United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 107th CONGRESS, FIRST SESSION

Vol. 147 WASHINGTON, TUESDAY, MARCH 27, 2001 No. 42

Senate

The Senate met at 9:15 a.m. and was called to order by the Honorable LINCOLN CHAFEE, a Senator from the State of Rhode Island.

PRAYER

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

Dear Father, bless the Senators today. You are the Potter; they are the clay. Mold them and shape them after Your way. Americans have prayed for Your best for this Nation, and You have answered their prayers with these women and men, chosen by You because they are people open to Your guidance. Meet their personal needs today so they can be Your instruments in meeting America's needs. Give them peace of mind, security in their souls, and vigor in their bodies so they can lead with courage and boldness. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable LINCOLN CHAFEE 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. THURMOND).

The assistant clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 27, 2001.

To the Senate:

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

STROM THURMOND,
President pro tempore.

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

RESERVATION OF LEADER TIME

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

BIPARTISAN CAMPAIGN REFORM ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 27, which the clerk will report.

The bill clerk read as follows:

A bill (S. 27) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

Pending:

Specter amendment No. 140, to provide findings regarding the current state of campaign finance laws and to clarify the definition of electioneering communication.

Hagel amendment No. 146, to provide meaningful campaign finance reform through requiring better reporting, decreasing the role of soft money, and increasing individual contribution limits.

AMENDMENT NO. 146

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the Hagel amendment No. 146. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, the remaining time on the proponent side of the Hagel amendment is how much?

The ACTING PRESIDENT pro tempore. Eighty minutes.

Mr. MCCONNELL. I expect Senator HAGEL to be here momentarily. I yield myself 5 minutes of the Hagel proponent time.

The ACTING PRESIDENT pro tempore. The Senator is recognized.

Mr. MCCONNELL. Mr. President, I never thought I would be putting a Richard Cohen column in the CONGRESSIONAL RECORD for any purpose on any issue, and certainly not on campaign finance reform. But I think this liberal columnist of the Washington Post must have had an epiphany. His column this morning I think is noteworthy, and I want to read a couple parts of it before putting it in the RECORD.

Richard Cohen said this morning in the Washington Post with regard to the underlying bill that it would do damage to the first amendment. He said:

There is no getting around that. The AFL-CIO is right about it. The American Civil Liberties Union is right too. Some senators who support McCain-Feingold do not quibble with that assessment; they say only that no bill is perfect. . . .

Further in the article, Cohen says:

The trouble is that the lobbyists on K Street will ultimately figure out a way around any campaign finance reform. This is virtually a physical law in Washington, like water seeking its own level. It happened following the Watergate reforms, and it will happen this time, too.

And so when that happens we will be left with nothing much in the way of reform. But we will be left with a bit less free speech. Specifically, we will be left with severe restrictions on so-called issue advocacy. Sometimes these efforts are scurrilous and underhanded: Remember the scuzzy attack by friends of George Bush on John McCain's record on cancer research? But sometimes such attacks are valuable additions to the political debate. However you judge them, they are speech by a different name, and the First Amendment protects them all.

He goes on to say:

Still, Congress has no business enacting a law—any law—that contains provisions it knows will not pass constitutional muster. . . .

So there is a great desire to do something—almost anything, it seems, to convince the public that not all Washington is for sale. Much of the Washington press corps, symbiotically tied to government for its sense of importance, also cries out for reform. But this particular reform comes at a steep price, even the criminalization of what heretofore was free speech.

No doubt the power and wealth of special interests pose a problem for the political system. But worse than the ugly cacophony of a

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

last-minute smear campaign is the chill of any government-imposed silence. That's not reform. It's corruption by a different name.

I ask unanimous consent that the Richard Cohen column be printed in the RECORD.

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

[From the Washington Post, Mar. 27, 2001]

. . . PRESERVE FREE SPEECH

(By Richard Cohen)

To tell the truth, I had no intention of ever writing about campaign finance reform, as in the McCain-Feingold bill. It is a complicated matter, clotted with arcane terms like ''soft money,'' ''hard money'' and now—and God help us—''non-severability.'' This is the sort of mind-numbing issue that I felt could be better handled by a panel of experts on the Jim Lehrer show—people with three names, like Doris Kearns Goodwin.

But an unaccountable sense of professional obligation got the better of me. I have done my reading, done my interviewing, consulted some very wise people and asked myself one basic question: What is it that I hold most dear in American public life? The answer, as always: the First Amendment.

Sen. Charles Schumer (D–N.Y.), one of those wise men I consulted, tried to make me see matters differently. He essentially stated his case in an eloquent speech on the floor of the Senate, pleading for campaign finance reform as a way to restore the people's confidence in the political system—to make us all feel that the votes of our representatives are not for sale.

Oddly enough, it was just that quality—a restoration of faith or idealism—that attracted me to Sen. John McCain's presidential campaign. Here was a candidate who in words, deeds and something undefinable had many convinced that good people could do good in government, and that the power of money had to be met by the power of ideas. McCain deserves all the credit he can get for putting the issue before the public.

But his bill would do damage to the First Amendment. There is not getting around that. The AFL–CIO is right about it. The American Civil Liberties Union is right too. Some Senators who support McCain-Feingold do not quibble with that assessment; they say only that no bill is perfect and no constitutional right is absolute. In this case, they say, we will have to give up some free speech rights to gain some control over a very messy and sometimes corrupt campaign finance system.

The trouble is that the lobbyists of K Street will ultimately figure out a way around any campaign finance reform. This is virtually a physical law in Washington, like water seeking its own level. It happened following the Watergate reforms, and it will happen this time, too.

And so when that happens we will be left with nothing much in the way of reform. But we will be left with a bit less free speech. Specifically, we will be left with severe restrictions on so-called issue advocacy. Sometimes these efforts are scurrilous and underhanded: Remember the scuzzy attack by friends of George Bush on John McCain's record on cancer research? But sometimes such attacks are valuable additions to our political debate. However you judge them, they are speech by a different name, and the First Amendment protects them all.

McCain-Feingold has various restrictions on issue advocacy. I will not bore you with the details. But those details are what so worries the AFL–CIO, the ACLU and—if they are to be believed—some of the GOP opponents of the bill in the Senate.

Probably, the courts will toss these provisions—that's why non-severability is so important. (Non-severability means that none of the law will take effect if any part of it is ruled unconstitutional.) McCain calls non-severability ''French for 'kill campaign finance reform,' '' and undoubtedly he is right. Still, Congress has no business enacting a law—any law—that contains provisions it knows will not pass constitutional muster.

But Congress is feeling real sorry for itself. Many of its members work long and hard and don't make anything like the money you can get just for failing at a big corporate job. On talk radio, they're denounced by intellectually corrupt personalities who make much more money, work many fewer hours and talk about Congress as if it were entirely on the take.

So there is a great desire to do something—almost anything, it seems, to convince the public that not all Washington is for sale. Much of the Washington press corps, symbiotically tied to government for its sense of importance, also cried out for reform. But this particular reform comes at a steep price, even the criminalization of what heretofore was free speech.

No doubt the power and wealth of special interests post a problem for the political system. But worse than the ugly cacophony of a last-minute smear campaign is the chill of any government-imposed silence. That's not reform. It's corruption by a different name.

Mr. MCCONNELL. I also noted with interest David Broder's column this morning. Broder can best be described as something of a moderate on the campaign finance issue. He has been at several different places over the years. He makes this point about raising the hard money limit.

Much has changed in America since 1974, the year that Richard Nixon was forced to resign from the Presidency. Since then, we have had six other Presidents, the arrival of the Internet, and enough inflation to make the 1974 dollar worth 35 cents. That debate will, of course, occur during the course of the Hagel amendment.

Broder goes on to point out:

Twenty-six years ago, Congress said that contributions below $1,000 were free of that taint. Is there something magical about that figure, or could it be bumped up to $2,000 or even $3,000 in order to finance robust campaigns without forcing candidates to spend as much time organizing fundraisers or dialing for dollars as they do in the current money chase?

Further in the article:

Democrats and liberal interest groups claim that raising the $1,000 limit would benefit only a few wealthy givers. Only one-tenth of one percent of adult Americans made a political contribution of $1,000 in the last cycle. Of course, politics would be healthier if more Americans contributed something, but only a small minority now check their returns to divert $3 of their taxes to the presidential campaign fund—which would cost them nothing.

All this does is reflect a basic lack of interest in politics on the part of the Americans, which is not something we applaud, but it is certainly understandable.

Mr. President, I ask unanimous consent David Broder's column be printed in the RECORD.

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

[From the Washington Post, Mar. 27, 2001]

RAISE THE LIMIT . . .

(By David S. Broder)

Much has changed in America since 1974, the year that Richard Nixon was forced to resign from the presidency. Since then, we have had six other presidents, the arrival of the Internet and enough inflation to make the 1974 dollar worth about 35 cents.

This week the Senate faces the question of whether a campaign contribution limit of $1,000 should be adjusted upward for the first time since it was written into law in 1974. Amazingly enough, there are people inside and outside Congress who would jeopardize the passage of meaningful campaign finance legislation in order to preserve that $1,000 limit.

The Senate clearly has enough votes in sight to pass the McCain-Feingold bill, whose central provision would ban unlimited ''soft-money'' contributions to political parties from corporations, unions and wealthy individuals. These contributions, which can run from $100,000 upward and often are extorted by persistent pressure from candidates and officeholders, are rightly seen as potential sources of political corruption.

But before McCain-Feingold comes to an up-or-down vote, senators will confront the question of lifting the $1,000 limit on individual contributions to federal candidates. That ''hard money'' limit applies to regulated contributions that the candidates can use to buy ads or pay for other campaign costs. Raising the hard-money limit will offset some of the revenue lost to the parties if the six-figure soft money is banned.

Common sense says—and the Supreme Court has held—that contribution limits are justified by the public interest in preventing corruption or the appearance of corruption. Twenty-six years ago, Congress said that contributions below $1,000 were free of that taint. Is there something magical about that figure, or could it be bumped up to $2,000 or even $3,000 in order to finance robust campaigns without forcing candidates to spend as much time organizing fundraisers or dialing for dollars as they do in the current money chase?

Some Democrats and liberal interest groups, avowedly champions of reform, are finding creative rationalizations for opposing an increase in the hard-money contribution limit. Notable among them is Sen. Tom Daschle of South Dakota, the Democratic leader, who has been warning that if the $1,000 limit is raised (or raised by an unspecified ''too much'') he and others will have to reconsider their support for the McCain-Feingold soft-money ban.

It may be sheer coincidence that Democrats caught up to Republicans in the past election in the volume of soft-money contributions, while Republicans actually increased their hard-money lead, collecting $447 million to the Democrats' $270 million. Republicans have more contributors, especially small donors, thanks to their well-established direct-mail solicitations, while Democrats have failed to cultivate a similar mass base.

Democrats and liberal interest groups claim that raising the $1,000 limit would benefit only a few wealthy givers. Only one-tenth of one percent of adult Americans made a political contribution of $1,000 in the last cycle. Of course, politics would be healthier if more Americans contributed something, but only a small minority now check their returns to divert $3 of their taxes to the presidential campaign fund—which would cost them nothing.

The reality is that campaigns are going to be funded by relatively few people, but the notion that the $2,000 contributor of today is

more corrupting than the $1,000 contributor of 1974 is nonsense.

The second argument is that raising the contribution limit is bad because the goal should be to reduce the amount spent on campaigns. Why? Political communication is expensive in mass-media America. Candidates are competing not only with each other but with all the commercial products and services vying for viewers' attention with their own ads and promotions. Contributions of reasonable size that help candidates get their messages out are good for democracy, not a threat.

McCain and Feingold are seeking to negotiate what a ''reasonable'' increase in individual limits would be. Such an amendment would strengthen their bill, not damage it, and certainly should not provide an excuse for Daschle or other Democrats to abandon it.

Political journalism lost a notable figure last week with the death of Rowland Evans, for many years the co-author with Robert Novak of one of the most influential columns in this country. Like his partner and many others of us, Evans had his biases, but his hallmark was the doggedness of his reporting. A patrician by birth, he brought a touch of class to his work, and he will be missed.

