immigrants living in the United States for 5 years or longer.

This amendment will be an addition to the immigrant restoration provisions already in the farm bill, including the immediate restoration of eligibility to all poor children. I salute Senators LUGAR and HARKIN for that provision. I will not go into a long story about how important immigrants have been to the United States. Suffice it to say that my mother was an immigrant to this country. I am proud of that fact, and I am happy to be a first-generation American and to have this chance to serve as a Senator from the State of Illinois. I keep in my office, very near my desk, the framed copy of my mother's naturalization certificate. I am very proud of it. I look at it every day as a reminder of my family and a reminder of from where I came. I think it is a reminder to all of America how many of us are close to new immigrants in this country.

At the turn of the century, many of our relatives arrived from all over the world. They were poor and didn't speak the language, and they came looking for a better life. At that time, survival meant sending all members of the family to work. Young children worked in factories and sweatshops instead of going to school.

Eventually, we realized that families should not have to send their 7-year-old to work just to be able to put food on the table. Jane Addams of Illinois, quite a well-known figure in Chicago with her settlement houses, was one of the great American social reformers. She inspired us to lobby for child labor laws because of her experiences with the working men, women, and children in the immigrant neighborhoods of the city of Chicago.

Those arriving in the United States today are no different than our great

grandparents. And we continue to rely on immigrants to fill jobs at all levels of the workforce.

Legal immigrants here not only work, they pay taxes. The National Academy of Sciences and the National Research Council conducted studies that show that, overall, immigrants pay more in taxes than they use in government benefits.

Allow me to digress and tell you that a little over 2 weeks ago I was at an air base near Kabul in Afghanistan. I ran into a soldier from Illinois. He told me of his high school in the suburbs of the city of Chicago, and he said: When I get through with my Army experience here, can I come to your office and will you help me to apply to become a citizen? He is a member of the U.S. Army, a soldier risking his life fighting terrorism in Afghanistan, but he is from Panama. He is legal here, and he volunteered to serve this Nation, but he is not a citizen. I said of course I would help him. He is a legal immigrant to America who would be denied, under many circumstances, food stamps. Yet he has volunteered and is serving our Nation in uniform. How do you make any sense out of that kind of policy? This amendment tries to do that. It says immigrant families with children, who tend to have lower income levels than native-born families with children, need a helping hand with food stamps.

Most low-income children of immigrants live in working families with two parents who are married. The vast majority of legal immigrants are not permitted to receive food stamp benefits.

In 1996, as a result of changes in the law, the Physicians for Human Rights interviewed 700 legal immigrant families and found that adults in one out of three households had skipped meals in the previous 6 months. One in ten recalled missing a meal, not being able to eat for at least a whole day. One in four reported cutting the size of a child's meals due to inadequate resources.

The Urban Institute reports that, nationwide, 37 percent of all children of immigrants live in families that worry about providing food for the table. In California, Illinois, and Texas, legal immigrants' food insecurity rates were seven times worse than the general population in our country.

These harsh eligibility rules today translate into future citizens not getting the benefits for which they are eligible. The vast majority of immigrant families are mixed-status families that include at least one U.S. citizen. That citizen is typically a child. When legal immigrant parents are not aware that their children are eligible for food stamps, the kids don't get enough to eat.

Participation in the Food Stamp Program among children with legal permanent resident parents dropped 40 percent from 1994 to 1999, without a corresponding decrease in need.

Can America be a better place if these children who are legally in the United States don't receive the proper nutrition? If they suffer disease and illness, if they are not prepared to learn, and if they come to a classroom and can't stay awake and are listless because of not having enough to eat, how can we be a better Nation?

Since 1996, many States have worked to pick up the slack. Seventeen States, including mine, provide State-funded food stamps to some or all legal immigrants who are ineligible for the Food Stamp Program—because of the changes in the law. In most of the States, eligibility is limited to very narrow categories of immigrants.

On Monday, President Bush released his fiscal year 2003 budget proposal. I am certain there will be many items I will disagree with in that proposal. But I congratulate him for including a restoration of benefits for legal immigrants identical to that in my amendment.

When this provision was first made public in January, a senior administration official was quoted as saying:

We believe this will go a long way to meeting the needs of children and adults who need additional benefits. It will allow them to have access to nutritious food and will improve their well-being.

Applause to the President and to the White House. Congratulations for a good idea, a bipartisan idea.

The author of this idea of limiting food stamps to legal immigrants was the former Speaker of the House, Newt Gingrich, who was also the author of the Contract with America. He said this in the New York Times last month about that decision in 1996:

In a law that reduced welfare by more than 50 percent, this is one of the provisions that went too far. In retrospect, it was wrong.

Even Speaker Gingrich can have this epiphany and realize that a mistake was made. I acknowledge and congratulate him for publicly saying this and saying why this amendment is so important.

What we have learned from the 1996 cuts is that making food stamp benefits available to legal immigrants doesn't open the floodgates at our borders. The average food stamp benefit is \$74 a person monthly—not exactly a fortune. It is difficult to imagine families flocking to the United States because they could be eligible for food stamps if they just wait legally for 5 years.

Food stamps do not bring families to the United States who would not otherwise come here. It is a vital support for low-income families.

This amendment is a bipartisan opportunity to support farmers throughout America with a sensible limitation so there will not be overproduction, and to take the savings from that limitation to provide food for needy children of legal immigrant families.

This is a bipartisan amendment. It is one that does the right thing. I am pleased my colleagues, Senator LUGAR

and Senator HARKIN, and President Bush have joined in supporting this concept. I hope all my colleagues on both sides of the aisle will vote in favor of this amendment.

The PRESIDING OFFICER. The Senator from Minnesota.

Who yields time?

Mr. WELLSTONE. I ask the Senator from Illinois if he has 5 minutes.

Mr. DURBIN. Mr. President, how much time is remaining?

The PRESIDING OFFICER. Nine minutes 10 seconds.

Mr. DURBIN. I am happy to yield 5 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I am honored to be a cosponsor of the Durbin amendment which makes legal immigrants who have lived in this country 5 years eligible for food stamps.

My colleague from Indiana, Senator LUGAR, has been a strong advocate as well, and a number of Senators voted for Senator LUGAR's amendments which work to improve the nutrition programs.

First a disclaimer. On this whole question of illegal immigrants, we are all products of our personal experience. I remember during the debate on the welfare bill in 1996, one of the things I said was that to vote for the bill would be to me like cutting off my hand because I am a son of immigrants. I am first-generation American. My father fled persecution from Ukraine and Russia.

The Senator from Illinois mentioned the former Speaker saying we went too far, and I felt that way. I had a number of objections; I never understood what we were doing. I thought it was too harsh, too punitive.

Then in 1998, Congress restored some of the benefits to categories of immigrants. It was children, elderly, and disabled, but only if they were here prior to 1996.

The Food Stamp Program is a critical safety net program and, by the way, an astounding success. This is a program that has made a huge difference.

One of the problems is, even if the children are eligible and the parent or parents are not eligible, it does not work. Quite frankly, it does not work. One of the reasons we have seen this huge decline, which should concern us—since the bill passed, there has been maybe a 25- to 35-percent decline in food stamp participation—is because of these cuts. Even when the children are supposed to be helped, if the parents are not eligible, they do not know about it, they do not know where to go, and they are not able to help their kids.

This amendment is about helping a lot of people. Altogether, 360,000 legal immigrants would be helped—men, women, some elderly, some middle aged, some children. It is the right thing to do. It corrects a huge injustice.

I also give credit to the White House for taking a strong lead on this. I give credit to my colleagues, Senator DURBIN and Senator LUGAR, and I know Senator HARKIN supports this effort. There is bipartisan, strong support.

I wish to say one other thing which is a little bit different, and it is not inconsistent with what I just said but is interesting to me. This is a social justice amendment. I thank Senator DURBIN for it. It is the right thing to do. It is extremely important to get this assistance to families who need this assistance.

The other thing that has happened, as opposed to 1996—and I think of Minnesota—is in a way we have new politics in Minnesota and new politics in the country. The immigrant populations—my mother, father, and grandparents did this as well—are finding a voice. They are becoming active in their communities. They are becoming their own leaders. They are speaking for themselves. They are becoming a political force, and there is much more recognition of who they are, what their needs are, and how we can support them.

There are so many activities going on in the country right now that are so important and positive for these immigrant communities.

Unfortunately, in my opinion, these cuts were not the only harsh feature of the welfare bill, but this was one of them. This amendment improves on the Agriculture Committee's work. That work in the committee vastly improved on the mistakes we made in 1996. This is a hugely important amendment, and I am very proud to support it.

The PRESIDING OFFICER. Who yields time?

The Senator from Indiana.

Mr. LUGAR. Mr. President, although I will speak in favor of the Durbin amendment, I note there are no Senators present who are prepared to speak in opposition to it. Therefore, I ask unanimous consent that I be able to yield myself 30 minutes from the opposition.

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

Mr. LUGAR. I yield myself as much time as I may require.

Mr. President, I appreciate very much the advocacy of Senator DURBIN in bringing forward this amendment. I believe he has rescued a situation that has been well described by my colleague, Senator WELLSTONE, a valued member of the Agriculture Committee, and Senator HARKIN, our chairman.

We worked together to try to provide a much stronger safety net for nutrition in this country. As it turned out, in some of our deliberations—and the distinguished Presiding Officer was there for those—there were many Senators who during that period of time questioned when we were going to get to the commodity section and what money would be left at the end of the trail as we dealt with very vital issues

of community development, research, loans for young farmers—many issues that have been resolved in a very strong bipartisan fashion.

As a result, the amendments I offered at that time were a bridge too far. I have been rescued by Senator DURBIN and by the President of the United States in a bipartisan way because as it now turns out, it may be possible through this amendment to find resources that, in fact, restore us to a situation we might have attained during our deliberations.

Let me follow through on many of the arguments the distinguished Senator from Illinois has made. Simply, the amendment generally prohibits taxpayer-provided crop insurance and farm program benefits on acreage which has not been cropped at least once in the last 5 years or 3 of the last 10 years from the time of the enactment of the farm bill.

Exceptions to this general prohibition are made for acreage idle in the Conservation Reserve Program. That has been a major objective of the committee and the Senate and for long-term crop rotations as determined by the Secretary of Agriculture.

The amendment does not change the structure of farm commodity programs as they have been designed in the underlying bill.

The bill would still have higher marketing loan rates, a new commodity-specific countercyclical payment program for major crops, and all the other commodity provisions we previously discussed.

As I mentioned earlier in the debate this afternoon, I will be offering an amendment tomorrow that will radically change the whole commodity payment system, but this amendment does not. It is benign with regard to everything that has preceded and should be debated on its own merits.

In this respect, the Durbin amendment offers much less commodity title reform than I would like, and I admitted as much as a preview of what may be coming. Nevertheless, it makes an attempt to lessen the overproduction problem that will surely only worsen if we approve the underlying farm bill without change.

The Congressional Budget Office has scored the Durbin amendment as saving \$1.4 billion over 10 years in the commodity title of the underlying farm bill, and that is not an immodest saving. I appreciate and support my colleague's proposal to improve the Food Stamp Program with the savings, and his allocation of that, it seems to me, is highly merited.

With the amendment, the Senate farm bill will now incorporate proposals I made originally and President Bush's budget proposal. It does both. The President and I are grateful to have found this partnership with Senator DURBIN and with our distinguished chairman, Senator HARKIN, as Senator DURBIN mentioned. These new rules restore the extension of regular food

stamp eligibility criteria to legal immigrants, and Senator DURBIN has stressed that, as I do.

A question has been raised in previous debates on food stamp eligibility, and let me be unambiguous. We are talking about legal immigrants who meet either a 5-year U.S. residency or 4-year work requirement. Those are fairly strong thresholds. Combining these with Senator HARKIN's proposal to extend eligibility to all immigrant children will improve the Food Stamp Program's capacity to serve the vulnerable, but we do not offer a free ride. The criteria I have illustrated again, as Senator DURBIN has, are substantial.

Currently, most legal aliens are ineligible for food stamp benefits even if they meet that program's strict asset and income criteria. An estimated 500,000 legal immigrants who meet the financial rules remain categorically ineligible under current law. In addition, these rules have had the unintended effect on citizen children living in immigrant families. Because of confusion, fear, or a combination of these factors, there has been a 70-percent decline in food stamp participation among this group of children. That is an awesome change as to children who clearly were eligible.

Although immigrant restrictions apply to participation in other Federal assistance programs, the Food Stamp Program has particularly strict rules. For example, in Medicaid and cash assistance, also known as TANF, legal immigrants in the United States before August 22, 1996, are eligible, at State option, under the same rules that apply to all others.

In contrast, most adult legal immigrants here before that date are categorically ineligible for food stamps until they meet the 10-year work requirement. Further, children who emigrated after 1996 remain ineligible until their parents meet the work requirements or become citizens.

Considering the fact many legal immigrants work in low-paying service jobs, they are among the first affected during economic downturns such as the one we are now enduring. The current immigrant work requirement thus penalizes those who have little or no control over their employment situation. The food stamp immigrant provisions that would result from the Durbin amendment do not open the door to those who come to the United States looking for a handout. Rather, they help children who are unable to support themselves, individuals who came to escape persecution in their native countries, and adults who have a documented work history or support from their U.S. sponsors.

There is genuine need among this population. Studies of both local and national scope indicate serious food insecurity and hunger occur. For example, the Physicians for Human Rights reported that among 700 immigrant families, adults in one-third of them skip meals; one-fourth cut meal size

due to inadequate resources; one-tenth reported not eating for an entire day at least once in the last 6 months.

States are vocal about the problems created by current eligibility restrictions for immigrants. Sixteen of them provide food stamp replacement benefits with their own funds. Many others, according to the National Conference of State Legislatures, have appropriated additional resources for food banks and a variety of charitable programs serving the immigrant population.

The Food Stamp Program is the foundation of our country's nutrition safety net for vulnerable people. Until 1996, eligibility was based only on a family's financial need. Many, including President Bush, now voice the opinion that the food stamp immigrant policies legislated at that time were too harsh. I congratulate the President for his advocacy and the publicity that has surrounded that. It was a high-profile advocacy.

I ask that each of us in the Senate endorse the Bush administration's food stamp policy by voting for Senator DURBIN's amendment, which the Senator has pointed out encompasses exactly the same goals. It is our opportunity, in a bipartisan way, hopefully in a unanimous way, to improve the capacity of the Food Stamp Program to operate as a genuine nutrition safety net for our country.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. CANTWELL). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent the order for the quorum call be dispensed with.

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

MORNING BUSINESS

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

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

JEAN MARIE NEAL

Ms. STABENOW. Madam President, I rise to invite Members and staff to join me and my staff as we celebrate and thank this evening, in the Mansfield Room, Jean Marie Neal, who has been my chief of staff for the last year, my first year in the Senate. While I understand the rules of the Senate do not allow me to acknowledge her presence in the gallery, I do want to indicate that I believe it is important to recognize the service of this wonderful woman who has spent 21 years in the service of the Congress, the majority of that in the Senate, working for Senator Dick Bryan.

It is important to note that when we have someone who is dedicated to the

Senate, to helping us achieve our goals, to be able to put forward those matters that allow us to represent our constituents and make our States and our country better places, that when that person decides to retire from their position and move on to other challenges, it is important that we recognize them and say thank you. That is what I want to make sure we are doing officially this evening in the RECORD of the Senate.

We have enjoyed in the last year the wonderful leadership of Jean Marie Neal in my office. As you know, I came from the House of Representatives and, while bringing some outstanding people with me, we had to put together a team of staff. It was under Jean Marie's leadership that we were able to find outstanding people who had been in service both in the Senate as well as in other places and who have come now to be a part of my office and my team.

As we come into our second year, we are building on a foundation and a gift that she gave me of putting together a wonderful team that is committed and intelligent and loyal and hard working. We in our office are going to miss her greatly, and we are very grateful for all of her hard work.

I know her previous employers, Senator Bryan and Congressman JOHN SPRATT, and all of those who have come in contact and have benefited from Jean Marie's intelligence and hard work and loyalty and ability to see and create a vision in terms of the office, as well as issues and advocacy for our States, are really happy for her.