Mr. MCCONNELL. It is noteworthy that nothing in the bill is going to quiet the votes of people with great wealth. Here is a full page ad today, in the Washington Post, paid for by a gazillionaire named Jerome Kohlberg who firmly believes everybody's money in politics is tainted except his. His money, of course, is pure. This is the same individual who spent $½ million in Kentucky in 1998 trying to defeat our colleague, JIM BUNNING, and I have defended his right, obviously, over the years to do what he wants to do with his money.

It further points out that no matter what we do in the Senate, people of great wealth are still going to have influence. You are not going to be able to squeeze that out of the system. The Constitution doesn't allow it. This is a classic example of how big money is financing the reform side in this debate, underwriting Common Cause, underwriting ads.

Essentially, great people of great wealth are paying for the reform campaign. They are free to do that. I defend their right to do it, but I think it is noteworthy.

I ask a reduced version of this ad in today's Washington Post be printed in the RECORD.

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

THE TIME HAS COME

After two rejections by the Senate of a meaningful Campaign Finance Reform Bill it is now time for the Congress to act.

This is not a Democrat or Republican problem. The two operative parties of government now are ''those who give'' and ''those who take,'' coupled with the exorbitant amounts of money involved. This collaboration calls into question the legitimacy of our elections and of the candidates in pursuit of office.

Citizen voters are increasingly making it evident that they are disgusted with the process, and questioning the integrity of a system that flies in the face of equal representation. They feel more certain with each election cycle that they are getting a President or Congress mortgaged with ''due bills'' that must be repaid by legislative favors.

It is a system that is inimical to our democratic ideals. One that convinces citizens that their government serves powerful organizations and individuals to their detriment. It is this perception that any new legislation must finally address.

The time has come for the Congress to demonstrate the statesmanship that the people of our country expect and deserve.—Jerome Kohlberg.

Mr. MCCONNELL. I see Senator HAGEL is here and fully capable of controlling his time. I yield the floor.

Mr. HAGEL. Mr. President, I yield up to 15 minutes to my colleague from Kansas.

Mr. ROBERTS. Mr. President, a week ago yesterday Senator HAGEL, our colleague from Nebraska, took the floor of the Senate and with straight talk said some things that made a great deal of sense. They bear repeating at this point in this debate.

First, he said it was time for this debate. Our current campaign finance laws make absolutely no sense. That is true. Since the proponents are bound and determined to take up their version of what I call ''alleged reform,'' before we get to the business of tax relief, the energy crisis, foreign policy, and national security concerns, not to mention a host of other pressing issues, it is time, certainly, to dispense with this issue. However, in so doing, let me remind my colleagues of our first obligation. That is to do no harm.

Senator HAGEL warned we must be careful not to abridge the rights of Americans to participate in our political system and have their voices heard. He understood and underscored the paramount importance of the first amendment to the Constitution, that being the freedom of speech.

Second, the Senator from Nebraska then emphasized we should not weaken our political parties or other important institutions within our American system. He stressed we should encourage greater participation, not less.

I want my colleagues and all listening to listen to Senator HAGEL.

I start from the fundamental premise that the problem in the system is not the political party; the problem is not the candidate's campaign; the problem is the unaccountable, unlimited outside moneys and influence that flows into the system where there is either little or no disclosure. That is the core of the issue.

On that, Senator HAGEL was right as rain on a spring day in Nebraska.

He went on to say political parties encourage participation, they promote participation, and they are about participation. They educate the public and their activities are open, accountable and disclosed. And, then he nailed the issue when he said:

''Any reform that weakens the parties will weaken the system, lead to a less accountable system and a system less responsive to and accessible by the American people.

''Why,'' Senator HAGEL asked, ''Why do we want to ban soft money to political parties—that funding which is now accountable and reportable? This ban would weaken the parties and put more money and control in the hands of wealthy individuals and independent groups accountable to no one.''

It makes sense to me, Senator.

Finally, Senator HAGEL warned the obvious. In this regard, I simply do not understand why Members of this body and the proponents of alleged reform—and all of the twittering media bluebirds sitting on the reform windowsill—are so disingenuous with the obvious. It seems to me either they are blinded by their own political or personal prejudice or they just don't get it or they just don't want to get it.

Senator HAGEL warned last week:

When you take away power from one group, it will expand power for another. I do not believe that our problems lie with candidates for public office and their campaigns. I believe the greatest threat to our political system today is from those who operate outside the boundaries of openness and accountability.

Three cheers for CHUCK HAGEL. He has shined the light of truth into the muddle of reform.

My colleagues, at the very heart of today's campaign law tortured problems are two simple realities that cannot be changed by any legislative cleverness or strongly held prejudice.

First, private money is a fact of life in politics. If you push it out of one part of the system it re-enters somewhere else within the shadows of or outside the law. Its like prohibition but last time around it was prohibition with temples, bedrooms, and labor union payoffs.

More to the point with members of this body deciding every session some two trillion dollars worth of decisions that affect the daily lives and pocketbooks of every American, there is no way anyone can or should limit individual citizens or interest groups of all persuasions from using private money, their money, to have their say, to protect their interests, to become partners in government—unless of course you prefer a totalitarian government.

Second, money spent to communicate with voters cannot be regulated without impinging on the very core of the first amendment, which was written as a safeguard and a protection of political discourse.

We got into this mess by defying both of these principles with very predictable results. Lets see now, here is a reform, let us place limits on money spent to support or defeat candidates.

Whoops, those who want to have their say now run ads that are called issue advocacy, and we are running at a full gallop in that pasture—can't stop that expression of free speech; it is constitutionally protected, or at least it was until yesterday in Senator WELLSTONE's amendment. When my colleagues placed tight limits on contributions to candidates and called that reform, we went down the same trail again. Whoops, those who want to

have their say in a democracy began giving to political parties with unregulated soft money.

So now we have hard regulated disclosed and soft unregulated disclosed, and express advocacy and issue advocacy, and they are all wrapped up in a legalistic mumbo-jumbo that defies understanding or enforcement and has given reform and the Federal Election Commission a bad name.

My friends, this money-regulating scheme is bankrupt. Yet here we are again with the same medicine show, same horse doctor, and the same old medicine. But this time around we are to ban soft money given to political parties, and then to really make sure that works, we are going to restrict independent issue advocacy. We have solved the problem. Right? Wrong.

Whoops, instead of less money, we will have more—lots and lots of money. Pass McCain-Feingold, or the bill that is the underlying bill now, as amended, and interest groups will bypass the parties and conduct their own campaigns. Why give to individual candidates or their political party when you can run your own independent advocacy campaign, especially given the amounts of money these organizations have at their disposal? We are not talking thousands here, folks. We are talking millions. Talk about a negative ad Scud missile attack in 2002. I will tell you what. With this bill, there will be no party missile shield for those candidates trying to weather the storm.

This entire business reminds me of the times I would take my three children to a well-known fast-food pizza and entertainment center; I think it is called Chuck E. Cheese's. As I recall, for the price of one ticket, my kids would run amok from one game to the next, the favorite being called Whackamole, where kids would smack mole-like creatures whose heads popped out of dozens of mole holes. Smack one down, and another two would suddenly jump up. Well, campaign reform is a lot like Whackamole.

Well, not to worry now; we will fix that. Let's just add on another layer of reform. We will just limit ads that mention candidates within 60 days of an election. Now, last week, that ban was limited to corporations and unions and by groups they support if the ad was run on television and radio—not any mention of newspapers, posters, or billboards, just radio and television. Yesterday, in a fit of consistent unconstitutionality, we added another layer, making the ban apply to all groups. Thus, now the bill limits free expression.

Good grief, Mr. President. How in the world can we say we will improve the integrity of any political system by letting politicians restrict political speech? Can you imagine how everybody concerned will try to game the speech police?

By the way, there is an exemption for journalists. I used to be a journalist. Have we stopped to figure out who and what is a journalist and how we will get around that loophole? That is another story altogether. Hello, ACLU. How many court cases, indeed?

What a deal. Pass this so-called reform and candidates will spend more time asking for contributions, the very thing they want to avoid, forced by the current low limits to beg every day. Our political parties will lose their main source of funds or become hollow shells, and if the speech controls are upheld, why, our political discussion will be both chilled and contorted. Of course, the real campaigns would be run by the special interests with independent expenditures rather than by the candidates and the parties.

My colleagues, we have a choice. We can continue to go down this road of one party basically trying to unilaterally disarm the other and destroying our two-party system and the first amendment in the process or we can really support something that truly deals with the real problems within our campaign finance laws, and that ''something'' is the legislation offered by my friend and colleague, Senator HAGEL.

His reform does three basic things:

First, he protects the first amendment to the Constitution and calls for full and immediate disclosure and identity.

Second, he addresses the basic reason that our campaign funds are going around, under, and over the public disclosure table today, the antiquated limit on the amount of contributions that citizens may give to candidates unchanged over two decades.

Third, he proposes a limit on soft money that is of concern to me, but at least it is semi-reasonable. I will accept the cap given the full disclosure and the increase of the amount of money that our individual citizens could and should be giving to candidates.

Finally, if we are truly serious about getting a reform bill passed, if we want a bill signed by the President as opposed to an issue, it might be a good idea to see if the base bill amended by Senator HAGEL would fit that description.

President Bush listed six reform principles:

First, protect the rights of individuals to participate in democracy by updating the limits on individual giving to candidates and parties and protecting the rights of citizen groups to engage in issue advocacy. Hagel passes; the underlying bill, as amended to date, does not.

Second, the President said we should maintain strong political parties. Hagel passes that test; the underlying bill without Hagel does not.

Third, the President said we should ban the corporate and union soft money. I don't buy that, but under Senator HAGEL, he does limit soft money.

Fourth, the President said we should eliminate involuntary contributions. Hagel doesn't deal with that issue. The underlying bill as amended or, to be more accurate, as not amended, does not meet this criterion.

Fifth, require full and prompt disclosure. The Hagel bill meets this test.

Sixth, to promote a fair, balanced, and constitutional approach. Here, the President supports including a nonseverability provision, so if any provision of the bill is found unconstitutional, the entire bill is sent back to Congress for further deliberation.

Well, we still have that issue before us. However, the bottom line is that if you want a campaign reform measure that President Bush will sign, you should support the measure I have cosponsored with Senator HAGEL.

There is one other thing. Too many times, common sense is an uncommon virtue in this body. Here we have a paradox of enormous irony. Legislation that is unconstitutional, that endangers free speech, that advantages independent special interests and the wealthy and that will cripple the two-party system and individual participation has been labeled and bookshelved by many of the hangers-on within the national media and the special interests that are favored in the legislation as being ''reform.'' I just heard on national television before driving to work that reform was being endangered. What is endangering reform, on the other hand, is these same folks branding the effort by my colleague as a poison pill.

Well, colleagues and those in the media, all that glitters is not gold. All that lurks under the banner of reform is not reform. There are a lot of cacti in this world; we just don't have to sit on every one of them. McCain-Feingold, the current bill, is another ride into a box canyon. On the other hand, legislation I have cosponsored with CHUCK HAGEL is a clear, cold drink of common sense, a good thing to have on any reform trail ride.

I salute you, sir, and yield the floor.

Mr. HAGEL. Mr. President, I am overwhelmed with my colleague from Kansas. I note that the senior Senator from Arizona was taking note, making reference to all of his hangers-on friends.

Mr. MCCAIN. If the Senator will yield for a 10-second comment?

Mr. HAGEL. Yes.

Mr. MCCAIN. As usual, the Senator from Kansas illuminated, enlightened, and entertained all at once, and I enjoyed it very much.

Mr. HAGEL. If he passes the Senator's test, then we are making progress and we are grateful.

The Senator from Wyoming is present. I understand he would like to make some comments. I ask Senator THOMAS, how much time does he need?

Mr. THOMAS. I think 10 minutes, if that is satisfactory.

Mr. HAGEL. I yield 10 minutes to the senior Senator from Wyoming.

Mr. FEINGOLD. Mr. President, I ask unanimous consent, following the remarks of the Senator from Wyoming,

the Senator from New York be recognized for 15 minutes.

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

The Senator from Wyoming is recognized for 10 minutes.

Mr. THOMAS. Mr. President, I thank Senator HAGEL for the time and also thank Senator HAGEL for the work he has put in on this bill. I supported this bill in the beginning, last year—I was an original cosponsor—because I think it deals with the issue that is before us, and deals with it in a way that is relatively simple, that we can understand, and does the things that, in the final analysis, we want to have happen.

I have the notion that after spending all last week and another week this week on this whole matter of campaign reform, it is not very clear as to what has been done, what is being suggested, where we will be when it is over, which is the most important thing. What is it that we would like to have happen? I must confess, it has been very confused. That is why I supported the Hagel bill; it makes it rather clear that it does the things we want to do. It ends up providing an opportunity for more participation in the election process and for a constitutional limit, if there are some limits, and the strong parties which, of course, is the way we govern ourselves.

First of all is the constitutional importance of free speech. That is the most important thing we have to protect. This country was founded on the principle that people could express themselves and express themselves in the political process and be able to participate in it.

Kids ask often: How did you get to be in politics? I can tell you how. I got involved in issues. I got involved in agriculture, in talking about the process. It became very clear as I worked in the Wyoming Legislature that politics is the way we govern ourselves. The decisions by the people are made in the political process, are passed through the governmental process, and that is how it works. That is how I became involved. I think it is a way many people have become involved and, indeed, they need to be involved that way.

The first amendment is based primarily on a premise that if free society is to flourish, there has to be unfettered access and willingness to participate. McCain-Feingold, I believe, has unintended consequences. It limits political expression, certainly specifically 30 days before the primary and 60 days before the general election. We had some amendments about that yesterday. We need to be very careful about that in terms of our ability to participate and our ability to exercise that right of ours that is constitutional—free speech.

The Supreme Court upholds laws which prevent ''the appearance of corruption,'' but surely that doesn't mean the Congress ought to ban the freedom of speech. In fact, in the Buckley case:

> Discussion of public issues and debate on the qualifications of candidates are integral to the operation of the system of government established by our Constitution. The First Amendment affords the broadest protection to such political expression in order ''to assure the unfettered interchange of ideas for the bringing about of political and social changes desired by the people.''

That is what it is all about.

State parties would be limited. My background and involvement as I moved through this process was being active in the State party. I was secretary of our State party. State parties are out there to encourage people to participate, to organize in counties, to bring county organizations and chairmen and young people into the party to represent the views they share. That is what parties are for. To limit the opportunity for those parties to do those things seems to me to be very difficult.

Parties cannot, under this process, use already-regulated soft money for party building. I think that is wrong. McCain-Feingold, in my view, federalizes elections. We already allow for a mix of Federal and State funds to be used for basic participation. Parties would be able to assist challengers. We should not make it terribly advantageous to be an incumbent. There ought to be challengers so we can make changes. State parties do that.

These are the issues that are very important and we need to preserve them and we need to understand them. We need to be clear about. It is my view that McCain-Feingold would decrease voter turnout, would decrease the interest in participation in elections. That is the strength of this country, for people to come together with different views and express those views in elections so the people, indeed, are represented. It would devastate the parties if McCain-Feingold were passed as it is proposed. It would devastate grassroots activity.

Political involvement ought not be limited only to professionals or people who have expert legal advice on the intricacies of Federal legislation.

I just came from a meeting with some folks who were talking about how difficult it is for trade associations to deal with people within their trade associations unless they get some kind of approval from the company and it can only last for 3 years and they can only do it in one company. Those are the kinds of restrictions that should not exist.

Frankly, I get a little weary of the corruption idea all the time, as if everyone in this Chamber votes because of somebody providing money. In my view and in my experience, you go out and campaign and tell people what your philosophy is, you tell people where you are going to be on issues, and they vote either up or down to support you. The idea that every time there is a dollar out there you change your vote is ridiculous. I am offended by that idea, frankly. I do not think it is the way it really is. In any event, McCain-Feingold fails on a number of points. It presents constitutional roadblocks regarding speech and restricts State parties from energizing voters.

The Hagel bill deals clearly with many things. It increases the opportunity for hard money, brings it up to date for inflation. No. 2, it provides a limit to soft money at a level that can be controllable. Most important, it provides for disclosure. It provides the opportunity for voters to see who is participating in the financial aspect of it. Then they can make their decisions.

I think it is something that brings accountability to campaign finance. It is something the President will reform. I am very pleased to be a supporter of the Hagel bill. I urge my friends in the Senate to support it as well.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. Under the previous order, the senior Senator from New York is recognized for up to 15 minutes.

Mr. SCHUMER. Mr. President, I rise in strong opposition to the amendment offered by Senator HAGEL to deal with soft money, not by banning it, as the McCain-Feingold bill does, but by capping donations to national parties at $60,000 per year per individual. Worse still, not only does this amendment set an awfully high cap for soft money, it would not limit soft money when given to State parties, even when the obvious purpose is to influence Federal elections.

Let me say right off the bat that I commend Senator HAGEL for his effort in this area. He is sincerely concerned about the mess that our campaign finance system has become and has offered the solution he believes is the best one. His integrity and his sincerity in offering this amendment are unquestioned by just everybody in this Chamber.

But in my judgment, and with all due respect to my friend from Nebraska, his amendment falls far, far short of what is needed to clean up our campaigns. This proposal is to reform what Swiss is to cheese: It just has too many holes. Enacting it would be worse than doing nothing, in my judgment, for the simple reason that it would carry the stamp of reform and lead the public to expect a better system while failing to live up to the label.

Should Hagel become law—which I hope it does not—people will say a year after: They tried it. They tried to do something and it failed. And you can't do anything.

Their cynicism, their disillusionment with the system, will actually increase, despite the sincere effort of the Senator from Nebraska.

The main problem with the amendment is how it treats soft money. Imagine that candidate Needbucks wants to run for the Senate. The election is 2 years away. He goes to his old friends, John and Jane Gotbucks, who have done quite well in the booming economy of the last 8 years, and asks them to donate soft money to the party.

Under the Hagel amendment, Mr. and Mrs. Gotbucks can give $240,000 in soft money—$60,000 limit per person, $240,000 per couple per cycle. Under McCain-Feingold, that would not be allowed.

But that is not everything. Throw in the $300,000 in hard money that John and Jane can give under this amendment, and you know what they say: Pretty soon we are talking about real money. The total that a couple can give is $540,000 in hard and soft money to a candidate under the Hagel legislation.

Mr. President, $540,000 a couple limits? That is reform? Give me a break. In fact, that is the kind of money that can't help but catch the gimlet eyes of our friend, candidate Needbucks, and his party.

Let's suppose, in addition, that John and Jane Gotbucks happen to run a corporation. The Hagel amendment would allow their corporation, and all others like it, to give legitimate, regulated money to the parties for the first time since the horse was the dominant mode of transportation and women couldn't even vote. We are allowing corporate money back into the system after nearly 100 years when it was not allowed.

Maybe it is instructive to remember how all this came about. In 1907 Teddy Roosevelt was burned by revelations that Wall Street corporations had given millions to his 1904 campaign. Of course, one of his famous wealthy supporters, Henry Clay Frick, came to despise Roosevelt for his progressivism and commented, ''We bought the S.O.B. but he didn't stay bought.''

But Teddy Roosevelt rose above the scandal and, as he so often did, blazed the trail of reform. He signed the Tillman Act, which outlawed corporate contributions, into law.

And now, for the first time in a century, this amendment would take us back to the Gilded Age when corporate barons legally—legally—could give money directly to political parties.

My friend from Nebraska may say his amendment isn't perfect but at least it keeps most of this corporate and union soft money out of the system. But even that modest claim really isn't accurate. Public Citizen has analyzed the $60,000 cap in the Hagel bill and determined that 58 percent of soft money given to the national parties in the 2000 election cycle would be permitted under these caps.

Even if this were pass-fail, 42 percent is an F. And we have not even reached the worst part of this amendment yet. Bad as it is to allow soft money in $120,000 increments rather than get rid of it, the amendment would do absolutely nothing to limit soft money flowing to the State parties.

In short, the Hagel amendment is like taking one step forward and two steps back—a step forward in terms of some limits, two steps back in terms of corporate contributions and soft money to parties. One step forward, two steps back. My colleagues, we are not at a square dance; we are dealing with serious reform.

The public is clamoring for us to do something. The Hagel bill is so watered down, has so many loopholes in it, it is like Swiss cheese that, again, you may as well vote for no reform at all, in my judgment.

If you tell our friends, our givers, Mr. Gotbucks and his company, that they can only give the minuscule sum of $60,000 a year to the national parties but they can give unlimited amounts to State parties for use in Federal elections, what do you think their lawyers are going to tell them to do? And when State parties get that money, they will use it to run issue ads, to get out the vote, and do other things that clearly benefit Federal candidates, just as they do now.

Let's not forget how this works.

Just last year, as then-Governor Bush was gearing up his run for the nomination, he set up a joint victory fund with 20 State Republican parties. This fund raised $5 million for then-candidate Bush that was meant to be used in the general election. The fund took in soft money contributions ranging from $50,000 to $150,000 from wealthy individuals and their families. This scheme, clearly intended to legally get around the limits, would continue unabated and could actually increase under the amendment that my friend from Nebraska has proposed.

In short, regulating soft money without dealing with the soft money that goes to State parties is like the person who drinks a Diet Coke with his double cheeseburger and fries: It does not quite get the job done.

It isn't enough to say the States will regulate soft money on their own. Mr. President, 29 States allow unlimited PAC contributions to State parties, 27 States allow unlimited individual contributions to State parties, and 13 States allow unlimited corporate and union contributions to State parties. So the notion that States will take care of soft money at the State level just does not stand up. There is no evidence that they will.

So then, if this amendment is so filled with holes, if it is, indeed, the original Swiss cheese amendment, why is it being proposed?

Well, the proponents, including my good friend from Nebraska, say they are concerned that banning soft money will doom our parties and drive all of the money now sloshing around our campaign system into the hands of independent and unaccountable advocacy groups who will run ads and engage in other political activity.

In the first place, there is a glaring inconsistency at the heart of this argument. On the one hand, opponents of McCain-Feingold—such as the Senator from Kentucky, who has led the fight against reform for many years—say they cannot support the bill because it treads on free speech. On the other hand, they say we do not dare enact the bill because then all of these outside groups will be using their first amendment rights in speaking out instead of the parties. And now on the third hand they say, well, we have always said regulating soft money is unconstitutional, but now we support capping soft money.

That is like being a little bit pregnant. You either exalt the first amendment above everything else and say there should be no limits or you don't and you support real reform like my friends from Arizona and Wisconsin have propounded.

As the New York Times put it this morning, my colleague from Kentucky ''has flipped. He cannot now clothe himself in the Constitution in opposing real reform'' as long as he votes for the Hagel amendment.

For my part, I agree with Justice Stevens, who said Buckley v. Valeo got it wrong. ''Money is property—it is not speech,'' he wrote in a decision last year.

> The right to use one's own money to hire gladiators, or to fund speech by proxy, certainly merits significant constitutional protection. These property rights, however, are not entitled to the same protection as the right to say what one pleases.

The more important response to this amendment, however, is not to point out the proponents' contradictions on the first amendment but to chide them for greatly exaggerating the demise of our political parties.

Soft money isn't the cure for what ails the parties; it is the disease. All of us in this business know the parties have become little more than conduits for big money donations by a privileged few. The parties do not have any say. They are simply mechanisms which people who want to give a lot of money go through to make it happen. If we keep going down this road, we risk that parties will become empty shells. They are so busy channeling money in large amounts that they do not do the get out the vote and the party building and the educating that parties should do and did do until this soft money disease afflicted and corroded them, as it does our entire body politic.