Again, I invite anyone who is within earshot to come by until 7 o'clock this evening and join us to have an opportunity to celebrate Jean Marie's service to the Senate and to thank her for that and to wish her well as she moves on to, I am sure, many more successes.

AMERICA'S UNINSURED

Mr. SMITH of Oregon. Madam President, I come to the floor once again to talk about the uninsured in America. I think it is important that, as we sink our teeth into this year's budget, we remember the men, women, and children who live, work, and go to school every day without health insurance, knowing that any illness could threaten their livelihood and even their lives.

I have spent a great deal of time in recent months learning about the uninsured—who they are, why they have no health coverage, the effects on individuals and their families, and what can be done to resolve this crisis.

This year, the president's budget contains \$89 billion to help the uninsured. This is no small number, to be sure, and it demonstrates the president's commitment to providing health coverage for all Americans; however, this proposal is only projected to provide coverage for up to six million of the forty million uninsured—leaving thirty-four million men, women, and children without health insurance. There-

fore, I see the president's proposal as a starting point from which to make insurance both more accessible and more affordable for all working families.

Yesterday I pressed Office of Management and Budget Director Daniels to explain how the uninsured would fare under the president's new budget proposal. I also met with Centers for Medicare and Medicaid Services Administrator Tom Scully to urge him to assist in improving upon President Bush's proposal to provide health coverage to more low-income Americans.

In my visits to community health centers across Oregon, it has become clear to me that the uninsured—working mothers, fathers, children, single adults, students—are not interested in budget battles that may prevent action on this important matter. What Americans need is access to high quality, affordable health insurance. There are a lot of good ideas out there to help the uninsured, but no single proposal is going to help or please everybody. We need to take the best these plans have to offer and come up with a comprehensive solution as soon as possible.

There has never been a better, or more important, time to act with respect to the uninsured. I understand the demands on our treasury are great as we fight the war on terrorism both at home and abroad; however, the demands on our health care system are also increasing. With a recession and rapidly rising health care costs, more and more Americans will find themselves without health insurance. This is no time to ignore them. I look forward to working with my colleagues and the Administration to find a way to make room for as many of them as we can in this year's budget, as we work toward a day when every American has access to high quality health care coverage.

MENTAL HEALTH

Mr. DURBIN. Madam President, I submit for the RECORD an article that ran in The Washington Post yesterday about the discrimination that individuals with a history of mental illness face in our current health insurance market. The story documents the dilemma of Michelle Witte who was denied health insurance coverage because she was successfully treated for depression during her adolescence. In fact, more than 50 million Americans each year suffer from mental illness. About 19 percent of the Nation's adults and 21 percent of the youths aged 9 to 17 have a mental disorder at some time during a one-year period.

Last Congress I introduced legislation to address the barriers faced by Michelle Witte and thousands like her who have been treated for a mental condition. I plan to reintroduce this legislation this spring, and I urge my colleagues to join me in this effort.

The Mental Health Patients' Rights Act limits the ability of health plans

to redline individuals with a pre-existing mental health condition. I undertook this initiative when I learned that some of my constituents were being turned away from health plans in the private non-group market due solely to a past history of treatment for mental conditions. Unfortunately, under the current system of care in the United States, individuals who are undergoing treatment or have a history of treatment for mental illness may find it difficult to obtain private health insurance, especially if they must purchase it on their own and do not have an employer-sponsored group plan available to them. In part this is because while the Health Insurance Portability and Accountability Act, HIPAA, protects millions of Americans in the group health insurance market, it affords few protections for individuals who apply for private non-group insurance. While the majority of Americans under age 65 have employer-sponsored group coverage, a significant minority, approximately 12.6 million individuals, rely on private, individual health insurance.

The Mental Health Patients' Rights Act closes this loophole by limiting any preexisting condition exclusion relating to a mental health condition to not more than 12 months and reducing this exclusion period by the total amount of previous continuous coverage. It prohibits any health insurer that offers health coverage in the individual insurance market from imposing a preexisting condition exclusion relating to a mental health condition unless a diagnosis, medical advice or treatment was recommended or received within the 6 months prior to the enrollment date. And it prohibits health plans in the individual market from charging higher premiums to individuals based solely on the determination that the individual has had a preexisting mental health condition. These provisions apply to all health plans in the individual market, regardless of whether a state has enacted an alternative mechanism, such as a risk pool, to cover individuals with pre-existing health conditions.

The Mental Health Patients' Rights Act complements ongoing efforts to enhance parity between mental health services and other health benefits. This is because parity alone will not help individuals who do not have access to any affordable health insurance due to preexisting mental illness discrimination. The Patients' Rights Act does not mandate that insurers provide mental health services if they are not already offering such coverage. It simply prohibits plans in the private non-group market from redlining individuals who apply for general health insurance based solely on a past history of treatment for a mental condition.

I have also asked the General Accounting Office to examine the types of mental health conditions for which individual health insurers typically underwrite; the degree to which there is an actuarial basis for these carrier practices; the prevalence of medical

underwriting for mental health conditions that results in denying coverage or raising premiums; and the extent of state laws that prevent or constrain insurers from denying coverage or raising premiums due to a history of mental health conditions, including consumer protections such as appeals procedures and access to information. This report is due out next month.

It simply does not make sense that a person is rendered uninsurable for all health needs simply because he or she seeks treatment for mental illness. I invite my colleagues to enlist in this important initiative to ensure that such individuals are not discriminated against when applying for health insurance coverage.

I ask unanimous consent that the article be printed in the RECORD.

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

[From the Washington Post, Feb. 5, 2002]

SECOND OPINION: THE PERILS OF DOING RIGHT

(By Abigail Trafford)

Michelle Witte did everything right. She graduated from the University of Maryland last June with a degree in English. She got a job she loves with a Washington communications firm that is too small to qualify for a group health plan. But her employer will pay for an individual policy, so she applied to CareFirst BlueCross BlueShield. In answer to questions on the form, she stated that she has chronic asthma and had been prescribed antidepressant medication for a short period when she was in high school.

The health plan rejected her.

"Upon review of the Individual Health Evaluation Questionnaire, you have documented that you have been or are currently being treated for depressive disorder," stated the letter from the health plan. "Based upon our medical underwriting criteria, we are unable to approve this coverage for you."

"I just think it's shocking," said Witte, 23. CareFirst has refused to comment on the case. But in its official reply to her application, the plan expressed no concern over her ongoing problem of asthma. It was one episode of successfully treated depression in adolescence that turned Witte into a health plan pariah. "It didn't occur to me that it could be such a liability," she said.

This is how discrimination works against people with mental diseases. For all the rhetoric about removing the stigma of mental illness and treating disorders of the brain the same way as disorders of the body, the bias persists. A physical disease like asthma is okay; a mental disorder like depression is not.

If anything, Witte ought to be a prized health plan client. She has demonstrated that she knows how to take care of herself. Six years ago, when she was in high school, she developed anorexia, an eating disorder. Her parents promptly took her to a psychiatrist at Children's National Medical Center who diagnosed depression and prescribed a six-month course of the antidepressant Zoloft. Witte responded well. She overcame her eating problems. She has had no problems with depression since that time.

How many teenage girls try to keep their destructive eating habits secret? How many go for years without proper treatment? They can end up needing hospitalization and may suffer long-term complications. In the end, that is much more expensive to a health plan than covering outpatient psychotherapy and medications for six months.

In short, Witte and her parents—her father works for the federal government, her mother for a health maintenance organization—

did everything right in getting prompt treatment. "It was a success story," said Witte. "I'm a proponent of drugs when they're used properly. They can really help."

Why should she be penalized for being a success story?

It's legal for health insurers to consider a person's health status when they offer individual policies. Otherwise some people might not buy insurance until they were diagnosed with a major medical problem and needed coverage to get care.

But this is obviously not the case with Witte, a healthy young woman who runs regularly and likes to take day-long hikes. As a health insurance reject, she is eligible for programs designed for high-risk individuals, but the costs of coverage are generally higher and the benefits more limited compared to a regular plan. That's a steep price to pay for having had a six-month prescription for Zoloft.

In many parts of the country, the infrastructure of mental health services is unraveling. Headlines have rightly focused on the collapse of public programs for people who need government-funded treatment.

But a much larger population with mental disorders remains in the private sector. They are holding jobs and raising families. They rely on private insurance and private therapists for treatment. Support for them is eroding, too, as insurance agencies stint on payment for mental health services, managed care plans place limits on benefits, and the burden of co-payments and other out-of-pocket expenses continues to increase.

Even people with good jobs and supposedly good health coverage are hurting. One man who works for the federal government has been treated for major depression since his first episode at age 38. He has seen the same psychiatrist, who monitors his medications and provides psychotherapy, every week for 15 years.

This year his insurance plan has eliminated the more generous high-option policy that covered 50 visits to the doctor. His current plan, with a premium that is a few dollars cheaper every month, covers only 25 sessions. His psychiatrist charges \$165 an hour; the plan now covers about half the hourly fee, and only half the time. Bottom line: His doctor bills come to \$8,250 a year. His plan pays \$1,800; he pays the rest.

"It's not fair," he said, "it has to cost us so much money when there's supposed to be parity" in coverage of mental and physical illnesses. "Parity keeps slipping away."

The president last week came out in favor of patients' rights. That ought to include the millions of Americans with mental illness.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam 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 April 17, 1993 in Portland, ME. Two men assaulted a father and son they mistook for a gay couple. The assailants, James G. Miezyn, 23, of Parma, and Thomas J. Lengieza, 22, were charged with harassment and assault.

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 can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 3:26 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills:

S. 737. An act to designate the facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, as the "Joseph E. Dini, Jr. Post Office."

S. 970. An act to designate the facility of the United States Postal Service located at 39 Tremont Street, Paris Hill, Maine, as the "Horatio King Post Office Building."

S. 1026. An act to designate the United States Post Office located at 60 Third Avenue in Long Branch, New Jersey, as the "Pat King Post Office Building."

S. 1888. An act to amend title 18 of the United States Code to correct a technical error in the codification of title 36 of the United States Code.

The message also announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 577. An act to require any organization that is established for the purpose of raising funds for the creation of a Presidential archival depository to disclose the sources and amounts of any funds raised.

H.J. Res. 82. An act recognizing the 91st birthday of Ronald Reagan.

The message further announced that the House has disagreed to the amendment of the Senate to the bill, H.R. 2215, to authorize appropriations for the Department of Justice for fiscal year 2002, and for other purpose, and agrees to the conference asked by the Senate on the disagreeing votes of the two House thereon; and appoints the following Members as the managers of the conference on the part of the House:

From the Committee on the Judiciary, for consideration of the House bill and the Senate amendment, and modifications committed to conference: Mr. SENSENBRENNER, Mr. HYDE, Mr. GEKAS,

Mr. COBLE, Mr. SMITH of Texas, Mr. GALLEGLY, Mr. CONYERS, Mr. FRANK, Mr. SCOTT, and Ms. BALDWIN: Provided, That Mr. BERMAN is appointed in lieu of Ms. BALDWIN for consideration of section 312 of the Senate amendment, and modifications committed to conference.

From the Committee on Energy and Commerce, for consideration of sections 2203-6, 22-8, 2210, 2801, 2901-2911, 2951, 4005, and title VIII of the Senate amendment, and modifications committed to conference: Mr. TAUZIN, Mr. BILIRAKIS, and Mr. DINGELL.

From the Committee on Education and the Workforce, for consideration of sections 2207, 2301, 2302, 2311, 2321-4, and 2331-4 of the Senate amendment, and modifications committed to conference: Mr. HOEKSTRA, Mr. CASTLE, and Mr. GEORGE MILLER of California.

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 577. An act to require any organization that is established for the purpose of raising funds for the creation of a Presidential archival depository to disclose the sources and amounts of any funds raised; to the Committee on Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BINGAMAN, from the Committee on Energy and Natural Resources:

Special Report entitled "History, Jurisdiction, and a Summary of Activities of the Committee on Energy and Natural Resources during the 106th Congress" (Rept. No. 107-135).

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. VOINOVICH:

S. 1913. A bill to amend title 5, United States Code, to establish an exchange program between the Federal government and the private sector to develop expertise in information technology management, and for other purposes; to the Committee on Governmental Affairs.

ADDITIONAL COSPONSORS

S. 237

At the request of Mr. HUTCHINSON, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 237, a bill to amend the Internal Revenue Code of 1986 to repeal the 1993 income tax increase on Social Security benefits.

S. 595

At the request of Mr. WELLSTONE, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 595, a bill to amend the Public

Health Service Act, Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to provide for nondiscriminatory coverage for substance abuse treatment services under private group and individual health coverage.

S. 677

At the request of Mr. HATCH, the names of the Senator from Oklahoma (Mr. INHOFE) and the Senator from Wyoming (Mr. ENZI) were added as cosponsors of S. 677, a bill to amend the Internal Revenue Code of 1986 to repeal the required use of certain principal repayments on mortgage subsidy bond financing to redeem bonds, to modify the purchase price limitation under mortgage subsidy bond rules based on median family income, and for other purposes.

S. 806

At the request of Mr. HUTCHINSON, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 806, a bill to guarantee the right of individuals to receive full social security benefits under title II of the Social Security Act with an accurate annual cost-of-living adjustment.

S. 999

At the request of Mr. BINGAMAN, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 999, a bill to amend title 10, United States Code, to provide for a Korea Defense Service Medal to be issued to members of the Armed Forces who participated in operations in Korea after the end of the Korean War.

S. 1107

At the request of Mr. HARKIN, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1107, a bill to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes.

S. 1209

At the request of Mr. BINGAMAN, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 1209, 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. 1210

At the request of Mr. CAMPBELL, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 1210, a bill to reauthorize the Native American Housing Assistance and Self-Determination Act of 1996.

S. 1248

At the request of Mr. KERRY, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 1248, a bill to establish a National Housing Trust Fund in the Treasury of the United States to provide for the development of decent, safe, and affordable, housing for low-income families, and for other purposes.

S. 1278

At the request of Mrs. LINCOLN, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1278, a bill to amend the Internal Revenue Code of 1986 to allow a United States independent film and television production wage credit.

S. 1476

At the request of Mr. CLELAND, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 1476, a bill to authorize the President to award a gold medal on behalf of the Congress to Reverend Doctor Martin Luther King, Jr. (posthumously) and his widow Coretta Scott King in recognition of their contributions to the Nation on behalf of the civil rights movement.

S. 1482

At the request of Mr. HARKIN, the name of the Senator from Mississippi (Mr. COCHRAN) 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. 1605

At the request of Mr. CONRAD, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1605, a bill to amend title XVIII of the Social Security Act to provide for payment under the Medicare Program for four hemodialysis treatments per week for certain patients, to provide for an increased update in the composite payment rate for dialysis treatments, and for other purposes.

S. 1677

At the request of Mr. BINGAMAN, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 1677, a bill to amend title I of the Employee Retirement Income Security Act of 1974 to create a safe harbor for retirement plan sponsors in the designation and monitoring of investment advisers for workers managing their retirement income assets.

S. 1749

At the request of Mr. KENNEDY, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 1749, a bill to enhance the border security of the United States, and for other purposes.

S. 1761

At the request of Mr. DORGAN, the names of the Senator from Louisiana (Ms. LANDRIEU) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 1761, a bill to amend title XVIII of the Social Security Act to provide for coverage of cholesterol and blood lipid screening under the medicare program.

S. RES. 109

At the request of Mr. REID, the names of the Senator from Texas (Mrs. HUTCHISON) and the Senator from Illinois (Mr. DURBIN) 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. CON. RES. 11

At the request of Mrs. FEINSTEIN, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. Con. Res. 11, a concurrent resolution expressing the sense of Congress to fully use the powers of the Federal Government to enhance the science base required to more fully develop the field of health promotion and disease prevention, and to explore how strategies can be developed to integrate lifestyle improvement programs into national policy, our health care system, schools, workplaces, families and communities.