The reality is, banning soft money will be good for our political parties, not bad. Banning soft money will strengthen our parties by breaking their reliance on a handful of superrich contributors and forcing them to build a wider base of small donors and grassroots supporters.

Let me quote the former chairman of the Republican Party, William Brock:

> In truth, the parties were stronger and closer to their roots before the advent of this loophole than they are today. Far from reinvigorating the parties themselves, soft money has simply strengthened certain specific candidates and the few donors who make huge contributions, while distracting the parties from traditional grassroots work.

The fact is, the parties in this country got along just fine without soft money in the 1980s, before this form of funding exploded, to say nothing of their 200-year history before that.

Is my friend from Nebraska saying the great two-party tradition in this country, which is one of the main causes of our political stability and the envy of the rest of the world, rests on the thin read of soft money contributions? I hope not. Let me tell the Senate, if that is true, then we are way too late in terms of strengthening the parties.

Ultimately, the basic premise of Senator HAGEL's argument, which is that the donors who now give soft money to the parties will simply shift it to existing independent groups, is also way off base. Corporations and unions won't be able to just run their own ads favoring a candidate in lieu of giving soft money or get 501(c)(4) groups to run the ads for them because the bill prohibits campaign ads by corporations and labor within 60 days of an election. As Charles Kolb, president of the Committee for Economic Development, a business group supporting reform, has said:

> We expect that most of the soft money from the business community will simply dry up.

Corporations that find it easy to give to a party are not going to set up their whole elaborate mechanism to try to get around reform. A few will; most won't.

It is true that individuals will be able to make independent expenditures supporting campaigns, but how many of them will really do that? Writing a fat check to the party is vastly easier than trying to run an ad or organize voters. As Al Hunt wrote in the Wall Street Journal last week:

> The notion that Carl Lindner or Denise Rich is going to be heavily into issue advocacy is comical.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. SCHUMER. Mr. President, I ask the Senator to yield me an additional 3 minutes.

Mr. DODD. I yield 3 additional minutes.

The ACTING PRESIDENT pro tempore. The Senator is recognized.

Mr. SCHUMER. We all know that people such as Johnny Chung aren't giving for ideological reasons. They are giving because to them our Government works ''like a subway—you have to put in coins to open up the gate.''

But, of course, at the end of the day there is nothing we can do to stop independent political spending by individuals. That is clearly protected by the first amendment. The important point is that after this bill passes, any individuals or outside groups who want to support Federal candidates won't be able to coordinate their expenditures with candidates. They will have to go at it alone, if they really want to, without the key information they need about strategy and timing that make an ad campaign effective. So let them do it. The wall against coordination will go a long way to keeping out special interest influence and is a vast improvement over the current system giving directly to the parties.

Mr. President, I quote the words of someone who has invested a lot in this debate, someone who cares about reform, someone I greatly respect. Last year that person said:

> The American people see a political system controlled by special interests and those able to pump millions of dollars, much of it essentially unaccountable and defended by technicality and nuance. As our citizens become demoralized and detached because they feel they are powerless, they lower their expectations and standards for Government and our officeholders.

I completely agree with that speaker whose name was CHUCK HAGEL. If we agree that pumping millions of unaccountable dollars into the system threatens public confidence, which is the lifeblood of any democracy, we have to do something serious about it. We cannot say we are reforming when a couple can give $540,000 through soft and hard money to a candidate. That is not reform. That will not, I am afraid, bolster people's confidence in the system.

I am afraid the Hagel amendment is more words than action. While the system continues its long agonizing slide into greater and greater dependence on the most fortunate few, if we simply pass Hagel, we will do nothing to stop that slide. I urge defeat of the Hagel amendment and support of the original McCain-Feingold effort.

Mr. President, I yield my remaining time to the Senator from Connecticut.

Mr. DODD. Mr. President, I yield 1 minute to the Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I thank the Senator from New York. We have had some rivalries when it comes to the dairy industry. I appreciate the use of the Swiss cheese analog. As a Cheesehead from Wisconsin, that is the most persuasive thing he could possibly use.

Senator SCHUMER has brought forth the absolutely basic point. First of all, under the Hagel amendment, corporate and union treasuries will be writing direct checks to the Federal parties, something we have never allowed.

Secondly, every dime of soft money that is currently allowed can just come through the State parties back to the Federal parties. No reform.

Third, when it comes to the limits that are raised, both soft and hard money under the Hagel amendment, any couple in America can give $540,000 every 2 years.

Finally, under the Hagel amendment, there is no prohibition on officeholders and candidates from raising this kind of money.

Those are four strikes against the bill, and you only need three.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

Mr. HAGEL. Mr. President, I yield up to 10 minutes to my friend and colleague, the distinguished Senator from Nebraska, Mr. NELSON.

Mr. NELSON of Nebraska. Mr. President, I thank my colleague from Nebraska for the opportunity today to extend my full support for campaign finance reform. Again, I convey my sincere appreciation for the work of Senators MCCAIN and FEINGOLD and Senator HAGEL, as well as all of my colleagues who are involved in this effort to reform the campaign finance system.

As a veteran of four Statewide campaigns myself, and as a newly elected Senator fresh from the campaign trail, I believe, as many of my colleagues do, that the current campaign finance laws are, in a word, ''defective.''

Our country was founded on principles such as freedom and justice. As I see it, the present system for financing Federal campaigns undermines those very principles.

I believe that in its present form the campaign finance system tends to benefit politicians who are already in office. Some folks call it incumbent insurance. I prefer to call it a problem. Thus, I wholeheartedly believe the time has come for meaningful campaign finance reform.

There is an old adage we all know that goes: Don't fix it unless it is broken. Well, many aspects of our campaign finance system today are broken, and they do need fixing.

Before us today we have several legislative remedies for this flawed system. Not one, though, as far as I am concerned, is a panacea for the maladies afflicting our current campaign finance laws, nor can they be. Both the McCain-Feingold bill and the Hagel bill include provisions which I support. I am a cosponsor of Senator HAGEL's legislation because I am particularly sympathetic to the bill's provision to limit soft money contributions rather than prohibit them.

In an effort to pinpoint the culprit for the faults in the present campaign finance system, I believe soft money has become the scapegoat. As my friend from Louisiana pointed out last night, there is a popular misconception that the McCain-Feingold bill bans all soft money. This is not accurate. McCain-Feingold bans only soft money to the political parties.

While I agree that unlimited soft money contributions raise important questions, I also believe that banning soft money to the parties would only be unproductive and ultimately ineffective. Chances are, if we succeed in blocking the flow of soft money from one direction, it will eventually be funneled to the candidates from another. Furthermore, some soft money contributions are used for valuable get-out-the-vote efforts and for the promotion of voter registration and party building, all very valuable efforts that promote our system.

A more realistic approach in lieu of banning soft money would be to cap the contributions at $60,000, as prescribed by the Hagel bill. Thus, I favor the provision to limit soft money in Senator HAGEL's bill. Also, I strongly support the provisions on disclosure outlined in McCain-Feingold, that are also included in the Hagel amendment.

A lack of accountability within the current system is at the core of the problem. As a matter of fact, if we could enact substantive changes to disclosure laws and remove the facades which special interest groups hide behind, we, at the very least, will be heading in the right direction. This action to increase disclosure, combined with limitations on soft money contributions, will not only refine our current system, but will reform it.

As an individual who spent the majority of the past year on the campaign trail, I have put a great deal of thought into what I believe is the right direction for campaign finance reform. My Senate race has made me all too familiar with the shortcomings of the current system. My campaign experience with one group in particular has bolstered my support for efforts to limit so-called issue ads. This organization funded by undisclosed contributors ran soft-money issue ads throughout my campaign criticizing my stance on one issue, which was unrelated and irrelevant to their purported cause.

Unfortunately this is not the only example of issue-ad tactics I encountered during my most recent campaign. So it only follows that I am pleased with the Snowe-Jeffords provision, which addresses these so-called issue ads funded by labor and corporations. This provision will hold labor and corporations more accountable for these ads by imposing strict broadcasting regulations and increasing disclosure requirements.

I was very encouraged last night by the passage of Senator WELLSTONE's amendment, which expands the Snowe-Jeffords provision to also cover the ads run by special interest groups, whose sole purpose is to mislead voters. This leads me to my final point and the reason why I have come to the floor this morning. I want to express my strong support for this Hagel amendment we are currently debating. The passage of this amendment is crucial for the improvement of our campaign finance system. I commend Senator HAGEL for introducing a measure that realistically addresses soft money contributions. Additionally, the Hagel amendment does not supersede the critical aspects of McCain-Feingold—most notably the Snowe-Jeffords, and now Wellstone, issue-ad provisions, which are imperative if our goal is true reform. The Senate has the opportunity to repair our flawed campaign finance system. And if we don't seize the moment and take action now, it will always be a flaw in our democracy.

Again, I commend my colleagues on their efforts, and I am hopeful that we will succeed in approving this amendment and ultimately in approving a meaningful campaign finance reform package this session.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. How much time remains?

The PRESIDING OFFICER. There are 54 minutes remaining.

Mr. DODD. I yield 15 minutes to my colleague from Massachusetts, Senator KERRY.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I thank the ranking member of the Rules Committee. I join my colleagues in opposing the Hagel amendment, and I do so reluctantly on a personal level, but not on a substantive level. I have enjoyed working with the Senator from Nebraska on many issues. I respect and like him.

I regret to say that the amendment he brings to the floor today is simply not reform. I should say that again and again and again. It is not reform. It is not reform.

You don't have reform when you are institutionalizing for the first time in history the capacity of soft money to play a significant role in the political process, when the McCain-Feingold goal and objective, which I support, is to eliminate altogether the capacity of soft money to play the role that it does in our politics. So it goes in the exact opposite direction.

I will come back to that in a moment because I want to discuss for a moment where we find ourselves in this debate and really underscore the stakes in this debate at this time.

Last night, I voted with Senator WELLSTONE, together with other colleagues who believe very deeply in a bright-line test and in the capacity to have a constitutional method by which we even the playing field. I regret that some people who oppose the bill also chose to vote with Senator WELLSTONE because they saw it, conceivably, as a means of confusing reform and creating mischief in the overall resolution of this issue which Senator FEINGOLD and Senator MCCAIN have brought before the Senate.

Let me make it clear to my colleagues, to the press, to the public, and to people who care about campaign finance reform, the next few votes that we have on this bill are not just votes on amendments, in my judgment; they are votes on campaign finance reform. They are votes on McCain-Feingold itself. There will be a vote on the so-called severability issue which, for those who don't follow these debates that closely, means that if one issue is found to be unconstitutional, we don't want the whole bill to fall. So we say that a particular component of the bill will be severable from the other components of the bill, so that the bill will still stand, so that the reforms we put in on soft money, or the reforms we put in on reporting, or the reforms we put in on the amounts of money that can be contributed, would still stand even if some other effort to have reform may fall because it doesn't pass constitutional muster.

Now, opponents of this bill, specifically for the purpose of defeating McCain-Feingold, specifically for the purpose of creating mischief, will come to the floor and say: We don't want any severability. The whole bill should fall if one component of it is found unconstitutional, which defeats the very purpose of trying to put to a test a new concept of what might or might not pass constitutional muster. It is not unusual in the Senate for legislators, many of whom are lawyers, to make a judgment in which they believe they have created a test that might, in fact, be different from something that previously failed constitutional tests.

And so, as in this bill, we are trying to find a way to create a playing field that is fair, Mr. President. Fair. Many people in the Senate legitimately believe that it is not fair to have a limitation on corporations and unions, but then push all the money into a whole series of unregulated entities that will become completely campaign oriented and, in effect, take campaigning out of the hands of the candidates themselves. They won't be regulated at all, while everybody else is regulated.

That is what Senator WELLSTONE and I and others were trying to achieve last night—a fairness in the playing field. I understand why Senator FEINGOLD and Senator MCCAIN object to that. I completely understand it. They want fairness. They understand that that is important to the playing field, but they have tried to cobble together a fragile coalition here that can hold together and pass campaign finance reform.