AMENDMENT NO. 2533

At the request of Mr. CRAPO, the names of the Senator from Wyoming (Mr. ENZI) and the Senator from Montana (Mr. BURNS) were added as cosponsors of amendment No. 2533 intended to be proposed to S. 1731, an original bill to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

AMENDMENT NO. 2573

At the request of Mr. BINGAMAN, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of amendment No. 2573.

AMENDMENT NO. 2727

At the request of Mr. ROCKEFELLER, the names of the Senator from Virginia (Mr. ALLEN), the Senator from Virginia (Mr. WARNER), the Senator from Maine (Ms. SNOWE), the Senator from Oregon (Mr. SMITH), the Senator from New York (Mr. SCHUMER), the Senator from Nevada (Mr. ENSIGN), the Senator from Utah (Mr. BENNETT), the Senator from New York (Mrs. CLINTON), and the Senator from Oregon (Mr. WYDEN) were added as cosponsors of amendment No. 2727 intended to be 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. 2776

At the request of Mr. HUTCHINSON, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of amendment No. 2776 intended to be proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2814. Mr. BOND submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY 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; which was ordered to lie on the table.

SA 2815. Mr. BOND submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2816. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2817. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2818. Mr. DEWINE (for himself, Ms. COLLINS, Mr. CLELAND, Mrs. CARNAHAN, Mr. THURMOND, Mr. MILLER, Mr. HELMS, and Mr. MCCAIN) 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 2819. Mr. DASCHLE proposed an amendment to the bill H.R. 622, supra.

SA 2820. Mr. LEVIN (for Mr. DASCHLE) proposed an amendment to the bill H.R. 622, supra.

SA 2821. Mr. DURBIN (for himself, Mr. LUGAR, Mr. BINGAMAN, Mr. DOMENICI, Mr. GRAHAM, Mr. WELLSTONE, Mr. KERRY, and Mr. SMITH, of Oregon) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

SA 2822. Mr. HELMS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2823. Mr. REID (for Ms. LANDRIEU) proposed an amendment to the bill H.R. 586, to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies, and for other purposes.

SA 2824. Mr. REID (for Mr. KENNEDY (for himself and Mr. FRIST)) proposed an amendment to the bill S. 1274, to amend the Public Health Service Act to provide programs for the prevention, treatment, and rehabilitation of stroke.

SA 2825. Mr. INHOFE submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2814. Mr. BOND submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY 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; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ____ . MODIFICATION OF UNRELATED BUSINESS INCOME LIMITATION ON INVESTMENT IN CERTAIN DEBT-FINANCED PROPERTIES.

(a) IN GENERAL.—Section 514(c)(6) of the Internal Revenue Code of 1986 (relating to acquisition indebtedness) is amended—

(1) by striking “include an obligation” and inserting “include—

“(A) an obligation”,

(2) by striking the period at the end and inserting “, or”, and

(3) by adding at the end the following:

“(B) indebtedness incurred by a small business investment company licensed under the Small Business Investment Act of 1958 which is evidenced by a debenture—

“(i) issued by such company under section 303(a) of such Act, or

“(ii) held or guaranteed by the Small Business Administration.”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to acquisitions made on or after the date of the enactment of this Act.

SA 2815. Mr. BOND submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY 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; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ____ . TREATMENT OF CERTAIN INDIVIDUALS PERFORMING SERVICES IN CERTAIN HAZARDOUS DUTY AREAS.

(a) GENERAL RULE.—For purposes of the following provisions of the Internal Revenue Code of 1986, a qualified hazardous duty area shall be treated in the same manner as if it were a combat zone (as determined under section 112 of such Code):

(1) Section 2(a)(3) (relating to special rule where deceased spouse was in missing status).

(2) Section 112 (relating to the exclusion of certain combat pay of members of the Armed Forces).

(3) Section 692 (relating to income taxes of members of Armed Forces and victims of certain terrorist attacks on death).

(4) Section 2201 (relating to combat zone-related deaths of members of the Armed Forces and deaths of victims of certain terrorist attacks).

(5) Section 3401(a)(1) (defining wages relating to combat pay for members of the Armed Forces).

(6) Section 4253(d) (relating to the taxation of phone service originating from a combat zone from members of the Armed Forces).

(7) Section 6013(f)(1) (relating to joint return where individual is in missing status).

(8) Section 7508 (relating to time for performing certain acts postponed by reason of service in combat zone).

(b) QUALIFIED HAZARDOUS DUTY AREA.—For purposes of this section, the term “qualified hazardous duty area” means Somalia, if for the period beginning on December 3, 1992, and ending before March 31, 1995, any member of the Armed Forces of the United States was entitled to special pay under section 310 of title 37, United States Code (relating to special pay; duty subject to hostile fire or imminent danger) for services performed in such country. Such term includes such country only during the period such entitlement was in effect.

(c) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The provisions of this section shall take effect on the date of the enactment of this Act.

(2) SPECIAL RULE.—If refund or credit of any overpayment of tax resulting from the

application of this section is prevented at any time on or before April 15, 2003, by the operation of any law or rule of law (including res judicata), refund or credit of such overpayment (to the extent attributable to the application of this section) may, nevertheless, be made or allowed if claim therefor is filed on or before April 15, 2003.

SA 2816. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY 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; which was ordered to lie on the table; as follows:

At the end of subtitle A of title VI of the amendment, add the following:

SEC. ____ . ADDITIONAL REQUIREMENTS TO ENSURE GREATER USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Not later than February 1, 2002, the Secretary of the Treasury by regulation shall require—

(1) each employer of an employee who the employer determines receives wages in an amount which indicates that such employee would be eligible for the earned income credit under section 32 of the Internal Revenue Code of 1986 to provide such employee with a simplified application for an earned income eligibility certificate, and

(2) require each employee wishing to receive the earned income tax credit to complete and return the application to the employer within 30 days of receipt.

Such regulations shall require an employer to provide such an application within 30 days of the hiring date of an employee and at least annually thereafter. Such regulations shall further provide that, upon receipt of a completed form, an employer shall provide for the advance payment of the earned income credit as provided under section 3507 of the Internal Revenue Code of 1986.

SEC. ____ . EXTENSION OF ADVANCE PAYMENT OF EARNED INCOME CREDIT TO ALL ELIGIBLE TAXPAYERS.

(a) IN GENERAL.—Section 3507(b) of the Internal Revenue Code of 1986 (relating to earned income eligibility certificate) is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 3507(c)(2)(B) of the Internal Revenue Code of 1986 is amended by inserting “has 1 or more qualifying children and” before “is not married.”.

(2) Section 3507(c)(2)(C) of such Code is amended by striking “the employee” and inserting “an employee with 1 or more qualifying children”.

(3) Section 3507(f) of such Code is amended by striking “who have 1 or more qualifying children and”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. ____ . TEMPORARY EXPANSION OF PENALTY-FREE RETIREMENT PLAN DISTRIBUTIONS FOR HEALTH INSURANCE PREMIUMS OF UNEMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Subparagraph (D) of section 72(b)(2) is amended by adding at the end the following new clause:

“(iv) SPECIAL RULES FOR INDIVIDUALS RECEIVING UNEMPLOYMENT COMPENSATION AFTER SEPTEMBER 10, 2001, AND BEFORE JANUARY 1, 2003.—In the case of an individual who receives unemployment compensation for 4 consecutive weeks after September 10, 2001, and before January 1, 2003—

“(I) clause (i) shall apply to distributions from all qualified retirement plans (as defined in section 4974(c)), and

“(II) such 4 consecutive weeks shall be substituted for the 12 consecutive weeks referred to in subclause (I) of clause (i).”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions after the date of the enactment of this division.

SEC. ____ . INCREASE IN CHILD TAX CREDIT.

(a) IN GENERAL.—The table contained in section 24(a)(2) (relating to per child amount) is amended by striking all matter preceding the second item and inserting the following:

“In the case of any taxable year beginning in—	“The per child amount is—
2001	\$1,000
2002, 2003, or 2004	600”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. ____ . TEMPORARY INCREASE IN DEDUCTION FOR CAPITAL LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.

(a) IN GENERAL.—Subsection (b) of section 1211 (relating to limitation on capital losses for taxpayers other than corporations) is amended by adding at the end the following flush sentence:

“Paragraph (1) shall be applied by substituting ‘\$5,000’ for ‘\$3,000’ and ‘\$2,500’ for ‘\$1,500’ in the case of taxable years beginning in 2001 or 2002.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

SEC. ____ . NONREFUNDABLE CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to non-refundable personal credits) is amended by inserting after section 25B the following new section:

“SEC. 25C. CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

“(a) ALLOWANCE OF CREDIT.—In the case of an individual who maintains a household which includes as a member one or more qualifying students (as defined in subsection (b)(1)), there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified elementary and secondary education expenses with respect to such students which are paid or incurred by the taxpayer during such taxable year.

“(b) DOLLAR LIMIT ON AMOUNT CREDITABLE.—The amount of qualified elementary and secondary education expenses paid or incurred during any taxable year which may be taken into account under subsection (a) shall not exceed \$500.

“(c) QUALIFYING STUDENT.—For purposes of this section, the term “qualifying student” means a dependent of the taxpayer (within the meaning of section 152) who is enrolled in school on a full-time basis.

“(d) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—For purposes of this section—

“(1) IN GENERAL.—The term ‘qualified elementary and secondary education expenses’ means computer technology or equipment expenses.

“(2) COMPUTER TECHNOLOGY OR EQUIPMENT.—The term ‘computer technology or equipment’ has the meaning given such term by section 170(e)(6)(F)(i) and includes Internet access and related services and computer software if such software is predominately educational in nature.

“(e) SCHOOL.—For purposes of this section, the term ‘school’ means any public, charter, private, religious, or home school which provides elementary education or secondary education (through grade 12), as determined under State law.

“(f) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any contribution for which credit is allowed under this section.

“(g) ELECTION TO HAVE CREDIT NOT APPLY.—A taxpayer may elect to have this section not apply for any taxable year.

“(h) TERMINATION.—This section shall not apply to expenses paid or incurred after the date which is 90 days after the date of the enactment of this section.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 24(b)(3)(B), as added and amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking “23 and 25B” and inserting “23, 25B, and 25C”.

(2) Section 25(e)(1)(C) is amended by striking “23 and 1400C” and by inserting “23, 25C, and 1400C”.

(3) Section 25(e)(1)(C), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by inserting “25C,” after “25B.”.

(4) Section 25B, as added by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking “section 23” and inserting “sections 23 and 25C”.

(5) Section 26(a)(1), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking “and 25B” and inserting “25B, and 25C”.

(6) Section 1400C(d) is amended by inserting “and section 25C” after “this section”.

(7) Section 1400C(d), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking “and 25B” and inserting “25B, and 25C”.

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

“Sec. 25C. Credit for elementary and secondary school expenses.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this division.

SA 2817. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY 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; which was ordered to lie on the table; as follows:

Add at the end of subtitle A of title VI of the amendment, add the following:

SEC. ____. **ADDITIONAL REQUIREMENTS TO ENSURE GREATER USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.**

Not later than February 1, 2002, the Secretary of the Treasury by regulation shall require—

(1) each employer of an employee who the employer determines receives wages in an amount which indicates that such employee would be eligible for the earned income credit under section 32 of the Internal Revenue Code of 1986 to provide such employee with a simplified application for an earned income eligibility certificate, and

(2) require each employee wishing to receive the earned income tax credit to complete and return the application to the employer within 30 days of receipt. Such regulations shall require an employer to provide such an application within 30 days

of the hiring date of an employee and at least annually thereafter. Such regulations shall further provide that, upon receipt of a completed form, an employer shall provide for the advance payment of the earned income credit as provided under section 3507 of the Internal Revenue Code of 1986.

SEC. ____. **EXTENSION OF ADVANCE PAYMENT OF EARNED INCOME CREDIT TO ALL ELIGIBLE TAXPAYERS.**

(a) IN GENERAL.—Section 3507(b) of the Internal Revenue Code of 1986 (relating to earned income eligibility certificate) is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 3507(c)(2)(B) of the Internal Revenue Code of 1986 is amended by inserting “has 1 or more qualifying children and” before “is not married.”.

(2) Section 3507(c)(2)(C) of such Code is amended by striking “the employee” and inserting “an employee with 1 or more qualifying children”.

(3) Section 3507(f) of such Code is amended by striking “who have 1 or more qualifying children and”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2818. Mr. DEWINE (for himself, Ms. COLLINS, Mr. CLELAND, Mrs. CARNAHAM, Mr. THURMOND, Mr. MILLER, Mr. HELMS, and Mr. MCCAIN) 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:

TITLE ____—RELIEF FOR RESERVE COMPONENT PERSONNEL

SEC. ____. **01. DEDUCTION OF CERTAIN EXPENSES OF MEMBERS OF THE RESERVE COMPONENT.**

(a) DEDUCTION ALLOWED.—Section 162 of the Internal Revenue Code of 1986 (relating to certain trade or business expenses) is amended by redesignating subsection (p) as subsection (q) and inserting after subsection (o) the following new subsection:

“(p) TREATMENT OF EXPENSES OF MEMBERS OF RESERVE COMPONENT OF ARMED FORCES OF THE UNITED STATES.—For purposes of subsection (a), in the case of an individual who performs services as a member of a reserve component of the Armed Forces of the United States at any time during the taxable year, such individual shall be deemed to be away from home in the pursuit of a trade or business during any period for which such individual is away from home in connection with such service.”.

(b) DEDUCTION ALLOWED WHETHER OR NOT TAXPAYER ELECTS TO ITEMIZE.—Section 62(a)(2) of the Internal Revenue Code of 1986 (relating to certain trade and business deductions of employees) is amended by adding at the end the following new subparagraph:

“(D) CERTAIN EXPENSES OF MEMBERS OF RESERVE COMPONENTS OF THE ARMED FORCES OF THE UNITED STATES.—The deductions allowed by section 162 which consist of expenses paid or incurred by the taxpayer in connection with the performance of services by such taxpayer as a member of a reserve component of the Armed Forces of the United States.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2001.

SEC. ____. **02. CREDIT FOR EMPLOYMENT OF RESERVE COMPONENT PERSONNEL.**

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business-related credits) is amended by adding at the end the following new section:

“SEC. 45G. RESERVE COMPONENT EMPLOYMENT CREDIT.”

“(a) GENERAL RULE.—For purposes of section 38, the reserve component employment credit determined under this section is an amount equal to the sum of—

“(1) the employment credit with respect to all qualified employees of the taxpayer, plus

“(2) the self-employment credit of a qualified self-employed taxpayer.

“(b) EMPLOYMENT CREDIT.—For purposes of this section—

“(1) IN GENERAL.—The employment credit with respect to a qualified employee of the taxpayer for any taxable year is equal to 50 percent of the amount of qualified compensation that would have been paid to the employee with respect to all periods during which the employee participates in qualified reserve component duty to the exclusion of normal employment duties, including time spent in a travel status had the employee not been participating in qualified reserve component duty. The employment credit, with respect to all qualified employees, is equal to the sum of the employment credits for each qualified employee under this subsection.

“(2) QUALIFIED COMPENSATION.—When used with respect to the compensation paid or that would have been paid to a qualified employee for any period during which the employee participates in qualified reserve component duty, the term ‘qualified compensation’ means compensation—

“(A) which is normally contingent on the employee’s presence for work and which would be deductible from the taxpayer’s gross income under section 162(a)(1) if the employee were present and receiving such compensation, and

“(B) which is not characterized by the taxpayer as vacation or holiday pay, or as sick leave or pay, or as any other form of pay for a nonspecific leave of absence, and with respect to which the number of days the employee participates in qualified reserve component duty does not result in any reduction in the amount of vacation time, sick leave, or other nonspecific leave previously credited to or earned by the employee.

“(3) QUALIFIED EMPLOYEE.—The term ‘qualified employee’ means a person who—

“(A) has been an employee of the taxpayer for the 21-day period immediately preceding the period during which the employee participates in qualified reserve component duty, and

“(B) is a member of the Ready Reserve of a reserve component of an Armed Force of the United States as defined in sections 10142 and 10101 of title 10, United States Code.

“(c) SELF-EMPLOYMENT CREDIT.—

“(1) IN GENERAL.—The self-employment credit of a qualified self-employed taxpayer for any taxable year is equal to 50 percent of the excess, if any, of—

“(A) the self-employed taxpayer’s average daily self-employment income for the taxable year over

“(B) the average daily military pay and allowances received by the taxpayer during the taxable year, while participating in qualified reserve component duty to the exclusion of the taxpayer’s normal self-employment duties for the number of days the taxpayer participates in qualified reserve component duty during the taxable year, including time spent in a travel status.

“(2) AVERAGE DAILY SELF-EMPLOYMENT INCOME AND AVERAGE DAILY MILITARY PAY AND

ALLOWANCES.—As used with respect to a self-employed taxpayer—

“(A) the term ‘average daily self-employment income’ means the self-employment income (as defined in section 1402) of the taxpayer for the taxable year divided by the difference between—

“(i) 365, and

“(ii) the number of days the taxpayer participates in qualified reserve component duty during the taxable year, including time spent in a travel status, and

“(B) the term ‘average daily military pay and allowances’ means—

“(i) the amount paid to the taxpayer during the taxable year as military pay and allowances on account of the taxpayer's participation in qualified reserve component duty, divided by

“(ii) the total number of days the taxpayer participates in qualified reserve component duty, including time spent in travel status.

“(3) QUALIFIED SELF-EMPLOYED TAXPAYER.—The term ‘qualified self-employed taxpayer’ means a taxpayer who—

“(A) has net earnings from self-employment (as defined in section 1402) for the taxable year, and

“(B) is a member of the Ready Reserve of a reserve component of an Armed Force of the United States.

“(d) CREDIT IN ADDITION TO DEDUCTION.—The employment credit provided in this section is in addition to any deduction otherwise allowable with respect to compensation actually paid to a qualified employee during any period the employee participates in qualified reserve component duty to the exclusion of normal employment duties.

“(e) LIMITATIONS.—

“(1) MAXIMUM CREDIT.—

“(A) IN GENERAL.—The credit allowed by subsection (a) for the taxable year—

“(i) shall not exceed \$7,500 in the aggregate, and

“(ii) shall not exceed \$2,000 with respect to each qualified employee.

“(B) CONTROLLED GROUPS.—For purposes of applying the limitations in subparagraph (A)—

“(i) all members of a controlled group shall be treated as one taxpayer, and

“(ii) such limitations shall be allocated among the members of such group in such manner as the Secretary may prescribe.

For purposes of this subparagraph, all persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as members of a controlled group.

“(2) DISALLOWANCE FOR FAILURE TO COMPLY WITH EMPLOYMENT OR REEMPLOYMENT RIGHTS OF MEMBERS OF THE RESERVE COMPONENTS OF THE ARMED FORCES OF THE UNITED STATES.—No credit shall be allowed under subsection (a) to a taxpayer for—

“(A) any taxable year in which the taxpayer is under a final order, judgment, or other process issued or required by a district court of the United States under section 4323 of title 38 of the United States Code with respect to a violation of chapter 43 of such title, and

“(B) the two succeeding taxable years.

“(3) DISALLOWANCE WITH RESPECT TO PERSONS ORDERED TO ACTIVE DUTY FOR TRAINING.—No credit shall be allowed under subsection (a) to a taxpayer with respect to any period for which the person on whose behalf the credit would otherwise be allowable is called or ordered to active duty for any of the following types of duty:

“(A) active duty for training under any provision of title 10, United States Code,

“(B) training at encampments, maneuvers, outdoor target practice, or other exercises under chapter 5 of title 32, United States Code, or

“(C) full-time National Guard duty, as defined in section 101(d)(5) of title 10, United States Code.

“(f) GENERAL DEFINITIONS AND SPECIAL RULES.—

“(1) MILITARY PAY AND ALLOWANCES.—The term ‘military pay’ means pay as that term is defined in section 101(21) of title 37, United States Code, and the term ‘allowances’ means the allowances payable to a member of the Armed Forces of the United States under chapter 7 of that title.

“(2) QUALIFIED RESERVE COMPONENT DUTY.—The term ‘qualified reserve component duty’ includes only active duty performed, as designated in the reservist's military orders, in support of a contingency operation as defined in section 101(a)(13) of title 10, United States Code.

“(3) NORMAL EMPLOYMENT AND SELF-EMPLOYMENT DUTIES.—A person shall be deemed to be participating in qualified reserve component duty to the exclusion of normal employment or self-employment duties if the person does not engage in or undertake any substantial activity related to the person's normal employment or self-employment duties while participating in qualified reserve component duty unless in an authorized leave status or other authorized absence from military duties. If a person engages in or undertakes any substantial activity related to the person's normal employment or self-employment duties at any time while participating in a period of qualified reserve component duty, unless during a period of authorized leave or other authorized absence from military duties, the person shall be deemed to have engaged in or undertaken such activity for the entire period of qualified reserve component duty.

“(4) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (c), (d), and (e) of section 52 shall apply for purposes of this section.”

(b) CONFORMING AMENDMENT.—Section 38(b) of the Internal Revenue Code of 1986 (relating to general business credit) is amended—

(1) by striking “plus” at the end of paragraph (14),

(2) by striking the period at the end of paragraph (15) and inserting “, plus”, and

(3) by adding at the end the following new paragraph:

“(16) the reserve component employment credit determined under section 45G(a).”

(c) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 45F the following new item:

“Sec. 45G. Reserve component employment credit.”

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2819. Mr. DASCHLE 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:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Temporary Extended Unemployment Compensation Act of 2002”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Federal-State agreements.

Sec. 3. Temporary extended unemployment compensation account.

Sec. 4. Payments to States having agreements under this Act.

Sec. 5. Financing provisions.

Sec. 6. Fraud and overpayments.

Sec. 7. Definitions.

Sec. 8. Applicability.

SEC. 2. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (in this Act referred to as the “Secretary”). Any State which is a party to an agreement under this Act 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 State agency of the State will make payments of temporary extended unemployment compensation to individuals—

(1) who—

(A) first exhausted all rights to regular compensation under the State law on or after the first day of the week that includes September 11, 2001; or

(B) have their 26th week of regular compensation under the State law end on or after the first day of the week that includes September 11, 2001;

(2) who do not have any rights to regular compensation under the State law of any other State; and

(3) who are not receiving compensation under the unemployment compensation law of any other country.

(c) COORDINATION RULES.—

(1) TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION TO SERVE AS SECOND-TIER BENEFITS.—Notwithstanding any other provision of law, neither regular compensation, extended compensation, nor additional compensation under any Federal or State law shall be payable to any individual for any week for which temporary extended unemployment compensation is payable to such individual.

(2) TREATMENT OF OTHER UNEMPLOYMENT COMPENSATION.—After the date on which a State enters into an agreement under this Act, any regular compensation in excess of 26 weeks, 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 extended unemployment compensation under the agreement.

(d) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual 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 the individual has received all regular compensation available to the individual based 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.

(e) WEEKLY BENEFIT AMOUNT, TERMS AND CONDITIONS, ETC. RELATING TO TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.—For purposes of any agreement under this Act—

(1) the amount of temporary extended unemployment compensation which shall be payable to an individual for any week of total unemployment shall be equal to the amount of regular compensation (including dependents' allowances) payable to such individual under the State law for a week for total unemployment during such individual's benefit year;

(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 where inconsistent with the provisions of this Act or with the regulations or operating instructions of the Secretary promulgated to carry out this Act; 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 3 shall not exceed the amount established in such account for such individual.

SEC. 3. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to 13 times the individual's weekly benefit amount.

(2) WEEKLY BENEFIT AMOUNT.—For purposes of paragraph (1)(B), an individual's weekly benefit amount for any week is an amount equal to the amount of regular compensation (including dependents' allowances) under the State law payable to the individual for such week for total unemployment.

SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS UNDER THIS ACT.

(a) GENERAL RULE.—There shall be paid to each State that has entered into an agreement under this Act an amount equal to 100 percent of the temporary extended 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 State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar 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 may be agreed upon by the Secretary and the State agency of the State involved.

(c) ADMINISTRATIVE EXPENSES.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this Act.

SEC. 5. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds 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(a) of such Act (42 U.S.C. 1104(a))) shall be used, in accordance with subsection (b), for the making of payments (described in section 4(a)) to States having agreements entered into under this Act.

(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 4(a) which are payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification by transfers from the extended unemployment compensation account, as so established (or, to the extent 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. 6. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received any temporary extended unemployment compensation under this Act to which such individual was not entitled, such individual—

(1) shall be ineligible for any further benefits under this Act 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) REPAYMENT.—In the case of individuals who have received any temporary extended unemployment compensation under this Act to which such individuals were not entitled, the State shall require such individuals to repay those benefits to the State agency, except that the State agency 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.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any regular compensation or temporary extended unemployment compensation payable to such individual under this Act 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 individuals received the payment of the temporary extended unemployment compensation to which such individuals were not entitled, except that no single deduction may exceed 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 fair hearing has 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. 7. DEFINITIONS.

In this Act, the terms "compensation", "regular compensation", "extended compensation", "additional 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 (26 U.S.C. 3304 note).

SEC. 8. APPLICABILITY.

An agreement entered into under this Act shall apply to weeks of unemployment—

- (1) beginning after the date on which such agreement is entered into; and
- (2) ending before January 6, 2003.

SA 2820. Mr. LEVIN (for Mr. DASCHLE) 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:

Amend the title as to read:

"A bill to provide for temporary unemployment compensation."

SA 2821. Mr. DURBIN (for himself, Mr. LUGAR, Mr. BINGAMAN, Mr. DOMENICI, Mr. GRAHAM, Mr. WELLSTONE, Mr. KERRY, and Mr. SMITH of Oregon) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

On page 128, line 8, strike the period at the end and insert a period and the following:

SEC. 166. RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND; FOOD STAMP PROGRAM FOR CERTAIN QUALIFIED ALIENS.

(a) RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND.—Section 194 of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104-127; 110 Stat. 945) is amended to read as follows:

"SEC. 194. RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND.

"(a) DEFINITION OF AGRICULTURAL COMMODITY.—In this section:

"(1) IN GENERAL.—The term 'agricultural commodity' has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

"(2) EXCLUSIONS.—The term 'agricultural commodity' does not include forage, livestock, timber, forest products, or hay.

"(b) COMMODITIES.—

"(1) IN GENERAL.—Notwithstanding any other provision of this title, except as provided in paragraph (2), the Secretary shall not provide a crop payment, crop loan, or other crop benefit under this title to an owner or producer, with respect to an agricultural commodity produced on land during a crop year unless the land has been planted, considered planted, or devoted to an agricultural commodity during—

"(A) at least 1 of the 5 crop years preceding the 2002 crop year; or

"(B) at least 3 of the 10 crop years preceding the 2002 crop year.

"(2) CROP ROTATION.—Paragraph (1) shall not apply to an owner or producer, with respect to any agricultural commodity planted or considered planted, on land if the land—

"(A) has been planted, considered planted, or devoted to an agricultural commodity during at least 1 of the 20 crop years preceding the 2002 crop year; and

“(B) has been maintained, and will continue to be maintained, using long-term crop rotation practices, as determined by the Secretary.

“(C) CROP INSURANCE.—Notwithstanding any provision of the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), the Federal Crop Insurance Corporation shall not pay premium subsidies or administrative costs of a reinsured company for insurance regarding a crop insurance policy of a producer under that Act unless the land that is covered by the insurance policy for an agricultural commodity—

“(1) has been planted, considered planted, or devoted to an agricultural commodity during—

“(A) at least 1 of the 5 crop years preceding the 2002 crop year; or

“(B) at least 3 of the 10 crop years preceding the 2002 crop year; or

“(2)(A) has been planted, considered planted, or devoted to an agricultural commodity during at least 1 of the 20 crop years preceding the 2002 crop year; and

“(B) has been maintained, and will continue to be maintained, using long-term crop rotation practices, as determined by the Secretary.

“(D) CONSERVATION RESERVE LAND.—For purposes of this section, land that is enrolled in the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) shall be considered planted to an agricultural commodity.

“(E) LAND UNDER THE JURISDICTION OF AN INDIAN TRIBE.—For purposes of this section, land that is under the jurisdiction of an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)) shall be considered planted to an agricultural commodity if—

“(1) the land is planted to an agricultural commodity after the date of enactment of this subsection as part of an irrigation project that—

“(A) is authorized by the Bureau of Reclamation or the Bureau of Indian Affairs; and

“(B) is under construction prior to the date of enactment of this subsection; or

“(2) the land becomes available for planting because of a settlement or statutory authorization of a water rights claim by an Indian tribe after the date of enactment of this subsection.”.

(B) PARTIAL RESTORATION OF BENEFITS TO LEGAL IMMIGRANTS.—Section 403(c)(2)(L) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613(c)(2)(L)) (as amended by section 452(a)(2)(A)) is amended by inserting “provided to individuals under the age of 18” after “benefits”.

(C) FOOD STAMP EXCEPTION FOR CERTAIN QUALIFIED ALIENS.—

(1) IN GENERAL.—Section 402(a)(2) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)) (as amended by section 452(c)(2)) is amended by adding at the end the following:

“(M) FOOD STAMP EXCEPTION FOR CERTAIN QUALIFIED ALIENS.—With respect to eligibility for benefits for the specified Federal program described in paragraph (3)(B), paragraph (1) shall not apply to any individual who has continuously resided in the United States as a qualified alien for a period of 5 years or more beginning on the date on which the qualified alien entered the United States.”.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect on April 1, 2003.

SA 2822. Mr. HELMS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 945, strike lines 6 and 7 and insert the following:

SEC. 1024. DEFINITION OF ANIMAL UNDER THE ANIMAL WELFARE ACT.

Section 2(g) of the Animal Welfare Act (7 U.S.C. 2132(g)) is amended by striking “excludes horses not used for research purposes and” and inserting the following:

“excludes birds, rats of the genus *Rattus*, and mice of the genus *Mus* bred for use in research, horses not used for research purposes, and”.

SEC. 1025. PENALTIES AND FOREIGN COMMERCE PROVISIONS OF THE ANIMAL WELFARE ACT.

SA 2823. Mr. REID (for Ms. LANDRIEU) proposed an amendment to the bill H.R. 586, to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. .ACCELERATION OF EFFECTIVE DATE FOR EXPANSION OF ADOPTION TAX CREDIT AND ADOPTION ASSISTANCE PROGRAMS.

Subsection (g) of section 202 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended to read as follows:

“(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.”.

SA 2824. Mr. REID (for Mr. KENNEDY (for himself and Mr. FRIST)) proposed an amendment to the bill S. 1274, to amend the Public Health Service Act to provide programs for the prevention, treatment, and rehabilitation of stroke; as follows:

On page 12, line 24, strike “paragraph (1)(B)” and insert “paragraph (1)(D)”.

On page 13, line 1, strike “paragraphs” and all that follows through “2823(a)” on line 2, and insert “paragraph (2) of section 2823(b)”.

On page 18, line 14, strike “(b)” and insert “(c)”.

On page 20, line 12, strike “(c)” and insert “(d)”.

SA 2825. Mr. INHOFE submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 111, lines 14 and 15, strike “2002 through 2006” and insert “2003 through 2007”.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, February 6, 2002, at 10 a.m., to conduct the second in a series of hearings on “The State of Financial Literacy and Education in America.”

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. REID. Mr. President, I ask unanimous consent that the Senate Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, February 6 at 9:30 a.m., to conduct a hearing. The hearing will examine the effects of subtitle B of S. 1766, Amendments to the Public Utility Holding Company Act, on energy markets and energy consumers.

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

COMMITTEE ON FINANCE

Mr. REID. Mr. President, I ask unanimous consent that the Senate Committee on Finance be authorized to meet during the session of the Senate on Wednesday, February 6, 2002, at 10 a.m., to hear testimony on the “Ongoing U.S. Trade Negotiations.”

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

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, February 6, 2002, at 10:15 a.m., to hold a hearing titled, “The New Strategic Framework: Implications for U.S. Security”.