Some people suggest they would not be part of that fragile coalition if indeed they were to embrace this other notion of a fair playing field. However, the Senate is the Senate. It is a place to deliberate, a place for people to come forward and put their ideas, legislatively, before the judgment of our colleagues.

Last night, the Senate worked its will, albeit, as in any legislative situation, with some mischief by some people who seek to defeat this. But we are in a no worse position today than we were before that amendment passed last night, because if we defeat the notion that this should be non-severable, we can still go out of the U.S. Senate with legislation and we still can put this properly to test before the Supreme Court, which is, after all, the business of our country.

That is the way it works. Congress passes something, and the Supreme Court decides whether or not it is, in fact, going to meet constitutional muster.

That said, I believe it is vital for us to proceed forward on these next votes with an understanding of what is at stake. The Hagel amendment would gut McCain-Feingold. Effectively, the vote we will have this morning will be a test of whether or not people support the notion of real campaign finance reform and of moving forward.

Let me say a few words about why the amendment Senator HAGEL has offered really breaches faith with the concept of reform itself.

The Hagel amendment imposes a so-called cap on soft money contributions of $60,000. That would be the first time

in history the Congress put its stamp of approval on corporate and union treasury funds being used in connection with Federal elections. The Hagel amendment would legitimize soft money, literally reversing an almost century-long effort to have a ban on corporate contributions and the nearly 60-year ban on labor contributions. That is what is at stake in this vote on the Hagel amendment.

The Hagel amendment would institutionalize a loophole that was not created by Congress, but a loophole that was created by the Federal Election Commission.

Worse—if there is a worse—than just putting Congress' seal of approval on soft money is the impact the amendment would have on the role of money in elections. What we are seeking to do in the Senate today is reduce the impact of money on our elections.

I will later today be proposing an amendment that I know is not going to be adopted, but it is an amendment on which the Senate ought to vote, which is the best way to really separate politicians from the money. I will talk about how we will do that later. It is a partial public funding method, not unlike what we do for the President of the United States.

George Bush, who ran for President, did not adhere to it in the primaries, but in the general election he took public money. He sits in the White House today partly because public funding supported him. Ronald Reagan took public money. President Bush's father, George Bush, took public money. They were sufficiently supportive of that system to be President of the United States, and we believe it is the cleanest way ultimately to separate politicians from the money.

That is also what we are trying to do in the McCain-Feingold bill. It does not go as far as some would like to go, but it may be the furthest we can go, given the mix in the Senate today. It seeks to reduce the role of influence of money in the American political process.

The Hagel amendment would actually undo that and reverse it. It would enable a couple to contribute $120,000 per year, $240,000 per election cycle, to the political parties. In the end, the Hagel amendment would allow a couple to give more than $500,000—half a million dollars—per election cycle to the political parties in soft money and hard money combined.

We have heard the statistics. Less than one-half of 1 percent of the American population give even at the $1,000 level. Let me repeat that. Less than one-half of 1 percent of all Americans give even at the $1,000 level, and here is the Hagel amendment which seeks to have the Senate put its stamp of approval on the rich, and only the rich, being able to influence American politics by putting $500,000 per couple into the political system. That increases the clout of people with money, and it reduces the influence and capacity of the average American to have an equal weight in our political process.

Looked at another way, the amendment would allow five senior executives from a company to give $60,000 per year for a total of $300,000 of soft money annually. That could be combined with an additional $60,000 straight from the corporate treasury. That is hardly the way to get money out of politics.

Even with its attempted cap of soft money, the Hagel amendment leaves open a gaping loophole through which unmonitored soft money can still flow. It does nothing to stop the State parties from raising and spending unlimited soft money contributions on behalf of Federal candidates.

It is absolute fantasy to believe the State parties are not, as a result of that, going to become a pure conduit for the money that flows in six-figure contributions from the corporations or the labor unions or the wealthiest individuals.

It simply moves in the wrong direction. It codifies forever something we have restricted and prevented. It is the opposite of reform. It undoes McCain-Feingold, and I urge my colleagues to keep this reform train on its tracks. We need to complete the task, and we must turn away these efforts to overburden this bill or to directly assault its fundamental provisions.

I yield back whatever time remains to the manager.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). The Senator from Nebraska.

Mr. HAGEL. Mr. President, I yield to my friend and colleague, the distinguished Senator from Tennessee, 10 minutes.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Mr. President, I rise in support of the Hagel amendment and would like to take a few minutes to paint the larger picture of where we are in campaign finance and show the critical importance, I believe, of adopting this amendment today, especially in light of what I hope to have a chance to do later this week, which is to talk a little bit more about the effects of the McCain-Feingold legislation.

I stress now the absolutely critical importance of adopting the Hagel amendment really for three reasons. I will come back to these charts because they give an overall perspective that I found very useful in talking to my colleagues and in talking to others to understand the complexities of campaign finance and the critical importance of maintaining a balance between Federal or hard money and soft or non-Federal money.

The Hagel amendment really does three things: No. 1, it gives the candidate more voice; yes, more amplification of that voice. I think that is what bothers most people. If we look at the trend over the last 20 years, that individual candidate, Joe Smith, over the years has had a voice which stayed small and has been overwhelmed by the special interests, the outside money coming in, the unions, to where his voice has gotten no louder.

There is nothing more frustrating than to be an individual candidate and feel strongly about education, health care, the military, and say it on the campaign trail, but have somebody else giving a wholly different picture because you have lost that voice over time. The Hagel amendment is the only amendment to date that addresses that loss of voice over time.

No. 2, disclosure. Most people in this body and most Americans, I believe, understand the critical importance of increased disclosure today. What makes people mad is the fact that money is coming into a system and nobody knows from where it is coming. In fact, we saw in past elections the amount of money that came from overseas. It comes through the system and flows out, and nobody knows where it is going or who is buying the ads on television. How do you hold people accountable?

Those are what really make people mad: No. 1, the candidate has no voice; No. 2, the lack of accountability of dollars coming into the system and out of the system.

Does that mean we have to do away with the system? I do not think so. We have to be very careful how we modernize it and reform it, but let us look at the candidate's voice and let us look at disclosure.

The fundamental problem we talked about all last week, money in politics—is it corrupt, is it bad, is it evil? I say no, that is not the problem. I come back to what the problem is—the candidate, the challenger, the incumbent does not have the voice they had historically.

Let me show three charts. They will be basically the same format. It is pretty simple. There are seven funnels that money, resources, can be channeled through in campaign financing. I label the chart ''Who Spends the Money?'' I will have these seven funnels on the next three charts.

First, I have Joe Smith, the individual candidate who is out there campaigning. I said his, or her, voice over time has been diminished. Why? Because you have all of these other funnels—the issue groups: We talked about the Sierra Club, the NRA, the hundreds of issue groups that are out there right now spending and overwhelming the voice of the individual candidate.

Why does the individual candidate not have much of a voice today, relatively speaking? We see huge growth in these three funnels—corporations, unions and issue groups—but we have contained for 26 years, since the mid-1970s, how much this individual candidate can receive from an individual or from a PAC. We have contained the voice but have seen explosive growth in certain spending.

What makes the American people mad is indicated across the top. Individual candidates is one way for money

to come to the system; political action committees is a very effective way. The parties in the box, the Republican Party, the Democratic Party, and other parties can raise money two ways: Federal dollars and non-Federal dollars. Notice all of this money in the yellow and green is ''disclosed.'' The American people want to know where the money comes from and where it goes. This is all disclosed. There is control over that.

However, the explosive growth has occurred in corporations, unions, and issue groups. The problem—and the American people are aware of this, and we have to fix it—there is no disclosure. Nobody knows from or to where money is coming and going. I should add there is money coming into the system from overseas and China. We have to address disclosure.

The contribution limits right now apply just to the individual candidates. An individual can only give so much to an individual candidate. A PAC can only receive so much and give so much.

With the party hard money, the Federal money, again, there are contribution limits. Some people argue, as Senator HAGEL argues: Let's fix this and address the disclosure issue. The Hagel amendment does that. Let's address contributions limits; instead of stopping here with individual candidates, PACs and party hard money, extend it so that all of the party, the hard and the soft money, has contribution limits.

I said I will use the seven funnels from the chart. Money flows into the system at the top and goes out of the system below, the problem being the individual candidates do not have much of a voice.

The next chart looks complicated, but it is useful for understanding from where the money comes. I show how money flows into the funnel. On the left side of the chart, the funnels are the same. There are seven ways money gets to the political system. The problem is the individual candidate's voice has not been amplified in 25 years. We have to fix that, and we can, through the Hagel amendment.

Individuals can give to individual candidates. PACs can give to individual candidates, such as Joe Smith out there. Party hard money, the Republican Party, the Democratic Party, independent, they can give to individual candidates, and that is the only way an individual candidate can receive money to amplify his or her voice.

PACs can receive money from individuals, but they can also receive money, or be set up by corporations through sponsorships, by unions through sponsorships, and issue groups can establish PACs.

I happen to be chairman of the National Republican Senatorial Committee, and I can receive money as part of the senatorial committee from PACs, from individuals, party non-Federal money from individuals, but also corporations, unions, and issue groups can give party soft money.

Corporations receive money from earnings, and unions receive money from union dues. We tried to address this. I think it needs to be addressed.

Now straight to the Hagel amendment. There is not enough of a voice here. Contribution limits probably are too narrowly applied, and we need to move them over.

No. 3, we don't have enough in terms of disclosure. This is what the Hagel-Breaux amendment does and why it is absolutely critical to maintain balance in the system.

Next, disclosure and no disclosure. In this area, the Hagel amendment increases disclosure by requiring both television and radio media buys for political advertising to be disclosed. You would be able to know who, on channel 5 in Middleton, TN, purchased ads and for whom they purchased those ads. Again, much improved disclosure on this side.

Contribution limits: Party soft money had no contribution limits. Under the Hagel amendment, there is a cap, a limit on how much an entity contributes to the Republican Party or to the Democratic Party or to the Republican Senatorial Committee or to the Democratic Senatorial Committee. The contribution limits have been extended.

Third, and absolutely critical if we agree that the individual candidate's voice has been lost by this input on the right side of my diagram, we absolutely must increase the hard dollar limits, how much individuals can give individual candidates and how much PACs can give individual candidates. It has not increased in 26 or 27 years, since 1974. It has not been adjusted for inflation. If it is adjusted for inflation, you come to the numbers that Senator HAGEL put forward, the $3,000.

It increases the voice of the individual candidate. If you increase the voice of the individual candidate, you return to that balance where the candidate Joe Smith out there all of a sudden has more of a voice, again, with contribution limits.

An additional advantage is a challenger out there or an incumbent will have to spend less time. Now it requires so much money to amplify that voice of the candidate out there trying to get $1,000 gifts from hundreds and hundreds of people at 1974 levels; only worth about $300 today in terms of value, it lets you spend less time on the campaign trail doing that.

In summary, I urge support of the Hagel amendment because it addresses the fundamental problems we have in our campaign system today. Not that money in and of itself is corrupt or even corrupting, but the fact is that the individual candidate does not have sufficient voice. The Hagel amendment raises those limits from both individuals and PACs. It addresses the issue of soft money coming into the party system by capping soft money given by both individuals as well as other entities coming into the system at a level of $60,000. It improves disclosure by requiring television and radio media buys for political advertising to be fully and immediately disclosed.

I urge support of this amendment. I know it will be very close. I hope this placement of balance, this understanding of balance, will in turn attract people to support this amendment.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. If the Chair will notify me when 10 minutes expires.

I say to my colleague from Tennessee, his chart looks like a chart made up by a heart surgeon. It looks like a pulmonary tract following various arteries and capillaries.

Let me repeat what I said last evening to my friend from Nebraska. I have great respect for him, as I do the junior Senator from Nebraska, the Presiding Officer. I disagree with them on this amendment.

There is a fundamental disagreement here. Aside from the mechanics of the amendment and how much hard money is raised and how much soft money you cap and who gets disclosed or not disclosed, it seems to me to be an underlying, fundamental difference in not only this amendment but others that have been considered and will be considered. That underlying difference is whether or not you believe there is too much money already in politics or not.

If you subscribe to the notion that politics is suffering from a lack of money, then the Hagel amendment or various other proposals that will be offered are your cup of tea. I think that is the way you ought to go. If you truly think there is just not enough money today backing candidates seeking public office, truly you ought to vote for this amendment or amendments like it. If you believe, as I do as many Members on this side that there is too much money in the process—that the system has become awash in money, with candidates spending countless hours on a daily basis over a 6-year term in the Senate, over a 2-year term in the House, literally forced to raise thousands of dollars every day in your cycle to compete effectively in today's political environment then you believe as I do that we must move to put some breaks on this whole money chase.

It has been pointed out in my State, the small State of Connecticut, you have to raise something like $10,000 almost daily in order to raise the money to wage an effective defense of your seat or to seek it as a challenger. In California, in New York, the numbers become exponentially higher. I happen to subscribe to the notion that we ought to be doing what we can to slow this down, to try to reduce the cost of these campaigns and to slow down the money chase that is going on. But all these amendment are just opening up more spigots, allowing more money to flow into a process that is already nauseatingly awash in too much money. I

believe that, and I think many of my colleagues do as well. I know most of the American public does.

If you want to know why we are not getting more participation in the political process, I think it is because people have become disgusted with it. Today it is no longer a question of the people's credibility or people's ability, but whether or not you have the wealth or whether you have access to it.

My concerns over the Hagel amendment are multiple. First of all, as has been pointed out by Senators FEINGOLD, SCHUMER, and KERRY, and others who have spoken out on this amendment, this is codifying soft money by placing caps on it. Caps which we all know are rather temporary in nature. Caps that are only to be lifted. So even if you subscribe to the notion that you are going to somehow limit this, the practical reality is we are basically saying we ought to codify this. That as a matter of statute, soft money ought to be allowed to come into the process, most of it unlimited, unregulated, and unaccountable. I think that would be a great mistake.

We are allowing a $60,000 per calendar year cap on soft money contributions from individuals to the national parties. It would be the first time in literally almost 100 years, since 1907, when Teddy Roosevelt, a great Republican reformer, thought there was just too much money coming out of corporations into politics. So Congress banned it. It was one of the great reforms of the 20th century in politics.

For the first time since 1943, with the passage of the Smith-Connally Act, and again in 1947 with the passage of the Taft-Hartley Act, Congress would be allowing the use of union treasury money in Federal elections. For almost 60 years we banned such funds from unions, almost 100 years from corporations. Now we are about to just undo all that. We are suggesting that we allow it up to $60,000 per year. We will cap that right now in the Hagel bill, but there are also proposals here that would allow for indexing the hard money limits for future inflation.

It is stunning to me we would include the indexed for inflation factor in politics. We index normally in relationship to the consumer price index, for people on Social Security or for people who are suffering, who are trying to buy food, medicine, clothes or pay rent, so we index it to allow them to be able to meet the rising cost of living. We are now going to index campaign contributions so the tiny minority of wealthy Americans can give more than $1,000—in this case, $3,000 per election or $6,000 per election cycle. Such indexing will enable the wealthy to have a little more undue access and influence in the political process.

That is turning the consumer price index on its head. The purpose of it was to help people who are of modest incomes to have an increase in their benefits to meet their daily needs. We are now going to apply it to the most affluent Americans. Those contributors who want more access and more control in the political process will get the benefit of the consumer price index. That, to me, is just wrong-headed and turning legitimate justification for such indexing on its head.

The hard money provisions are also deeply disturbing to me. Here we are going to say that no longer is a $1,000 per election limit the ceiling. We are going to raise that per election limit. Under the Hagel amendment, the individual hard dollar limit for contributions to candidates has been increased to $3,000 per election. This means an individual may contribute $6,000 per election cycle. A couple could contribute double, or $12,000 per election cycle.

Let me explain this to people who do not follow the minutiae of politics. All my colleagues and their principal political advisers know this routinely. There we say $3,000 per individual per election. What we really mean is that an individual may contribute $6,000 per election cycle, because it is $3,000 for the primary and another $3,000 for the general election. Normally when we go out and solicit campaign contributions we do not limit it to the individual. We also want to know whether or not their spouse or their minor or adult children would like to make some campaign contributions. As long as such contributions are voluntary, then those individuals may contribute their own limit, all the way up to the maximum of $6,000 per year.

So here we are going from $1,000 or $2,000—because the ceiling is really not $1,000, it is a $2,000 contribution that an individual may make to both a primary or general election—and we are now going to pump this up to $6,000 per year. Basically, that is what it works out to be. It could also be $12,000 per year for a couple. How many people get to make these amounts of contributions?

I find this stunning that we are talking about raising the limit because we are just impoverished in the process. It is sad how it has come to this, that we are hurting financially. A tiny fraction of the American public—it has been pointed out less than one-quarter of 1 percent—can make a contribution of $1,000 per election. Last year, 1999–2000, there were some 230,000 people out of a nation of 80 million who wrote a check for $1,000 as a contribution for a campaign; a quarter of a million out of 280 million people actually made contributions for $1,000.

There were about 1,200 people across the country who gave $25,000 annual limit. That is the present cap, by the way under current law.

Let me go to the second case. Under present law, you can give a total of $25,000 per year. Again, I apologize to people listening to this. There are actually people out there who write checks for $25,000 to support Federal candidates for office. Understand, we think this is just too low. This is just too low. We are struggling out here; I want you to know that. We are impoverished. We need more help. So $25,000 from that individual, 1,200 of them in the country—1,200 people out of 280 million wrote checks for $25,000. But, you know, we do not think that is enough. This bill now raises it to $75,000. How many Americans can write checks for $75,000 per year?

There is a disconnect between what we are debating and discussing and what the American public thinks about this. The chasm is huge. We are talking about people writing checks that are vastly in excess of what an average family makes as income a year to raise a family. And our suggestion is there is too little money in politics. We spend more money on potato chips, I am told.

The PRESIDING OFFICER. The Senator has used his 10 minutes.

Mr. DODD. I ask for 2 additional minutes.

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

Mr. DODD. I am told by one of my colleagues we spend more money on potato chips than we do on politics.

Maybe that is a good analogy, because I think too many Americans think this has become potato chips, in a sense. It has almost been devalued to that as a result of this disgusting process. I regret using the word ''disgusting,'' but that is what it has become, when we are literally sitting around here and debating whether or not—with some degree of a notion that this is a reasonable debate—to go from $25,000 a year to $75,000 a year.

If you take this amendment in its totality, that same individual with soft money contributions and hard money contributions could literally write a check for $540,000 to support the candidate of their choice in any given year. That is, in my view, just the best evidence I could possibly offer that this institution is out of touch with the American public, when it tries to make a case that there is too little money in politics today.

Put the brakes on. Stop this. Reject this amendment. We can live with these caps that we presently have. There is absolutely no justification, in my view, for raising the limits. What we need to do is slow down the cost and look for better means by which we choose our candidates and support them for public office.

This is about as important a debate as we will have. I know the budget is coming up. I know health care and education are important, but this is how we elect people. This is about the basic institutions that represent the people of this Nation. We are getting further and further and further away from average people, and they are getting further and further away from us.

I urge my colleagues to reject this amendment and support the McCain-Feingold proposal. It is not perfect, but it is a major step in the right direction. I urge rejection of the amendment.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. Mr. President, I yield to my friend and colleague, the original cosponsor of this amendment, 10 minutes to the senior Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I thank my colleague from Nebraska for yielding me time. I rise in strong support of the Hagel amendment to the McCain-Feingold bill.

Let me make two points this morning in reference to two arguments on the side that opposes the Hagel amendment.

The first argument I have heard on the floor by my colleagues and friends is that somehow the Hagel amendment institutionalizes soft money going to political parties, as if it makes it legal or something.

I would say to people who make that argument, where have you been? Both political parties receive huge amounts of unregulated, unrestricted money in terms of amounts that can be given to both political parties.

I have in my hand a list. The first page is of soft money contributors to Democrats in our Democratic Senate Campaign Committee, and the second page lists over 100 soft money contributors to the National Republican Senatorial Campaign Committee. There is an exactly similar list that could be made for the House of Representatives, the other body, which would list all the soft money contributors to the House's respective political committees. The same is true for the National Democratic Committee and the National Republican Committee.

The Hagel amendment restricts their ability to do what they are doing to $60,000 a year. Now, you don't think that is going to be one large restriction on the current practice which is legal under the Supreme Court decision? You bet it is.

Let me give you an example of what is occurring now without the Hagel amendment. On my side of the aisle, just to the Senate Campaign Committee, in the last cycle, the American Federation of State and County Municipal Employees gave our side $1,350,000. On the Republican side in relation to soft money going to their campaign committee, Freddie Mac gave them $670,250. Philip Morris gave them $550,000. On our side, the Service Employees International Union gave us $1,015,250.

So the arguments somehow that the Hagel bill institutionalizes or legitimizes or makes legal the concept of soft money contributions to political parties is nonsense. What it does do is restrict it for the first time by an act of Congress to no more than $60,000 contributions. Every one of the contributors shown on these two pages is substantially in excess of $60,000. In fact, the lowest one—they quit counting them at $100,000. They do not even bother to list them below $100,000. There are two pages of over 100 soft money contributions currently going to the political parties to do voter registration, to do party-building activities, get-out-the-vote activities. For the first time an effort by Congress will say that they cannot give $1,350,000 to Democrats and they cannot give $670,000 to the Republican Senate Campaign Committee; they are limited to $60,000 for party-building activities.

So the concept that somehow the Hagel legislation makes something legitimate that is not legal already is simply nonsense. It is already legal. For the first time, the Hagel bill restricts it, and in a major, major way.

The second point I will make is the following. The popular concept and the argument that I read daily in the press and listen nightly to in the news is that McCain-Feingold somehow eliminates soft money in Federal elections. Nothing could be further from the truth. I get deeply upset by people in the press reporting this issue when they say that somehow the debate is over eliminating soft money in Federal elections. It does not do that. It limits it only to the political parties that can best use the money in a fair and balanced manner.

The list behind me, which has been floating around for several days now—and I think it has caught the attention of many of our colleagues—is a list of advocacy groups that are not restricted by the soft money contributions that will be able to continue to be spent right up to the election—unrestricted, unreported, and are not affected in any way by this so-called soft money ban.

You all remember some of the names on this list because you have seen them time and again on the airways in your States attacking you. And not being able to respond to these types of groups is the real fallacy of this legislation. Do you remember Charlton Heston? Do you remember ''Moses'' campaigning against many people on my side of the aisle, through the National Rifle Association? Well, if the McCain-Feingold bill passes, they would still be on the air; they would still have Charlton Heston, and they would still be attacking Democrats for their support of gun control. They could not be affected by the legislation that is working its way through the Senate. They use soft dollars. If anyone thinks somehow prohibiting Members from helping them raise money is going to have an effect on them, believe me, it will not. They have plenty of sources without anybody helping them. They have enough money to continue to run the ads, primarily against Democrats who support gun control.

Do you remember the ''Flo'' ads on Medicare, Citizens for Better Medicare? Old Flo was there almost daily going after people who did not support what they thought was an appropriate Medicare reform bill and Medicare modernization. They will continue to have Flo on television. Flo will continue to be supported by soft money dollars, unrestricted, in any amount.

Do you remember Harry and Louise? The Health Insurance Association of America would totally be unaffected by the McCain-Feingold bill. They would continue to do their ads right up to the election.

Believe me, anyone who has the idea that 60 days before the election is going to adversely affect their activities has not been around very long. These groups do not wait until 60 days before the election. They start 2 years before an election. They are on the air in many of our States right now, today, going after incumbents that they do not like. They are unrestricted in how they can raise their money or how much they can spend. They don't care too much what happens 60 days before an election because their damage is already done. They will spend a year and 10 months beating you up. The only groups that are able to help in responding in kind is our State parties and our national parties.