Agenda

Witnesses: The Honorable William J. Perry, Former Secretary of Defense, Michael and Barbara Berberian Professor, Stanford University, Stanford, CA, and the Honorable Caspar W. Weinberger, Former Secretary of Defense, Washington, DC.

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

COMMITTEE ON FOREIGN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, February 6, 2002, at 2:30 p.m., to hold a hearing title, “Somalia: U.S. Policy Options”.

Agenda

Witnesses

Panel 1: The Honorable Walter Kansteiner, Assistant Secretary for African Affairs, Department of State, Washington, DC.

Panel 2: Dr. Ken Menkhaus, Associate Professor of Political Science,

Davidson College, Davidson, NC; Dr. David H. Shinn, Former U.S. Ambassador to Ethiopia and Special, Coordinator for Somalia, Washington, DC; and Mr. Robert MacPherson, Emergency Group Assistance Director, CARE, Atlanta, GA.

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

COMMITTEE ON THE JUDICIARY

Mr. REID. I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on "Accountability Issues: Lessons Learned From Enron's Fall" on Wednesday, February 6, 2002, at 10 a.m., in Dirksen room 226.

Witness List: The Honorable Christine O. Gregoire, Attorney General of Washington State, Olympia, WA; Mr. Bruce Raynor, President, Union of Needletrades, Industrial and Textile Employees (UNITE), New York City, NY; Steven Schatz Esq., Wilson, Sonsini, Goodrich & Rosati Professional Corporation, Palo Alto, CA; Professor Nelson Lund, George Mason University School of Law, Arlington, VA; and Professor Susan P. Koniak, Boston University School of Law, Boston, MA.

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

SPECIAL COMMITTEE ON AGING

Mr. REID. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet on Wednesday, February 6, 2002, from 9:30 a.m.–12 p.m., in Dirksen 106 for the purpose of conducting a hearing.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. REID. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, February 6, 2002, at 10 a.m., to hold an open hearing and at 2:30 p.m., to hold a closed hearing on the World Threat.

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

SUBCOMMITTEE ON AGING

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions, Subcommittee on Aging and the Special Committee on Aging be authorized to meet for a joint hearing on Women and Aging: Bearing the Burden of Long-Term Care during the session of the Senate on Wednesday, February 6, 2002, at 9:30 a.m., in SD-106.

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

PRIVILEGE OF THE FLOOR

Mr. BOND. Mr. President, I ask unanimous consent that the privilege of the floor be granted to Tom Stapleton, a fellow on my staff, for the pendency of this bill.

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

FAIRNESS FOR FOSTER CARE FAMILIES ACT OF 2001

Mr. REID. Madam President, I ask unanimous consent the Senate proceed to the consideration of Calendar No. 70, H.R. 586.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 586) to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. I understand Senator LANDRIEU has an amendment at the desk. I ask for its immediate consideration.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . ACCELERATION OF EFFECTIVE DATE FOR EXPANSION OF ADOPTION TAX CREDIT AND ADOPTION ASSISTANCE PROGRAMS.

Subsection (g) of section 202 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended to read as follows:

"(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001."

Mr. REID. I ask unanimous consent the amendment be agreed to, the motion to reconsider be laid on the table, the bill, as amended, be read the third time, passed, the motion to reconsider be laid on the table without any intervening action or debate, and any statements relating thereto be printed in the RECORD.

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

The amendment (No. 2823) was agreed to.

The bill (H.R. 586), as amended, was read the third time and passed.

STROKE TREATMENT AND ONGOING PREVENTION ACT OF 2001

Mr. REID. I ask unanimous consent the Senate proceed to Calendar No. 222, S. 1274.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1274) to amend the Public Health Service Act to provide programs for the prevention, treatment, and rehabilitation of stroke.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. Senators KENNEDY and FRIST have a technical amendment at the desk. I ask unanimous consent the amendment be considered and agreed to, and the motion to reconsider be laid upon the table; that the bill, as amended, be read a third time, passed, the motion to reconsider be laid on the table, and any statements relating thereto be printed in the RECORD.

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

The amendment (No. 2824) was agreed to, as follows:

(Purpose: To make certain technical corrections)

On page 12, line 24, strike "paragraph (1)(E)" and insert "paragraph (1)(D)".

On page 13, line 1, strike "paragraphs" and all that follows through "2823(a)" on line 2, and insert "paragraph (2) of section 2823(b)"

On page 18, line 14, strike "(b)" and insert "(c)".

On page 20, line 12, strike "(c)" and insert "(d)".

The bill (S. 1274), as amended, was read the third time and passed, as follows:

S. 1274

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Stroke Treatment and Ongoing Prevention Act of 2002".

SEC. 2. FINDINGS AND GOAL.

(a) FINDINGS.—Congress makes the following findings:

(1) Stroke is the third leading cause of death in the United States. Each year over 750,000 Americans suffer a new or recurrent stroke and 160,000 Americans die from stroke.

(2) Stroke costs the United States \$28,000,000,000 in direct costs and \$17,400,000,000 in indirect costs, each year.

(3) Stroke is one of the leading causes of adult disability in the United States. Between 15 percent and 30 percent of stroke survivors are permanently disabled. Presently, there are 4,400,000 stroke survivors living in the United States.

(4) Members of the general public have difficulty recognizing the symptoms of stroke and are unaware that stroke is a medical emergency. Fifty-eight percent of all stroke patients wait 24 hours or more before presenting at the emergency room. Forty-two percent of individuals over the age of 50 do not recognize numbness or paralysis in the face, arm, or leg as a sign of stroke and 17 percent of them cannot name a single stroke symptom.

(5) Recent advances in stroke treatment can significantly improve the outcome for stroke patients, but these therapies must be administered properly and promptly. Only 3 percent of stroke patients who are candidates for acute stroke intravenous thrombolytic drug therapy receive the appropriate medication.

(6) New technologies, therapies, and diagnostic approaches are currently being developed that will extend the therapeutic time-frame and result in greater treatment efficacy for stroke patients.

(7) Few States and communities have developed and implemented stroke awareness programs, prevention programs, or comprehensive stroke care systems.

(8) The degree of disability resulting from stroke can be reduced substantially by educating the general public about stroke and by improving the systems for the provision of stroke care in the United States.

(b) GOAL.—It is the goal of this Act to improve the provision of stroke care in every State and territory and in the District of Columbia, and to increase public awareness about the prevention, detection, and treatment of stroke.

SEC. 3. SYSTEMS FOR STROKE PREVENTION, TREATMENT, AND REHABILITATION.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended by adding at the end the following:

"TITLE XXVIII—SYSTEMS FOR STROKE PREVENTION, TREATMENT, AND REHABILITATION"

"PART A—STROKE PREVENTION AND EDUCATION CAMPAIGN"

"SEC. 2801. STROKE PREVENTION AND EDUCATION CAMPAIGN."

"(a) IN GENERAL.—The Secretary shall carry out a national education and information campaign to promote stroke prevention and increase the number of stroke patients who seek immediate treatment. In implementing such education and information campaign, the Secretary shall avoid duplicating existing stroke education efforts by other Federal Government agencies and may consult with national and local associations that are dedicated to increasing the public awareness of stroke, consumers of stroke awareness products, and providers of stroke care.

"(b) USE OF FUNDS.—The Secretary may use amounts appropriated to carry out the campaign described in subsection (a)—

"(1) to make public service announcements about the warning signs of stroke and the importance of treating stroke as a medical emergency;

"(2) to provide education regarding ways to prevent stroke and the effectiveness of stroke treatment;

"(3) to purchase media time and space;

"(4) to pay for out-of-pocket advertising production costs;

"(5) to test and evaluate advertising and educational materials for effectiveness, especially among groups at high risk for stroke, including women, older adults, and African-Americans;

"(6) to develop alternative campaigns that are targeted to unique communities, including rural and urban communities, and communities in the 'Stroke Belt';

"(7) to measure public awareness prior to the start of the campaign on a national level and in targeted communities to provide baseline data that will be used to evaluate the effectiveness of the public awareness efforts; and

"(8) to carry out other activities that the Secretary determines will promote prevention practices among the general public and increase the number of stroke patients who seek immediate care.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out subsection (b), \$40,000,000 for fiscal year 2002, and such sums as may be necessary for each of fiscal years 2003 through 2006.

"PART B—GENERAL AUTHORITIES AND DUTIES OF THE SECRETARY"

"SEC. 2811. ESTABLISHMENT."

"(a) IN GENERAL.—The Secretary shall, with respect to stroke care—

"(1) make available, support, and evaluate a grant program to enable a State to develop statewide stroke care systems;

"(2) foster the development of appropriate, modern systems of stroke care through the sharing of information among agencies and individuals involved in the study and provision of such care; and

"(3) provide to State and local agencies technical assistance.

"(b) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—The Secretary may make grants, and enter into cooperative agreements and contracts, for the purpose of carrying out subsection (a).

"SEC. 2812. PAUL COVERDELL NATIONAL ACUTE STROKE REGISTRY AND CLEARINGHOUSE."

"(a) IN GENERAL.—The Secretary shall maintain the Paul Coverdell National Acute Stroke Registry and Clearinghouse by—

"(1) continuing to develop and collect specific data points as well as appropriate

benchmarks for analyzing care of acute stroke patients;

"(2) continuing to design and pilot test prototypes that will measure the delivery of care to patients with acute stroke in order to provide real-time data and analysis to reduce death and disability from stroke and improve the quality of life for acute stroke survivors;

"(3) fostering the development of effective, modern stroke care systems (including the development of policies related to emergency services systems) through the sharing of information among agencies and individuals involved in planning, furnishing, and studying such systems;

"(4) collecting, compiling, and disseminating information on the achievements of, and problems experienced by, State and local agencies and private entities in developing and implementing stroke care systems and, in carrying out this paragraph, giving special consideration to the unique needs of rural facilities and those facilities with inadequate resources for providing quality prevention, acute treatment, post-acute treatment, and rehabilitation services for stroke patients;

"(5) providing technical assistance relating to stroke care systems to State and local agencies; and

"(6) carrying out any other activities the Secretary determines to be useful to fulfill the purposes of the Paul Coverdell National Acute Stroke Registry and Clearinghouse.

"(b) RESEARCH ON STROKE.—The Secretary shall, not earlier than 1 year after the date of enactment of the Stroke Treatment and Ongoing Prevention Act of 2002, ensure the availability of published research on stroke or, where necessary, conduct research concerning—

"(1) best practices in the prevention, diagnosis, treatment, and rehabilitation of stroke;

"(2) barriers to access to currently approved stroke prevention, treatment, and rehabilitation services;

"(3) barriers to access to newly developed diagnostic approaches, technologies, and therapies for stroke patients;

"(4) the effectiveness of existing public awareness campaigns regarding stroke; and

"(5) disparities in the prevention, diagnosis, treatment, and rehabilitation of stroke among different populations.

"(c) CERTAIN RESEARCH ACTIVITIES.—In carrying out the activities described in subsection (b), the Secretary may conduct—

"(1) studies with respect to all phases of stroke care, including prehospital, acute, post-acute and rehabilitation care;

"(2) studies with respect to patient access to currently approved and newly developed stroke prevention and treatment services, including a review of the effect of coverage, coding, and reimbursement practices on access;

"(3) studies with respect to the effect of existing public awareness campaigns on stroke; and

"(4) any other studies that the Secretary determines are necessary or useful to conduct a thorough and effective research program regarding stroke.

"(d) MECHANISMS OF SUPPORT.—In carrying out the activities described in subsection (b), the Secretary may make grants to public and private non-profit entities.

"(e) COORDINATION OF EFFORT.—The Secretary shall ensure the adequate coordination of the activities carried out under this section.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary for each of fiscal years 2002 through 2006 to carry out this section.

"PART C—GRANTS WITH RESPECT TO STATE STROKE CARE SYSTEMS"

"SEC. 2821. ESTABLISHMENT OF PROGRAM FOR IMPROVING STROKE CARE."

"(a) GRANTS.—The Secretary shall award grants to States for the purpose of establishing statewide stroke prevention, treatment, and rehabilitation systems.

"(b) USE OF FUNDS.—"

"(1) IN GENERAL.—The Secretary shall make available grants under subsection (a) for the development and implementation of statewide stroke care systems that provide stroke prevention services and quality acute, post-acute, and rehabilitation care for stroke patients through the development of sufficient resources and infrastructure, including personnel with appropriate training, acute stroke teams, equipment, and procedures necessary to prevent stroke and to treat and rehabilitate stroke patients. In developing and implementing statewide stroke care systems, each State that is awarded such a grant shall—

"(A) oversee the design and implementation of the statewide stroke care system;

"(B) enhance, develop, and implement model curricula for training emergency medical services personnel, including dispatchers, first responders, emergency medical technicians, and paramedics in the identification, assessment, stabilization, and prehospital treatment of stroke patients;

"(C) ensure that stroke patients in the State have access to quality care that is consistent with the standards established by the Secretary under section 2823(c);

"(D) establish a support network to provide assistance to facilities with smaller populations of stroke patients or less advanced on-site stroke treatment resources; and

"(E) carry out any other activities that the State-designated agency determines are useful or necessary for the implementation of the statewide stroke care system.

"(2) ACCESS TO CARE.—A State may meet the requirement of paragraph (1)(C) by—

"(A) identifying acute stroke centers with personnel, equipment, and procedures adequate to provide quality treatment to patients in the acute phase of stroke consistent with the standards established by the Secretary under section 2823(c);

"(B) identifying comprehensive stroke centers with advanced personnel, equipment, and procedures to prevent stroke and to treat stroke patients in the acute and post-acute phases of stroke and to provide assistance to area facilities with less advanced stroke treatment resources;

"(C) identifying stroke rehabilitation centers with personnel, equipment, and procedures to provide quality rehabilitative care to stroke patients consistent with the standards established by the Secretary under section 2823(c); or

"(D) carrying out any other activities that the designated State agency determines are necessary or useful.

"(3) SUPPORT NETWORK.—A facility that provides care to stroke patients and that receives support through a support network established under paragraph (1)(D) shall meet the standards and requirements outlined by the State application under paragraph (2) of section 2823(b). The support network may include—

"(A) the use of telehealth technology connecting facilities described in such paragraph to more advanced stroke care facilities;

"(B) the provision of neuroimaging, lab, and any other equipment necessary to facilitate the establishment of a telehealth network;

"(C) the use of phone consultation, where useful;

“(D) the use of referral links when a patient needs more advanced care than is available at the facility providing initial care; and

“(E) any other assistance determined appropriate by the State.

“(C) PLANNING GRANTS.—

“(1) IN GENERAL.—The Secretary may award a grant to a State to assist such State in formulating a plan to develop a statewide stroke care system or in otherwise meeting the conditions described in subsection (b) with respect to a grant under this section.

“(2) SUBMISSION TO SECRETARY.—The governor of a State that receives a grant under paragraph (1) shall submit to the Secretary a copy of the plan developed using the amounts provided under such grant. Such plan shall be submitted to the Secretary as soon as practicable after the plan has been developed.

“(3) SINGLE GRANT LIMITATION.—To be eligible to receive a grant under paragraph (1), a State shall not have previously received a grant under such paragraph.

“(d) MODEL CURRICULUM.—

“(1) DEVELOPMENT.—The Secretary shall develop a model curriculum for training emergency medical services personnel, including dispatchers, first responders, emergency medical technicians, and paramedics in the identification, assessment, stabilization, and prehospital treatment of stroke patients.

“(2) IMPLEMENTATION.—The model curriculum developed under paragraph (1) may be implemented by a State to fulfill the requirements of subsection (b)(1)(B).

“SEC. 2822. REQUIREMENT OF MATCHING FUNDS FOR FISCAL YEARS SUBSEQUENT TO FIRST FISCAL YEAR OF PAYMENTS.