So my argument is simple. No. 1, the McCain-Feingold bill does not restrict soft money where it should be restricted: Special interests, single interest organizations, which could continue to operate, going after candidates every day right up to an election. I know that most of these groups also do not have a lot of moderates. By definition, special interest groups generally are not moderate-type organizations. They generally reflect the hard-core positions of both of our parties.

Therefore, moderate Members who find themselves in the center of the political spectrum do not have any of these groups that are going to be out there defending their positions of moderation on particularly controversial issues. But the extreme wings of both of our parties, in many cases, will continue to be out there using unlimited amounts of soft money.

If we are talking about Members being somehow beholding to these organizations, if you have these groups on your back for 2 years, see if they do not have an affect on how you vote and what your positions are going to be, particularly if the only groups that can help you in order to defend your position are the State parties which will not have a level playing field and the same ability to run ads. These groups are not keeping with what the American people would like to see us do.

Therefore, my point is that the Hagel bill is a legitimate compromise. No. 1, it restricts the amount of soft money to $60,000 that can go to parties. That is a major restriction to both of our parties over what we currently are getting in terms of the millions from individual groups and individuals that the Hagel amendment would dramatically bring down to a more reasonable amount.

Secondly, I think it is incredibly unfair. It creates a very serious unlevel playing field to say to Members in the real world that we will allow all of the special interest, single-issue organizations to continue to use soft money—

unrestricted in terms of the amount, unrestricted in how they can spend it—and yet we will be defenseless in terms of the parties coming to our defense.

I urge the support for the Hagel amendment.

The PRESIDING OFFICER (Mr. THOMAS). The Senator's time has expired.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. I yield 5 minutes to the distinguished Senator from North Carolina, Mr. EDWARDS.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EDWARDS. Mr. President, last night we voted on an amendment that was adopted by the Senate, the Wellstone amendment. I will add a few comments about that briefly and then talk about Senator HAGEL's bill.

First, I want to make clear that the idea of leveling the playing field and doing something about these 501(c)(4) advocacy groups is an idea I support. It makes a great deal of sense. So it is a substantive matter. I support the reasoning behind the Wellstone amendment, but I remain concerned about the serious constitutional questions raised by the Wellstone amendment given the fact that the U.S. Supreme Court, in 1984, ruled that these corporations, these advocacy groups, 501(c)(4) advocacy groups are treated differently than unions and for-profit corporations for purposes of electioneering.

That serious question still remains, but I don't think that amendment or the fact that it has passed should in any way undermine our effort to pass McCain-Feingold, to support McCain-Feingold, and to do what is necessary to change the campaign finance system in this country.

With respect to Senator HAGEL's bill, first, I thank him for his work in this area. I know he is trying to do a positive thing. There are some fundamental problems with his bill.

No. 1, not only does it not solve the problem of soft money, it arguably makes it worse. Although he places limits on soft money contributions to national parties, all that has to be done to avoid that problem is to raise the money through State parties. In addition, he does absolutely nothing about the fundamental issue, which is the appearance that candidates and elected officials are raising unlimited, unregulated contributions in connection with elections. There is nothing under his amendment that would prevent a candidate for the Senate from calling to a State party, raising $500,000, $1 million contributions that can then be used for issue ads in connection with that candidate's election. There is a fundamental flaw in the bill.

In addition to that, it legitimizes what has been used to avoid the legitimate Federal election laws, which are soft money contributions that are flowing into these issue ads. We should not put our stamp of approval on the soft money process.

Furthermore, we should not have candidates for Federal office, candidates for the Senate, continuing to be allowed to call contributors, ask for these huge contributions to be made to State parties, and that money can then be spent on that candidate's election. The problem is not solved and arguably the problem, in fact, is made worse.

With respect to Senator's Breaux's argument that this long list of interest groups can continue to raise soft money and spend soft money, the response to that argument is that the McCain-Feingold bill prohibits any of us, an officeholder or a candidate for office, from calling and asking for unlimited soft money contributions from those special interest groups. It removes us, the elected officials, which is ultimately what this is all about, the integrity of the Senate, the integrity of the House of Representatives, the integrity of the Congress.

The PRESIDING OFFICER (Mr. ENZI). The Senator's time has expired.

Mr. EDWARDS. I ask for another 2 minutes.

Mr. DODD. Make it 1 minute.

Mr. EDWARDS. I will do it in 1 minute.

It removes us from that process, which is a critical fact, because what we are trying to do is restore the integrity of the candidates, the integrity of the election process, and the integrity of the Congress. No longer would we be able to call and ask a contributor to make a large contribution to the NRA or some special interest group, for that money to be used in connection with our campaign.

Fundamentally, the Hagel bill does not solve the problem. The problem continues to exist. McCain-Feingold moves us in the right direction.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. Mr. President, I yield 7 minutes of my time to my friend and colleague, the senior Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, first, I thank my colleague from Nebraska for the work he has done in this area. You have not heard my voice on campaign finance reform in the last several years, largely because I believed the legislation that was on the floor was not campaign finance reform. I do believe now that the Hagel amendment brings to the floor the kind of reasonable and appropriate adjustment in the campaign finance law that fits and is appropriate for the political process.

Just for a few moments, I will address some of the comments of my colleague from Connecticut a few moments ago, when, in a rather emotionally charged way, he suggested that the political process is awash in money. I only can judge him by his statement, but I have to assume that the perspective he has offered is from a 1974 view.

If you step back into 1974 and look forward into the year 2000, that judgment can be made, that the political process is awash in money. But you cannot buy a car on the street today for a 1974 price, as much as you or I might wish. You cannot buy a house today at a 1974 price. Is he alleging that the auto industry and the real estate industry and all other industries of our country are awash in money? He has not made that statement, nor should he.

This is the reality: In 1980, I ran for political office in the State of Idaho as a congressional candidate for the first time. I spent about $185,000 on that campaign. At that time a campaign for Congress was about $175,000. Today that same campaign costs about $800,000 or $900,000. Why would it cost so much? At that time I was paying about $5,000 for polling advice. Today that same candidate would pay $13,000 or $14,000. At that time I was paying $400 or $500 for a political ad. Today in Idaho, I would pay $3,000 or $4,000 for a political ad. Does that mean politics is awash in money or does it simply mean you are having to pay for the cost of the goods and services you are buying for the political process today in 2000 dollars and not 1974 dollars?

I do believe that is what the Senator from Connecticut meant, but what he alleges is that there is all of this money out there when, in fact, it is the money that comes to the system based on what the system has asked for and what it believes it needs to present a legitimate and responsible political point of view.

There is nothing wrong with that. What is wrong or what needs to be adjusted is how that money gets directed and how that money gets reported so the public knows and can make valid and responsible judgments when they go to the polls on election day whether candidate X or candidate Y has played by the rules and is the kind of person they would want serving them in public office.

I do believe that is what the Hagel amendment offers. It offers to shape and control and disclose in the kind of legitimate and responsible way that all of us should expect, and that is important to the credibility of the political process.

It is tragic today when politicians malign politicians and suggest that there is corruption and evil in the system. Not all of us are perfect, but about 99 percent of us try to play by the rules. We are judged by those rules. For any one of us to stand in this Chamber and suggest that the system is corrupt and therefore, if we are in it, we are also corrupt or corruptible is a phenomenal stretch of anyone's imagination and should not happen. It is too bad it does happen. Only on the margin has it happened in the past. Usually those individuals who fail to play by the rules ultimately get destroyed by those rules.

What we are trying to do is to adjust those rules in a right and responsible

fashion that brings clarity to the process, that reflects the fact that you cannot run a 2002 campaign in 1974 dollars or cents, for that matter. You cannot reach back well over a quarter of a century and expect that you can find the goods and services that you once purchased back then as something you will employ now in the political process.

So when the Senator from Connecticut gets so excited about the money that is in politics, why don't we be more concerned about directing it and clarifying it instead of trying to step back a quarter of a century to buy the goods and services that he bought then and that I bought then for the political process that have gone up by at least 25 or 30 percent in the interim?

Let me talk for a few moments on disclosure. Without question, disclosure is critical. The public clearly deserves to know and we have the tools and the technology today to disclose almost on a daily basis, certainly within a weekly process. Everyone should have their Web page and be up on the Internet and allow the world to know where their money is coming from and who is giving it. What is wrong with that? Nothing is wrong with that. And we should all be held accountable for it. The soft money issue—well, I think my colleague from Louisiana painted it very clearly: Disarm the political party, but let the open and uninhibited speech on the outside go unfettered. We can't touch that. The Constitution has said so. And we should not touch it.

What is wrong with a full, open, and robust political process? Nothing is wrong with that. That is how we make choices in this country, how we decide who will represent us in a representative republic. That is the way our system works. Those are the kinds of judgment calls the public ought to be allowed to make, and the Hagel amendment, in a very clear, clean, and appropriate fashion, makes those kinds of determinations.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, I yield 5 minutes to the Senator from Minnesota.

Mr. WELLSTONE. I say to Senator DODD that I believe he gave one of the best speeches I have ever heard on the floor on this question.

I have two colleagues on the other side whom I like very much. I think Senator HAGEL commands widespread respect, as does Senator CRAIG. I want to pick up, so I don't go with some rehearsed remarks, with what Senator CRAIG said. He talked about he didn't understand what the Senator from Connecticut was saying because we have this open and full process. That is on what we really ought to be focusing.

The fact of the matter is, that is the issue, I say to my colleague from Idaho. The vast majority of the people in the country don't believe this is an open and full process. Too many people in the country believe if you pay, you play; if you don't pay, you don't play. Too many people believe that their concerns for themselves and their families and their communities are of little concern to Senators and Members of the House of Representatives because they don't have the big bucks and because they are not the big players or the heavy hitters. That is exactly the point.

When we talk about corruption, I want to say again that I don't know of any individual wrongdoing by any Senator of either party. I hope it doesn't happen. But I do think we have systemic corruption, which is far more serious. That is when you have a huge imbalance between too few people with too much wealth, power, and say, and the vast majority of people who feel left out. If you believe the standard of representative democracy is that each person should count as one, and no more than one, we have moved dangerously far away from that. I think that is what my colleague from Connecticut was saying.

It is within this context that I have to say to my good friend from Nebraska that I do not believe the American people will believe this is a reform amendment if they should see a headline saying ''U.S. Senate Votes to Put More Big Money into American Politics.''

We now have, with the Hagel proposal, a huge loophole, unlimited soft money that now goes directly into State parties, and in addition we are talking about going from $1,000 to $3,000 and $2,000 to $6,000, when it comes to individual contributions.

Again, I was so pleased to hear my colleague from Connecticut say that when one-quarter of 1 percent of the population contributes $200 or more and one-ninth of 1 percent contributes $1,000 or more, why do we believe it is a reform to put yet more big money into politics and to have all of us more dependent upon these big givers, heavy hitters, or what some people call the ''fat cats'' in the United States? It doesn't strike me that this represents reform. I think it really represents more deform. And I am not trying to be caustic, but I just think this proposal on the floor of the Senate now is a great step backward. I hope my colleagues will vote against it.

Finally, I realize that with the proposal of my good friend from Nebraska, one individual would be authorized—if you are ready for this—to give a total of $270,000 in hard and soft money to a national party in an election cycle—$270,000? People in the Town Talk Cafe in Willmar, MN, scratch their heads and say: That is not us. We can't contribute $270,000 to a party in one cycle. We can't contribute $1,000, going to $3,000, or $3,000 going to $6,000. This is not reform. We want you to pass McCain-Feingold with strong amendments, which will be a bill that represents a step forward.

This proposal of my friend from Nebraska is not a step forward. It is a great leap, not even sideways but backward. I hope Senators will vote against it.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HAGEL. Mr. President, I yield 5 minutes to my friend, the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. MCCONNELL. Mr. President, I think everybody knows I would prefer not to have restrictions on soft money contributions to parties. The reason for that is I would like for the parties to be able to defend candidates and compete with these outside groups, that I confidently predict are not going to be restricted by anything we do here in this debate under the first amendment to the Constitution.