“(a) NON-FEDERAL CONTRIBUTIONS.—

“(1) IN GENERAL.—The Secretary may not award grants under section 2821(a) unless the State involved agrees, with respect to the costs described in paragraph (2), to make available for each year during which the State receives funding under such section, non-Federal contributions (in cash or in kind under subsection (b)(1)) toward such costs in an amount equal to—

“(A) for the second and third fiscal years of such payments to the State, not less than \$1 for each \$3 of Federal funds provided in such payments for each such fiscal year;

“(B) for the fourth fiscal year of such payments to the State, not less than \$1 for each \$2 of Federal funds provided in such payments for such fiscal year; and

“(C) for any subsequent fiscal year of such payments to the State, not less than \$1 for each \$1 of Federal funds provided in such payments for such fiscal year.

“(2) PROGRAM COSTS.—The costs referred to in paragraph (1) are the costs to be incurred by the State in carrying out the purpose described in section 2821(b).

“(3) INITIAL YEAR OF PAYMENTS.—The Secretary may not require a State to make non-Federal contributions as a condition of receiving payments under section 2821(a) for the first fiscal year of such payments to the State.

“(b) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTIONS.—With respect to compliance under subsection (a) as a condition of receiving payments under section 2821(a)—

“(1) a State may make the non-Federal contributions required in such subsection in cash or in kind, fairly evaluated, including plant, equipment, or services; and

“(2) the Secretary may not, in making a determination of the amount of non-Federal contributions, include amounts provided by the Federal Government or services assisted or subsidized by a significant extent by the Federal Government.

“SEC. 2823. APPLICATION REQUIREMENTS.

“(a) REQUIREMENT OF APPLICATION.—The Secretary may not award a grant to a State under section 2821(b) unless an application for the grant is submitted by the State to the Secretary.

“(b) APPLICATION PROCESS AND GUIDELINES.—The Secretary shall provide for an application process and develop guidelines to assist States in submitting an application under this section that—

“(1) outlines the stroke care system and explains how such system will ensure that stroke patients throughout the State have access to quality care in all phases of stroke, consistent with the standards established by the Secretary under subsection (c);

“(2) contains standards and requirements for facilities in the State that provide basic preventive services, advanced preventive services, acute stroke care, post-acute stroke care, and rehabilitation services to stroke patients; and

“(3) provides for the establishment of a central data reporting and analysis system and for the collection of data from each facility that will provide direct care to stroke patients in the State—

“(A) to identify the number of stroke patients treated in the State;

“(B) to monitor patient care in the State for stroke patients at all phases of stroke for the purpose of evaluating the diagnosis, treatment, and treatment outcome of such stroke patients;

“(C) to identify the total amount of uncompensated and under-compensated stroke care expenditures for each fiscal year by each stroke care facility in the State;

“(D) to identify the number of acute stroke patients who receive advanced drug therapy;

“(E) to identify patients transferred within the statewide stroke care system, including reasons for such transfer; and

“(F) to communicate to the greatest extent practicable with the Paul Coverdell National Acute Stroke Registry and Clearinghouse.

“(c) CERTAIN STANDARDS WITH RESPECT TO STATEWIDE STROKE CARE SYSTEM.—

“(1) IN GENERAL.—The Secretary may not award a grant to a State under section 2821(a) for a fiscal year unless the State agrees that, in carrying out paragraphs (2) and (3), the State will—

“(A) adopt standards of care for stroke patients in the acute, post-acute, and rehabilitation phases of stroke; and

“(B) in adopting the standards described in subparagraph (A)—

“(i) consult with medical, surgical, and nursing specialty groups, hospital associations, voluntary health organizations, State offices of rural health, emergency medical services State and local directors, experts in the use of telecommunications technology to provide stroke care, concerned advocates, and other interested parties;

“(ii) conduct hearings on the proposed standards providing adequate notice to the public concerning such hearing; and

“(iii) beginning in fiscal year 2004, take into account the national standards of care.

“(2) QUALITY OF STROKE CARE.—The highest quality of stroke care shall be the primary goal of the State standards adopted under this subsection.

“(3) APPROVAL BY SECRETARY.—The Secretary may not make payments to a State under section 2821(a) if the Secretary determines that—

“(A) the State has not taken into account national standards in adopting standards under this subsection;

“(B) in the case of payments for fiscal year 2004 and subsequent fiscal years, the State has not, in adopting such standards, taken into account the national standards of care

and the model system plan developed under subsection (c); or

“(C) in the case of payments for fiscal year 2004 and subsequent fiscal years, the State has not provided to the Secretary the information received by the State pursuant to paragraphs (9) and (10) of subsection (a).

“(d) MODEL STROKE CARE SYSTEM PLAN.—Not later than 1 year after the date of enactment of the Stroke Treatment and Ongoing Prevention Act of 2002, the Secretary shall develop standards of care for stroke patients in all phases of stroke that may be adopted for guidance by the State and a model plan for the establishment of statewide stroke care systems. Such plan shall—

“(1) take into account national standards;

“(2) take into account existing State systems and plans; and

“(3) take into account the unique needs of urban and rural communities, different regions of the Nation, and States with varying degrees of established stroke care infrastructures;

“SEC. 2824. REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS AND ASSURANCES.

“The Secretary may not award grants under section 2821(a) to a State for a fiscal year unless—

“(1) the State submits an application for the payments containing agreements in accordance with this part;

“(2) the agreements are made through certification from the chief executive officer of the State;

“(3) with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary;

“(4) the application contains the plan provisions and the information required to be submitted to the Secretary pursuant to section 2823; and

“(5) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.

“SEC. 2825. RESTRICTIONS ON USE OF PAYMENTS.

“(a) IN GENERAL.—The Secretary may not, except as provided in subsection (b), make payments to a State under section 2821(a) for a fiscal year unless the State involved agrees that the payments will not be expended—

“(1) to make cash payments to intended recipients of services provided pursuant to such section;

“(2) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds; or

“(3) to provide financial assistance to any entity other than a public or nonprofit private entity.

“(b) EXCEPTION.—If the Secretary finds that the purpose described in section 2821(b) cannot otherwise be carried out, the Secretary may, with respect to an otherwise qualified State, waive the restriction established in subsection (a)(3).

“SEC. 2826. FAILURE TO COMPLY WITH AGREEMENTS.

“(a) REPAYMENT OF PAYMENTS.—

“(1) REQUIREMENT.—The Secretary may, in accordance with subsection (b), require a State to repay any payments received by the State pursuant to section 2821(a) that the Secretary determines were not expended by the State in accordance with the agreements required to be made by the State as a condition of the receipt of payments under such section.

“(2) OFFSET OF AMOUNTS.—If a State fails to make a repayment required in paragraph (1), the Secretary may offset the amount of the repayment against any amount due to be paid to the State under section 2821(a).

“(b) OPPORTUNITY FOR A HEARING.—Before requiring repayment of payments under subsection (a)(1), the Secretary shall provide to the State an opportunity for a hearing.

“SEC. 2827. SPECIAL CONSIDERATION.

“In awarding grants under this part, the Secretary shall give special consideration to any State that has submitted an application for carrying out programs under such a grant—

“(1) in geographic areas in which there is—
“(A) a substantial rate of disability resulting from stroke; or

“(B) a substantial incidence of stroke; or
“(2) that demonstrates a significant need for assistance in establishing a comprehensive stroke care system.

“SEC. 2828. TECHNICAL ASSISTANCE AND PROVISION BY SECRETARY OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.

“(a) TECHNICAL ASSISTANCE.—The Secretary shall, without charge to a State receiving payments under section 2821(a), provide to the State (or to any public or non-profit entity designated by the State) technical assistance with respect to the planning, development, and operation of any program carried out pursuant to section 2821(b). The Secretary may provide such technical assistance directly, through contract, or through grants.

“(b) PROVISION BY SECRETARY OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.—

“(1) IN GENERAL.—Upon the request of a State receiving payments under section 2821(a), the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the State in carrying out section 2821(b) and, for such purpose, may detail to the State any officer or employee of the Department of Health and Human Services.

“(2) REDUCTION IN PAYMENTS.—With respect to a request described in paragraph (1), the Secretary shall reduce the amount of payments to the State under section 2821(a) by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

“SEC. 2829. REPORT BY SECRETARY.

“Not later than 3 years after the date of enactment of the Stroke Treatment and Ongoing Prevention Act of 2002, the Secretary shall report to the appropriate committees of Congress on the activities of the States carried out pursuant to section 2821. Such report shall include an assessment of the extent to which Federal and State efforts to develop stroke care systems, including the establishment of support networks and the identification of acute, comprehensive, and rehabilitation stroke centers, where applicable, have increased the number of stroke patients who have received acute stroke consultation or therapy within the appropriate timeframe and reduced the level of disability due to stroke. Such report may include any recommendations of the Secretary for appropriate administrative and legislative initiatives with respect to stroke care.

“SEC. 2830. FUNDING.

“(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this part, \$50,000,000 for fiscal year 2002, \$75,000,000 for fiscal year 2003, \$75,000,000 for fiscal year 2004, \$100,000,000 for fiscal year 2005, and \$125,000,000 for fiscal year 2006.

“(b) LIMITATION ON ADMINISTRATIVE EXPENSES.—A State may use not to exceed 10 percent of amounts received under a grant awarded under section 2821(a) for administrative expenses.

“PART D—MISCELLANEOUS PROGRAMS

“SEC. 2831. MEDICAL PROFESSIONAL DEVELOPMENT IN ADVANCED STROKE TREATMENT AND PREVENTION.

“(a) IN GENERAL.—The Secretary may make grants to public and non-profit private entities for the development and implementation of education programs for appropriate medical personnel including medical students, emergency physicians, primary care providers, neurologists, neurosurgeons, and physical therapists in the use of newly developed diagnostic approaches, technologies, and therapies for the prevention and treatment of stroke.

“(b) DISTRIBUTION OF GRANTS.—In awarding grants under subsection (a), the Secretary shall ensure that such grants are equitably distributed among the geographical regions of the United States and between urban and rural populations.

“(c) APPLICATION.—A public or non-profit private entity desiring a grant under subsection (a) shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a plan for the rigorous evaluation of activities carried out with amounts received under such a grant.

“(d) USE OF FUNDS.—A public or non-profit private entity shall use amounts received under a grant under this section for the continuing education of appropriate medical personnel in the use of newly developed diagnostic approaches, technologies, and therapies for the prevention and treatment of stroke.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2002 through 2006.

“PART E—GENERAL PROVISIONS REGARDING PARTS A, B, C, AND D

“SEC. 2841. DEFINITIONS.

“In this title:

“(1) STATE.—The term ‘State’ means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Indian tribes, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

“(2) STROKE CARE SYSTEM.—The term ‘stroke care system’ means a statewide system to provide for the diagnosis, prehospital care, hospital definitive care, and rehabilitation of stroke patients.

“(3) STROKE.—The term ‘stroke’ means a ‘brain attack’ in which blood flow to the brain is interrupted or in which a blood vessel or aneurysm in the brain breaks or ruptures.

“SEC. 2842. CONSULTATIONS.

“In carrying out this title, the Secretary shall consult with medical, surgical, rehabilitation, and nursing specialty groups, hospital associations, voluntary health organizations, emergency medical services, State directors, and associations, experts in the use of telecommunication technology to provide stroke care, national disability and consumer organizations representing individuals with disabilities and chronic illnesses, concerned advocates, and other interested parties.”.

Mr. KENNEDY. Madam President, the Senate has today approved important bipartisan legislation to improve the treatment of two afflictions that take the lives and blight the health of millions of Americans. The Stroke Treatment and Ongoing Prevention Act establishes important new initiatives to improve the quality of stroke

care for patients across America. The Community Access to Emergency Defibrillation Act will make these lifesaving medical devices much more widely available in public places throughout the country.

I commend my colleague, Senator BILL FRIST, for joining me in sponsoring these two measures. Senator FRIST and I have worked closely on this legislation to establish new initiatives to reduce the grim toll of injury and death taken by stroke and cardiac arrest, and I commend him for his leadership. We are also grateful to the many colleagues on our committee and throughout the Senate who have worked with us so effectively on these two proposals.

Stroke is a national tragedy that leaves no American community unscarred. It is the third leading cause of death in the United States. Every minute of every day, somewhere in America, a person suffers a stroke. Every three minutes, a person dies from a stroke. Strokes take the lives of nearly 160,000 Americans each year. Even for those who survive, it can have devastating consequences. Over half of all survivors are left with a disability.

Since few Americans recognize the symptoms of stroke, crucial hours are often lost before patients receive medical care. The average time between the onset of symptoms and medical treatment is a shocking 13 hours. Emergency medical technicians are often not taught how to recognize and manage the symptoms of stroke. Rapid administration of clot-dissolving drugs can dramatically improve the outcome of stroke, yet fewer than 3 percent of stroke patients now receive such medication. If this lifesaving medication were delivered promptly to all stroke patients, as many as 90,000 Americans could be spared the disabling consequences of stroke.

Even in hospitals, stroke patients often do not receive the care that could save their lives. Treatment by specially trained health care providers increases survival and reduces disability due to stroke, but a neurologist is the attending physician for only about one in ten stroke patients. To save lives, reduce disability and improve the quality of stroke care, the Stroke Treatment and Ongoing Prevention Act authorizes needed new public health initiatives to enable patients with symptoms of stroke to receive timely and effective care.

The Act establishes a grant program for States to implement systems of stroke care that will give health professionals the equipment and training they need to treat this disorder. The initial point of contact between a stroke patient and medical care is usually an emergency medical technician. Grants under the Act may be used to train these personnel to provide more effective care to stroke patients in the crucial first few moments after an attack.

The Act provides new resources for States to improve the standard of care

for stroke patients in hospitals, and to increase the quality of stroke care in rural hospitals through improvements in telemedicine.

The Act directs the Secretary of Health and Human Services to conduct a national media campaign to inform the public about the symptoms of stroke, so that patients receive prompt medical care. The bill also creates the Paul Coverdell Stroke Registry and Clearinghouse, which will collect data about the care of stroke patients and assist in the development of more effective treatments.

The Community Access to Emergency Defibrillation Act will increase the availability of lifesaving cardiac defibrillators in communities throughout the nation. We could save thousands of lives every year if defibrillators were more widely available, yet few communities are able to make this technology widely accessible.

The measure approved by the Senate today will establish new initiatives to increase access to defibrillators. It will assist communities in placing these lifesaving medical devices in public areas like schools, workplaces, community centers, and other locations where people gather. It will help communities provide training to use and maintain the devices, and to coordinate planning with emergency medical personnel. The legislation will also assist in placing defibrillators in schools so that cardiac arrest can be effectively treated when it strikes the youngest and most vulnerable of our citizens.

Sudden cardiac arrest is a tragedy for families all across America. Communities that have already implemented programs to increase public access to defibrillators like the extremely successful "First Responder Defibrillator Program" in Boston have been able to increase survival rates by 50 percent. More than 50,000 lives could be saved each year if more communities implemented programs such as Boston's.

The two measures approved by the Senate today can make a significant difference in the lives of the thousands of Americans who suffer a stroke or cardiac arrest every year. For such patients, even a few minutes' delay in receiving treatment can make the difference between healthy survival and disability or death. We need to do all we can to see that those precious minutes are not wasted. This legislation is important to every community in America. I commend my colleagues for having approved these measures, and I urge our colleagues in the House of Representatives to act on them promptly.

COMMUNITY ACCESS TO EMERGENCY DEFIBRILLATION ACT OF 2001

Mr. REID. I ask unanimous consent the Senate now proceed to the consideration of Calendar No. 215, S. 1275.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1275) to amend the Public Health Service Act to provide grants for public access defibrillation demonstration projects, and so forth, and for other purposes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Health, Education, Labor, and Pensions, with an amendment on page 10, line 23, to strike ("").

Mr. REID. I ask unanimous consent the committee amendment be agreed to, the bill as amended be read a third time, passed, the motion to reconsider be laid on the table, and any statements relating thereto be printed in the RECORD.

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

The bill was read the third time and passed; as follows:

S. 1275

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Community Access to Emergency Defibrillation Act of 2001".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Over 220,000 Americans die each year from cardiac arrest. Every 2 minutes, an individual goes into cardiac arrest in the United States.

(2) The chance of successfully returning to a normal heart rhythm diminishes by 10 percent each minute following sudden cardiac arrest.

(3) Eighty percent of cardiac arrests are caused by ventricular fibrillation, for which defibrillation is the only effective treatment.

(4) Sixty percent of all cardiac arrests occur outside the hospital. The average national survival rate for out-of-hospital cardiac arrest is only 5 percent.

(5) Communities that have established and implemented public access defibrillation programs have achieved average survival rates for out-of-hospital cardiac arrest as high as 50 percent.

(6) According to the American Heart Association, wide use of defibrillators could save as many as 50,000 lives nationally each year.

(7) Successful public access defibrillation programs ensure that cardiac arrest victims have access to early 911 notification, early cardiopulmonary resuscitation, early defibrillation, and early advanced care.

SEC. 3. PUBLIC ACCESS DEFIBRILLATION PROGRAMS AND PROJECTS.

Part B of title III of the Public Health Service Act (42 U.S.C. 243 et seq.), as amended by Public Law 106-310, is amended by adding after section 311 the following:

"SEC. 312. PUBLIC ACCESS DEFIBRILLATION PROGRAMS.

"(a) IN GENERAL.—The Secretary shall award grants to States, political subdivisions of States, Indian tribes, and tribal organizations to develop and implement public access defibrillation programs—

"(1) by training and equipping local emergency medical services personnel, including firefighters, police officers, paramedics, emergency medical technicians, and other first responders, to administer immediate care, including cardiopulmonary resuscitation and automated external defibrillation, to cardiac arrest victims;

"(2) by purchasing automated external defibrillators, placing the defibrillators in

public places where cardiac arrests are likely to occur, and training personnel in such places to administer cardiopulmonary resuscitation and automated external defibrillation to cardiac arrest victims;

"(3) by setting procedures for proper maintenance and testing of such devices, according to the guidelines of the manufacturers of the devices;

"(4) by providing training to members of the public in cardiopulmonary resuscitation and automated external defibrillation;

"(5) by integrating the emergency medical services system with the public access defibrillation programs so that emergency medical services personnel, including dispatchers, are informed about the location of automated external defibrillators in their community; and

"(6) by encouraging private companies, including small businesses, to purchase automated external defibrillators and provide training for their employees to administer cardiopulmonary resuscitation and external automated defibrillation to cardiac arrest victims in their community.

"(b) PREFERENCE.—In awarding grants under subsection (a), the Secretary shall give a preference to a State, political subdivision of a State, Indian tribe, or tribal organization that—

"(1) has a particularly low local survival rate for cardiac arrests, or a particularly low local response rate for cardiac arrest victims; or

"(2) demonstrates in its application the greatest commitment to establishing and maintaining a public access defibrillation program.

"(c) USE OF FUNDS.—A State, political subdivision of a State, Indian tribe, or tribal organization that receives a grant under subsection (a) may use funds received through such grant to—

"(1) purchase automated external defibrillators that have been approved, or cleared for marketing, by the Food and Drug Administration;

"(2) provide automated external defibrillation and basic life support training in automated external defibrillator usage through nationally recognized courses;

"(3) provide information to community members about the public access defibrillation program to be funded with the grant;

"(4) provide information to the local emergency medical services system regarding the placement of automated external defibrillators in public places;

"(5) produce such materials as may be necessary to encourage private companies, including small businesses, to purchase automated external defibrillators; and

"(6) carry out other activities that the Secretary determines are necessary or useful to pursue the purposes of this section.

"(d) APPLICATION.—

"(1) IN GENERAL.—To be eligible to receive a grant under subsection (a), a State, political subdivision of a State, Indian tribe, or tribal organization shall prepare and submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(2) CONTENTS.—An application submitted under paragraph (1) shall—

"(A) describe the comprehensive public access defibrillation program to be funded with the grant and demonstrate how such program would make automated external defibrillation accessible and available to cardiac arrest victims in the community;

"(B) contain procedures for implementing appropriate nationally recognized training

courses in performing cardiopulmonary resuscitation and the use of automated external defibrillators;

“(C) contain procedures for ensuring direct involvement of a licensed medical professional and coordination with the local emergency medical services system in the oversight of training and notification of incidents of the use of the automated external defibrillators;

“(D) contain procedures for proper maintenance and testing of the automated external defibrillators, according to the labeling of the manufacturer;

“(E) contain procedures for ensuring notification of local emergency medical services system personnel, including dispatchers, of the location and type of devices used in the public access defibrillation program; and

“(F) provide for the collection of data regarding the effectiveness of the public access defibrillation program to be funded with the grant in affecting the out-of-hospital cardiac arrest survival rate.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$50,000,000 for each of fiscal years 2002 through 2007. Not more than 10 percent of amounts received under a grant awarded under this section may be used for administrative expenses.

“SEC. 313. PUBLIC ACCESS DEFIBRILLATION DEMONSTRATION PROJECTS.

“(a) IN GENERAL.—The Secretary shall award grants to political subdivisions of States, Indian tribes, and tribal organizations to develop and implement innovative, comprehensive, community-based public access defibrillation demonstration projects that—

“(1) provide cardiopulmonary resuscitation and automated external defibrillation to cardiac arrest victims in unique settings;

“(2) provide training to community members in cardiopulmonary resuscitation and automated external defibrillation; and

“(3) maximize community access to automated external defibrillators.

“(b) USE OF FUNDS.—A recipient of a grant under subsection (a) shall use the funds provided through the grant to—

“(1) purchase automated external defibrillators that have been approved, or cleared for marketing, by the Food and Drug Administration;

“(2) provide basic life training in automated external defibrillator usage through nationally recognized courses;

“(3) provide information to community members about the public access defibrillation demonstration project to be funded with the grant;

“(4) provide information to the local emergency medical services system regarding the placement of automated external defibrillators in the unique settings; and

“(5) carry out other activities that the Secretary determines are necessary or useful to pursue the purposes of this section.

“(c) APPLICATION.—

“(1) IN GENERAL.—To be eligible to receive a grant under subsection (a), a political subdivision of a State, Indian tribe, or tribal organization shall prepare and submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

“(2) CONTENTS.—An application submitted under paragraph (1) may—

“(A) describe the innovative, comprehensive, community-based public access defibrillation demonstration project to be funded with the grant;

“(B) explain how such public access defibrillation demonstration project represents innovation in providing public access to automated external defibrillation; and

“(C) provide for the collection of data regarding the effectiveness of the demonstration project to be funded with the grant in—

“(i) providing emergency cardiopulmonary resuscitation and automated external defibrillation to cardiac arrest victims in the setting served by the demonstration project; and

“(ii) affecting the cardiac arrest survival rate in the setting served by the demonstration project.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$5,000,000 for each of fiscal years 2002 through 2007. Not more than 10 percent of amounts received under a grant awarded under this section may be used for administrative expenses.

“SEC. 313A. GRANTS FOR ACCESS TO DEFIBRILLATION.

“(a) PROGRAM AUTHORIZED.—The Secretary of Health and Human Services shall award a grant to a health care organization to establish a national information clearinghouse that provides information to increase public access to defibrillation in schools.

“(b) DUTIES.—The health care organization that receives a grant under this section shall promote public access to defibrillation in schools by—

“(1) providing timely information to entities regarding public access defibrillation program implementation and development;

“(2) developing and providing comprehensive program materials to establish a public access defibrillation program in schools;

“(3) providing support to CPR and AED training programs;

“(4) fostering new and existing community partnerships with and among public and private organizations (such as local educational agencies, nonprofit organizations, public health organizations, emergency medical service providers, fire and police departments, and parent-teacher associations) to promote public access to defibrillation in schools;

“(5) establishing a data base to gather information in a central location regarding sudden cardiac arrest in the pediatric population and identifying or conducting further research into the problem; and

“(6) providing assistance to communities that wish to develop screening programs for at risk youth.

“(c) APPLICATION.—A health care organization desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

“(d) REPORT.—Not later than 5 years after the date on which the health care organization receives a grant under this section, such organization shall submit to the Secretary of Health and Human Services a report that describes activities carried out with funds received under this section. Not later than 3 months after the date on which such report is received by the Secretary of Health and Human Services, the Secretary shall prepare and submit to the appropriate committees of Congress an evaluation that reviews such report and evaluates the success of such clearinghouse.

“(e) AUTHORIZATION OF APPROPRIATIONS.—From funds authorized to be appropriated for fiscal years 2002 through 2006 for activities and programs under the Department of Health and Human Services, \$800,000 of such funds may be appropriated to carry out the programs described in this section for each of the fiscal years 2002 through 2006.”.

RECOGNIZING THE 91ST BIRTHDAY OF RONALD REAGAN

Mr. REID. Madam President, I ask unanimous consent the Senate now proceed to the consideration of H.J. Res. 82.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 82) to recognize the 91st birthday of Ronald Reagan.

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. REID. I ask unanimous consent the joint resolution be considered, read a third time, and passed, the motion to reconsider be laid on the table, and any statements relating to the resolution be printed in the RECORD.

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

The joint resolution (H.J. Res. 82) was read the third time and passed.

ORDER FOR STAR PRINT—S. 822

Mr. REID. I ask unanimous consent S. 822 be star printed with the changes at the desk.

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

ORDERS FOR THURSDAY, FEBRUARY 7, 2002

Mr. REID. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10 a.m. tomorrow, Thursday, February 7; 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 the Senate then resume consideration of S. 1731.

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

PROGRAM

Mr. REID. Madam President, there is a unanimous consent agreement that the next rollcall vote will occur at approximately 10:05 a.m. in relation to the Durbin amendment, as modified, with regard to nutrition.

The RECORD should be spread with the fact that the Senate as of just a short time ago had not yet received the modification agreement Senator DURBIN has been working on with Senator GRAMM. If for some reason that is not completed during the evening or early morning hour, then we would go immediately to the Dorgan-Grassley amendment.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. REID. Madam 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 6:29 p.m., adjourned until Thursday, February 7, 2002, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate February 6, 2002:

DEPARTMENT OF JUSTICE

TODD WALTHER DILLARD, OF MARYLAND, TO BE UNITED STATES MARSHAL FOR THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF FOUR YEARS. (REAPPOINTMENT)

WARREN DOUGLAS ANDERSON, OF SOUTH DAKOTA, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF SOUTH DAKOTA FOR THE TERM OF FOUR YEARS, VICE LYLE WEIR SWENSON, TERM EXPIRED.

JAMES LOREN KENNEDY, OF INDIANA, TO BE UNITED STATES MARSHAL FOR THE SOUTHERN DISTRICT OF INDIANA FOR THE TERM OF FOUR YEARS, VICE FRANK JAMES ANDERSON, TERM EXPIRED.

THEOPHILE ALCESTE DURONCELET, OF LOUISIANA, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF LOUISIANA FOR THE TERM OF FOUR YEARS, VICE CHARLES VINCENT SERIO, RESIGNED.

JAMES THOMAS PLOUISIS, OF NEW JERSEY, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF NEW JERSEY FOR THE TERM OF FOUR YEARS, VICE GLENN DALE CUNNINGHAM, RESIGNED.

JAMES JOSEPH PARMLEY, OF NEW YORK, TO BE UNITED STATES MARSHAL FOR THE NORTHERN DISTRICT OF NEW YORK FOR THE TERM OF FOUR YEARS, VICE EDWARD JOSEPH KELLY, JR., TERM EXPIRED.

CHARLES R. REAVIS, OF NORTH CAROLINA, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF NORTH CAROLINA FOR THE TERM OF FOUR YEARS, VICE MARK REID TUCKER.

TIMOTHY DEWAYNE WELCH, OF OKLAHOMA, TO BE UNITED STATES MARSHAL FOR THE NORTHERN DISTRICT OF OKLAHOMA FOR THE TERM OF FOUR YEARS, VICE JAMES MARION HUGHES, JR., TERM EXPIRED.

MICHAEL ROBERT REGAN, OF PENNSYLVANIA, TO BE UNITED STATES MARSHAL FOR THE MIDDLE DISTRICT OF PENNSYLVANIA FOR THE TERM OF FOUR YEARS, VICE WALTER D. SOKOLOWSKI, TERM EXPIRED.

JESSE SEROYER, JR., OF ALABAMA, TO BE UNITED STATES MARSHAL FOR THE MIDDLE DISTRICT OF ALABAMA FOR THE TERM OF FOUR YEARS, VICE FLORENCE M. CAUTHEN, TERM EXPIRED.

DEPARTMENT OF VETERANS AFFAIRS

ROBERT H. ROSWELL, OF FLORIDA, TO BE UNDER SECRETARY FOR HEALTH OF THE DEPARTMENT OF VETERANS AFFAIRS FOR A TERM OF FOUR YEARS, VICE THOMAS L. GARTHWAITE.

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS JUDGE ADVOCATE GENERAL OF THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 5148:

To be judge advocate general of the United States Navy

REAR ADM. MICHAEL F. LOHR, 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

CATHERINE E ABBOTT, 0000
LEWIS M BOONE, 0000
WILLIAM T CAIN, 0000
TIMOTHY R COFFIN, 0000
MICHAEL C CONNOLLY, 0000
NANCY J CURRIE, 0000
JOSEPH G CURTIN, 0000
PETER DIAZ, 0000
JODY L DRAVES, 0000
BRUCE E EMPRIC, 0000
MARSHALL P FITE, 0000
PATRICK G FORRESTER, 0000
VALLORY E LOWMAN, 0000
MARY E MATTHEWS, 0000
DAVID R MCWILLIAMS, 0000
CHRISTOPHER E OCONNOR, 0000
JAMES R PIERSON, 0000
VICTORIA A POST, 0000
MICHAEL A RHODEN, 0000
PATRICK V SIMON, 0000
GEORGE F STONE III, 0000
MARK D VANUS, 0000
JAMES R WILLIAMS, 0000
JEFFREY N WILLIAMS, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

ELI T ALFORD, 0000
MICHAEL D BAEHRE, 0000
DANIEL BOLAS, 0000
JAMES L BOLING, 0000

CLIFF F BOLTZ, 0000
JEANNE M BROOKS, 0000
ANDREW H COHEN, 0000
PAUL M CRAWFORD, 0000
EDWARD P DONNELLY JR., 0000
RAYMOND E FREELAND JR., 0000
STEVEN E GALING, 0000
REGINALD R GILLIS, 0000
HARRY C HARDY, 0000
KEVIN C HAWKINS, 0000
JAMES M HOUSE, 0000
BILLIE W KEELER, 0000
PATRICK KELLY III, 0000
DAVID B KNUDSON, 0000
ABBOTT C KOEHLER, 0000
BILLY J LASTER JR., 0000
STEVEN J MAINS, 0000
PAUL K MARTIN, 0000
ROBIN L MEALER, 0000
TERRY L MINTZ, 0000
EDWARD P NAESSENS, 0000
GERALD B OKEEFE, 0000
CHRISTOPHER G OWENS, 0000
LEON L PRICE, 0000
GEORGE PROHODA, 0000
MICHAEL A RAMSEY, 0000
JOHN S REGAN, 0000
WILLIAM A RIGBY, 0000
CHRISTOPHER C ROMIG, 0000
BARRY L SHOOP, 0000
GLADYS V SMITH, 0000
SCOTT A SNOOK, 0000
WILMER A SWEETSER JR., 0000
MICHAEL A TONER, 0000
JAMES T TREHARNE, 0000
ROBERT C TUTTLE JR., 0000
EUGENE C WARDYNSKI JR., 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

BRADLEY G ANDERSON, 0000
JESSE L BARBER, 0000
STEVEN F BEAL, 0000
ANTHONY B BELL, 0000
GARY L BLISS, 0000
CHRISTOPHER J BOLAN, 0000
STEVE G BOUKEDIS, 0000
ROBERT E BREWSTER JR., 0000
MICHAEL E CANTOR, 0000
ALBERT A CASTALDO, 0000
DEBORAH J CHASE, 0000
DAVID W COKER, 0000
ALFRED A COPPOLA JR., 0000
SCOTT H CRIZER, 0000
JOHN F DAGOSTINO, 0000
VICTORIA DIEGOALLARD, 0000
ANITA M DOMINGO, 0000
GORDON C DRAKE, 0000
CHARLES H DRIESSNACK, 0000
PAUL J FLYNN, 0000
GREGORY J FRITZ, 0000
PETER N FULLER, 0000
ALLEN L GREEN III, 0000
HAROLD J GREENE, 0000
JEFFREY L GWILLIAM, 0000
RONALD J HAYNE, 0000
THOMAS H HOGAN, 0000
DONALD C HUFF, 0000
DAVID G JESMER JR., 0000
KEVIN B KENNY, 0000
STEPHEN D KREIDER, 0000
RONALD K MACCAMMON, 0000
DAVID G MACLEAN, 0000
JONATHAN A MADDEX, 0000
EDWARD D MCCOY, 0000
LLOYD E MCDANIELS, 0000
ROBERT C MCMULLIN, 0000
PAUL M MCQUAIN, 0000
FRANK L MILLER JR., 0000
SYLVIA T MORAN, 0000
FRANK MORGESE, 0000
JOSEPH F NAPOLI II, 0000
MARKUS R NEUMANN, 0000
CAMILLE M NICHOLS, 0000
KEVIN R NORGAARD, 0000
JOHN D NORWOOD, 0000
WILBUR A PARKER, 0000
WILLIAM N PATTERSON, 0000
JEROME F PAYNE, 0000
JAMES A PINER, 0000
KENNETH D POLCZYNSKI, 0000
ALEX R PORTELLI, 0000
STANLEY J PRUSINSKI, 0000
FRANK L RINDONE, 0000
STEPHEN L RUST, 0000
FELIX L SANTIAGOTORRES, 0000
TIMOTHY C SHEA, 0000
MICHAEL J SMITH, 0000
JESSE M STONE, 0000
ANDRES A TORO, 0000
THOMAS P WILHELM, 0000
MARK S WILKINS, 0000
JEFFREY D WILLEY, 0000
BENNY E WOODARD, 0000
JERRY D ZAYAS, 0000
DONALD A ZIMMER, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

MARK H ABERNATHY, 0000
JAMES C ABNEY, 0000

DAVID J ABRAMOWITZ, 0000
ROBERT B ABRAMS, 0000
KAREN S ADAMS, 0000
MARK W AKIN, 0000
ROBERT M ALGERMISSSEN, 0000
DAVID S ANDERSON, 0000
JOHN S ARNOLD, 0000
JOHN M ATKINS, 0000
MARK F AVERILL, 0000
MARK W AVERY, 0000
JOE T BACK JR., 0000
DON W BAILEY, 0000
RALPH O BAKER, 0000
THOMAS M BAKER, 0000
CAROL A BARKALOW, 0000
MICHAEL J BARRON, 0000
ROBERT F BARRY II, 0000
FRANK L BARTH, 0000
DONALD A BARTHOLOMEW, 0000
DEBBIE V BAZEMORE, 0000
ROBERT C BECKINGER, 0000
ROGER A BEHRINGER, 0000
DAVID J BENDER, 0000
KATHLEEN R BENNETT, 0000
GUY C BEOUGHER, 0000
CAROLE N BEST, 0000
GEORGE M BILAFER JR., 0000
FREDDIE N BLAKELY, 0000
JAMES A BLISS, 0000
KEITH C BLOWE, 0000
DONNA G BOLTZ, 0000
GWENDOLYN D BONEYHARRIS, 0000
JAMES F BOWIE, 0000
THOMAS J BOYLE, 0000
WILLIAM G BRAUN III, 0000
DONALD W BRIDGE JR., 0000
STEVEN J BRIGGS, 0000
JONATHAN B BROCKMAN, 0000
JAMES E BROOKS JR., 0000
MICHAEL A BROWN, 0000
MICHAEL L BRUHN, 0000
IREY W BRYAN JR., 0000
JACKIE J BRYANT, 0000
BELINDA L BUCKMAN, 0000
WILLIAM E BULEN JR., 0000
MICHAEL I BUMGARDNER, 0000
RALPH C BURKART, 0000
PETER C BURNETT JR., 0000
JOHN C BURNS, 0000
AARON W BUSH, 0000
JEFFREY S CAIRNS, 0000
VERNON L CAMPBELL, 0000
MICHAEL M CANNON, 0000
EDWARD C CARDON, 0000
ROBERT M CARPENTER, 0000
ROBERT A CARL, 0000
JAYNE A CARSON, 0000
PATRICK J CASSIDY, 0000
MICHAEL R CHAMBERS, 0000
CAROL D CLAIR, 0000
BEN C CLAPSADDLE, 0000
MARY J CLARK, 0000
JAMES P COATES, 0000
JEFFREY G COLLEY, 0000
JAMES H COMISH, 0000
TIMOTHY R CORNETT, 0000
JAMES F COSTIGAN, 0000
MICHAEL P COURTS, 0000
KENNETH J COX, 0000
WID S CRAWFORD, 0000
JAMES L CREIGHTON JR., 0000
FREDERICK A CROSS, 0000
ANTHONY G CRUTCHFIELD, 0000
KENNETH J CULL, 0000
ROBERT A CUNNINGHAM, 0000
ROBERT L CURSIO JR., 0000
ROBERT J DALESSANDRO, 0000
BROOKS S DAVIS, 0000
JAMES L DAVIS, 0000
ROBERT J DAVIS JR., 0000
DARRYL C DEAN, 0000
CHRISTIAN E DEGRAFF, 0000
THOMAS J DEVINE, 0000
DAVID L DEVRIES, 0000
JOSEPH P DISALVO, 0000
BRIAN J DONAHUE, 0000
PATRICK J DONAHUE II, 0000
ALEX C DORNSTAUDER, 0000
EMMETT H DUBOSE JR., 0000
STEPHEN R DWYER, 0000
KAREN E DYSON, 0000
TODD J EBEL, 0000
STEVEN C ELDRIDGE, 0000
MICHAEL D ELLERBE, 0000
CONWAY S ELLERS, 0000
RONNIE T ELLIS, 0000
TRACY L ELLIS, 0000
JAMES H EMBREY, 0000
RICHARD A ENDERLE, 0000
MICHAEL D ENNERING, 0000
MICHAEL A FANT, 0000
MICHAEL W FEIL, 0000
EDWARD J FISHER, 0000
LARRY W FISHKEN, 0000
MICHAEL J FLYNN, 0000
JAMES M FOSTER, 0000
WALTER N FOUNTAIN, 0000
KELLY R FRASER, 0000
KENT E FRIEDERICH, 0000
WILLIAM R FRUNZI, 0000
WILLIAM K FULLER, 0000
TIMOTHY J GALLAGHER, 0000
WILLIAM J GALLAGHER, 0000
MICHAEL S GALLAGHER, 0000
DUANE P GAPINSKI, 0000
DONALD E GENTRY, 0000
MICHAEL G GOULD, 0000

DAVID R GRAY, 0000
 STEVEN M GREEN, 0000
 BRYON E GREENWALD, 0000
 JEFFREY G GREGSON, 0000
 GILBERT A GRIFFIN, 0000
 WILLIAM H HAIGHT III, 0000
 BARRY G HALVERSON, 0000
 DYFIERD A HARRIS, 0000
 MICHAEL J HARRIS, 0000
 JAMES W HARRISON JR., 0000
 WILLIAM T HARRISON, 0000
 THOMAS A HARVEY, 0000
 EDWIN S HEINRICH, 0000
 JAMES B HENDERSON, 0000
 LOUIS O HENKEL, 0000
 MARK M HENNES, 0000
 JOHN A HERMAN, 0000
 GREGORY K HERRING, 0000
 JAMES B HICKEY, 0000
 SHEILA B HICKMAN, 0000
 PATRICK M HIGGINS, 0000
 WILLIAM F HIGGINS JR., 0000
 DAVID R HOGG, 0000
 DEBORAH HOLLIS, 0000
 JEFFREY P HOLT, 0000
 JOHN C HOWARD, 0000
 ROY C HOWLE JR., 0000
 DONALD B HYDE JR., 0000
 VICTOR D IRVIN, 0000
 DONALD N ISBELL, 0000
 CHRISTOPHER E ISKRA, 0000
 ROBERT L JASSEY JR., 0000
 FULTON R JOHNSON, 0000
 ROBERT C JOHNSON, 0000
 GARY E JOHNSTON, 0000
 DALTON R JONES, 0000
 STEVEN M JONES, 0000
 CHARLES J KACSUR JR., 0000
 JOHN C KARCH, 0000
 MICHAEL P KELLIHER, 0000
 PAUL W KELLY, 0000
 ROBERT W KENNEALLY JR., 0000
 JOHN M KIDD, 0000
 GARY S KINNE, 0000
 JAMES D KIRBY, 0000
 DAVID B KNEAFSEY, 0000
 GREGORY P KOENIG, 0000
 JAMES P KOHLMANN, 0000
 MIROSLAV P KURKA, 0000
 KINARD J LAFATE, 0000
 JONATHAN E LAKE, 0000
 KURT G LAMBERT, 0000
 STEPHEN R LANZA, 0000
 STEVE E LAWRENCE, 0000
 BRIAN R LAYER, 0000
 DOUGLAS J LEE, 0000
 WILLIAM F LEE, 0000
 DAVID B LEMAUK, 0000
 DEBRA M LEWIS, 0000
 CHRISTOPHER L LEYDA, 0000
 WENDY L LICHTENSTEIN, 0000
 RICHARD C LONGO, 0000
 ROBERT G LOUIS, 0000
 JOSEPH B LOWDER, 0000
 BENJAMIN D LUKEFAHR, 0000
 DAVID K MACEWEN, 0000
 JORGE L MADERA, 0000
 CHERYL D MANN, 0000
 ANGELA M MANOS, 0000
 PETER R MANSOOR, 0000
 LOU L MARICH, 0000
 ALBERT G MARIN III, 0000
 PRESCOTT L MARSHALL, 0000
 DAVID C MARTINO, 0000

SHAWN M MATEER, 0000
 BRADLEY W MAY, 0000
 ROBERT D MAYR, 0000
 MARK A MCALISTER, 0000
 JACK R MCCLANAHAN JR., 0000
 MICHAEL J MCMAHON, 0000
 KENNETH M MCMILLIN, 0000
 TIMOTHY K MCNULTY, 0000
 PLAUDY M MEADOWS III, 0000
 KEVIN G MERRIGAN, 0000
 ANDREW N MILANI, 0000
 GEORGE J MILLAN, 0000
 STEVEN N MILLER, 0000
 KRISTOPHER F MILTNER, 0000
 JEFFERY L MISER, 0000
 JAMES M MOORE, 0000
 MARK L MORRISON, 0000
 ALAN M MOSHER, 0000
 DAVID A MOSINSKI, 0000
 THOMAS M MUIR, 0000
 CHARLES E MULLIS, 0000
 CHRISTOPHER J MUNN, 0000
 JOHN M MURRAY, 0000
 SUSAN R MYERS, 0000
 MICHAEL K NAGATA, 0000
 JOYCE P NAPIER, 0000
 JENNIFER L NAPPER, 0000
 DOUGLAS E NASH, 0000
 JAMES P NELSON, 0000
 JOHN W NICHOLSON JR., 0000
 ROBERT W NICHOLSON, 0000
 JOSE R OLIVERO, 0000
 GREG D OLSON, 0000
 ROBERT ORTIZABREU JR., 0000
 HECTOR E PAGAN, 0000
 SAMUEL L PALMER, 0000
 LAWRENCE R PAPINI JR., 0000
 THOMAS M PAPPAS, 0000
 RICHARD H PARKER, 0000
 LAWARREN V PATTERSON, 0000
 KATHLEEN M PEDERSEN, 0000
 STEVEN R PELLE, 0000
 STEPHEN P PERKINS, 0000
 WILLIAM E PERKINS, 0000
 BRIAN C PERRIS, 0000
 MARK B PETREE, 0000
 MICHAEL F PFENNING, 0000
 WILLIAM G PHELPS JR., 0000
 DON A PHILLIPS, 0000
 MICHAEL W PICK, 0000
 TIMOTHY J POLASKE, 0000
 RICHARD J POLO JR., 0000
 WILLIAM R POPE, 0000
 ROBERT P PRICONE, 0000
 ANTHONY J PUCKETT, 0000
 DAVID E QUANTOCK, 0000
 FLOYD A QUINTANA, 0000
 JOSEPH A RAPONE II, 0000
 TIMOTHY R REESE, 0000
 PAUL J REOYO, 0000
 MICHAEL S REPASS, 0000
 MICHAEL RESTY JR., 0000
 ROSS E RIDGE, 0000
 RICARDO R RIERA, 0000
 JOHN P RITCHEY, 0000
 MARK L RITTER, 0000
 PETER J ROBERTS, 0000
 HUGH G ROBINSON JR., 0000
 SUSAN M ROCHA, 0000
 DAVID J ROHRER, 0000
 JAMES G ROSE, 0000
 MARK D ROSENGARD, 0000
 JOHN S ROVEGNO, 0000
 BENIGNO B RUIZ, 0000

BENNET S SACOLICK, 0000
 STEVEN L SALAZAR, 0000
 RUSSEL D SANTALA, 0000
 LAURIE F SATTLER, 0000
 DAVID A SCARBALIS, 0000
 MICHAEL W SCHNEIDER, 0000
 CHRISTOPHER E SCHUSTER, 0000
 JERRY D SCOTT, 0000
 MICHAEL R SCOTT, 0000
 JAY D SERRANO, 0000
 DANIEL J SHANAHAN, 0000
 JOHN M SHAY, 0000
 JAMES W SHUFELT JR., 0000
 RICHARD A SMART, 0000
 JEFFOREY A SMITH, 0000
 MICHAEL N SMITH, 0000
 NATHANIEL SMITH, 0000
 PHILIP J SMITH, 0000
 EDWARD W SNEAD, 0000
 SUSAN R SOWERS, 0000
 JAMES A STAUFFER, 0000
 MARK A STENBERG, 0000
 EDDIE A STEPHENS, 0000
 BRIAN P STEPHENSON, 0000
 MICHAEL K STEPHENSON, 0000
 BEVERLY M STIPE, 0000
 ARTHUR A STRANGE III, 0000
 JOHN C STRATIS, 0000
 DAVID J STYLES, 0000
 BARRY L SWAIN, 0000
 RICHARD W SWENGROS, 0000
 WILLIAM J TAIT JR., 0000
 CHARLES L TAYLOR, 0000
 DEBRA O TAYLOR, 0000
 DWAYNE L THOMAS, 0000
 DENNIS H THOMPSON, 0000
 DENNIS A THORNTON, 0000
 JOHN M TISSON, 0000
 ROBERT M TOGUCHI, 0000
 CHARLES J TOOMEY JR., 0000
 CHRISTOPHER J TOOMEY, 0000
 KARLA C TORREZ, 0000
 TIMOTHY C TOUZINSKY, 0000
 JOHN W TOWERS, 0000
 THOMAS G TROBRIDGE, 0000
 RODERICK G TURNER III, 0000
 PETER D UTLEY, 0000
 THOMAS D VAIL, 0000
 THOMAS S VANDAL, 0000
 REY A VELEZ, 0000
 JEFFREY D WADDELL, 0000
 MICHAEL T WALKER, 0000
 WALLY Z WALTERS JR., 0000
 BRAD M WARD, 0000
 BRIAN F WATERS, 0000
 PAUL L WENTZ, 0000
 STUART A WHITEHEAD, 0000
 PERRY L WIGGINS, 0000
 STEPHEN M WILKINS, 0000
 GARLAND H WILLIAMS, 0000
 JENNIE M WILLIAMSON, 0000
 CHARLES A WILSON, 0000
 GEORGE J WOODS III, 0000
 ARTHUR W WOOLFREY JR., 0000
 LOWELL S YARBROUGH, 0000
 CHET C YOUNG, 0000
 LAVERM YOUNG JR., 0000
 LOUIS G YUENGERT, 0000
 DANIEL L ZAJAC, 0000
 JACK C ZEIGLER JR., 0000
 JOHN T ZOCCOLA, 0000