But legislating is always a matter of compromise. It seems to me the Hagel proposal casts a middle ground between people such as I who would not restrict the parties' ability to compete with outside groups, and people such as the Senator from Arizona and the Senator from Wisconsin who would take away 40 percent of the budget of the RNC and the DNC and 35 percent of the budget of the two senatorial committees—a middle ground. We have the prohibitionists on one side who want to completely gut the parties, and those such as I who would like to see the parties continue to have an unfettered opportunity to compete with outside groups. What Senators HAGEL and BREAUX have done is try to strike a middle ground.

In addition, they deal with what I think is the single biggest problem in politics, the hard money contribution set back in 1974 when a Mustang cost $2,700. Let's look at campaign inflation, which has been much greater than the CPI for almost everything else. For a 50-question poll, over the last 26 years, the cost has increased 150 percent. The cost of producing a 30-second commercial, over the last 26 years, has increased 600 percent. The cost of a first-class stamp, over the last 26 years, has increased 240 percent. The cost of airing a TV ad, per 1,000 homes, over the last 26 years has increased 500 percent. Meanwhile, the number of voters candidates have to reach—which is the way they charge for TV time—has gone up 42 percent over the last 26 years.

Back in 1974, when this bill was originally passed, the Federal Election Campaign Act, we had 141 million Americans in the voting age population. In 1998, it was 200 million in the voting age population. An individual's $1,000 contribution back in 1980 to a $1.1 million campaign represented only .085 percent of the total. That was the average cost of a campaign in those days. If the contribution limits had been tripled for the last election to adjust for inflation since 1974, an individual's $3,000, which would have been allowed had we allowed indexation initially, to the average $7 million campaign would have been only .04 percent of the

total—less as a percentage of the campaign than it was 26 years ago. There is no corruption in that.

In addition to that, raising the contribution limits on hard money gives challengers a chance. They typically don't have as many friends and supporters as we do. To compete, they have to pool resources from a much smaller number of people. One of the big winners, if we indexed the hard money limit, would be challengers. The contribution limits date to a time of 50-cents-a-gallon gasoline and 25-cent McDonald's hamburgers.

This is absurd. That is the single biggest problem we need to deal with. Michael Malbon, one of the professors active in this field, said:

> We expected thousand-dollar contributors to include many lobbyists who would favor incumbents. That is not what we found. In Senate races in 1996 and 2000, 70 percent of the thousand-dollar contributions went to non-incumbents.

With regard to constitutionality, let me say again that I am not wild about limiting the party's ability to speak while allowing outside special interest groups to use large, unregulated, undisclosed contributions.

There is a legitimate constitutional question as to whether the courts will uphold the restrictions on the ability of political parties to engage in free speech.

The all-or-nothing debate over banning soft money has grown a bit tired and stale for many in the Senate—and, I would guess, many in the press who have had the misfortune of covering this issue for the past several years.

Senator HAGEL and Senator BREAUX along with their cosponsors have sought a middle ground that leaves neither side particularly happy—which leads me to believe that they have probably gotten it about right.

Those like myself who want to see our great political parties prosper and compete with unregulated outside special interest groups prefer no additional restrictions on soft money.

Those, like my colleague from Arizona or my colleague from Wisconsin, who want to take away 30 to 40 percent of the budgets of the great political parties by banning all non-Federal money are adamant that it must be their way or no way. A total ban on party soft money is their starting point in the negotiation and, unfortunately, their ending point.

I say to my friend from Nebraska, he has probably hit it about right. He is somewhere in the middle between me and my colleague from Arizona, JOHN MCCAIN.

I commend the cosponsors of Hagel-Breaux for their thoughtful effort to find a third way, a middle ground between those who want a total ban—the prohibitionists, you might call them—and those who want unfettered speech by America's political parties.

I want to briefly touch on two points in discussing the bipartisan Hagel-Breaux compromise. First, I want to talk about the dire need to increase the hard money limits, and, then I will offer my thoughts as to why the Hagel-Breaux compromise is more likely to be upheld as constitutional than McCain-Feingold.

I must state again that I am not wild about limiting the parties' ability to speak while allowing the outside special interest groups to use large, unregulated, undisclosed contributions to drown out the voices of parties and candidates.

There is a legitimate constitutional question as to whether the courts will uphold restrictions on the ability of political parties to engage in issue speech.

Ultimately, however, I believe that Hagel-Breaux is far more likely to be upheld than McCain-Feingold.

First, and most importantly, McCain-Feingold completely bans party soft money from corporations and unions. The Hagel-Breaux compromise, however, only places a cap on party soft money from unions and corporations, thus leaving unions and corporations with a meaningful avenue for supporting America's political parties.

There is a significant qualitative and constitutional difference between a ban and a cap. For example, the Supreme Court in Buckley upheld a contribution cap in the 1974 law. The legacy of Buckley is reasonable caps, not bans. A cap sets limits on the right to speak. A ban completely forecloses the right to speak. I would argue that we should have neither. But, if you have to choose one, then the lesser restriction has a far greater chance of being upheld under first amendment analysis.

In short, there is clearly a constitutional difference between a reasonable cap and a total ban. It is the difference between prohibition and moderation. I submit to my colleagues that corporations and unions participating in American politics and supporting our great parties is a virtue, not a vice. It may be wise—as Senators HAGEL and BREAUX suggest—to moderate that influence, but it is certainly unwise to prohibit it.

Let me touch on one other point—a myth, really. We have heard some in the Senate argue that corporations and unions have been banned from politics for the better part of the 20th century. No myth could be more pervasive or more untrue. Corporations and unions have never been banned from participating in politics in America. Anyone who knows the history of labor unions will tell you that the unions have been and continue to be one of the most significant players in American politics. Regardless of what you think of the labor unions, what they are doing today with non-Federal money is not illegal activity. I hear speaker after speaker on the other side get up and directly imply that labor unions are somehow doing something illegal by participating in politics. I may disagree with the unions on some of their issues, but I will firmly and proudly defend there right to participate in politics. The often-repeated and implicit statement that big labor is engaging in illegal activity by participating in politics is just plain wrong, and, that implicit and pervasive allegation should stop.

There is absolutely nothing in the Tillman Act or the Taft-Hartley Act that prohibits corporations and unions from giving to political parties. This is a gross misstatement and misreading of the plain language of well-established law.

Of course, the Hagel-Breaux compromise—unlike McCain-Feingold—seeks a constitutional middle ground on regulating outside groups by requiring that files on ad buys be available for public inspection. This increases accountability without requiring donor disclosure and membership lists of outside groups who dare to speak out on public issues in proximity to elections. The McCain-Feingold, Snowe-Jeffords approach has been struck know as recently as last year by the Second Circuit Court of Appeals. I commend my colleagues for recognizing the boundaries of the first amendment's guarantee of free speech and free assocaiton.

Finally, unlike McCain-Feingold, Hagel-Breaux recognizes that there is not only a first amendment, there is a tenth amendment. The tenth amendment limits the Federal Government's powers to mandate and dictate to States. McCain-Feingold tramples the tenth amendment almost as vigorously as it does the first amendment.

For example, McCain-Feingold would tell State and local parties that they must follow Federal law and Federal contribution and expenditure limits for a whole host of activities in years where there happens to be a Federal candidate on the State or local ballot.

Let me give you an example: Under McCain-Feingold, if the Sioux City Republican Party decided next year that it wanted to register voters in the final 4 months before election day to increase turnout for the Sioux City sheriff's race, then it would have to pay for the voter registration with money raised under strict Federal contribution limits. The same would be true if the local party in Sioux City wanted to print up buttons and bumper stickers that said ''Vote Republican'' to increase turnout for the local jailer's race. The Sioux City Republicans would have to operate under Federal law on contribution limits.

Hagel-Breaux, on the other hand, avoids understands the varied and diverse role of political parties at the national, State and local level and avoids such massive, overbearing, and unwise Federal regulation.

Finally, the Hagel-Breaux compromise provides a rational justification for its limits. The Hagel-Breaux compromise takes the exact contribution limits upheld by the Supreme Court in Buckley and adjusts those

its for a quarter-century of inflation. I believe there is a good chance that the courts would view that sensible rationale as reasonable and constitutional.

In closing, let me say that I am not wild about this legislation, but I think it seeks and finds a middle ground, a third way for Senators on both sides of the aisle to come together and move forward in the spirit of bipartisan compromise. I commend my colleague from Nebraska and my colleague from Louisiana for their willingness to step into the breach.

Mr. DODD. Mr. President, I yield 5 minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I thank my good friend from Connecticut. Let us start with a few basic truths. We are supposed to have limits. They have been completely evaded, destroyed by the soft money loophole. The current law says no individual is supposed to give more than $1,000, or give more than $25,000 in a year totally, and because of the soft money loophole, there are no limits. That is a given. The question is whether or not we want to close the soft money loophole.

It seems to me, unless we close this soft money loophole, we are going to destroy public confidence in the election process in this country, and the cynicism which exists and the impact and effect of large money on politics is simply going to grow.

How do we close the soft money loophole? In McCain-Feingold we close it. We simply end the soft money loophole, not just for national parties, but also to make sure that Federal officials and officeholders and candidates do not raise money for State parties in a way to avoid our new prohibition. That is missing from the Hagel amendment.

We have to be clear on that critical point because we have seen charts which say: Look, we are going to reduce the amount of soft money in the campaigns because we are going to put a cap on the amount of soft money. Putting aside the fact that this goes exactly opposite the principles in McCain-Feingold and putting aside the fact that Hagel then would enshrine soft money into our national law, it also means that unless you close the possibility and end the possibility of Federal candidates, Federal officeholders, and national parties just simply raising money for State parties in Federal elections, you leave the loophole open.

What the Hagel amendment does is shift the loophole. It does not close it. It continues to allow Federal officeholders, Federal candidates, and national parties to raise the money for State campaigns and State parties that will in turn continue to use that money in attack ads and in so-called sham issue ads. It does not close the soft money loophole, it shifts the soft money loophole.

That is simply not good enough. That is not campaign finance reform. That is sham reform.

The other thing it does, relative to hard money limits, is it raises the hard money limits to $75,000 per year per individual which means that a couple can give in a cycle of 2 years $300,000 in hard money contributions. That is not reform. That simply says that big money, big bucks, and big contributions will continue to be solicited by those of us who are in office, those of us who seek office, and those of us who are in the national parties. That means that the role of big money in these campaigns is going to continue.

I close by quoting something the Supreme Court said in the Missouri case, in the Shrink Missouri Government PAC case a year or two ago. This is what the Supreme Court said about the appearance of impropriety, the appearance of corruption created by big contributions:

> While neither law nor morals equate all political contributions, without more, with bribes, we spoke in Buckley of the perception of corruption ''inherent in a regime of large individual financial contributions'' to candidates for public office as a source of concern ''almost equal'' to quid pro quo improbity. The public interest in countering that perception was, indeed, the entire answer to the overbreadth claim raised in the Buckley case. This made perfect sense. Leave the perception of impropriety unanswered, and the cynical assumption that large donors call the tune could jeopardize the willingness of voters to take part in democratic governance. Democracy works ''only if the people have faith in those who govern, and that faith is bound to be shattered when high officials and their appointees engage in activities which arouse suspicions of malfeasance and corruption.''

I thank the Chair, and I thank my good friend from Connecticut.

Mr. DODD. Mr. President, I yield 5 minutes to the Senator from Florida, Mr. GRAHAM.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, in 1971 when the Senate last visited this issue in earnest, it did so with every belief that the legislation that would be produced would end abuses of our Federal electoral system. It helped for a time until loopholes came to light and new abuses surfaced.

In every series of actions on this issue, there have been unintended and unexpected consequences. I want to talk about one of those consequences, and that is the effect that the current Federal campaign finance law has had on American politics.

It has converted American politics by requiring and facilitating a fundamental alteration in the conduct of campaigns. It takes candidates into the shadows—the closeted shadows—of an office dialing for big dollars and the flickering shadows of a television studio spending those big dollars on self-serving or, more frequently, attack ads disparaging the opponent.

What is given up by going into the shadows? What is given up is the public's open participation in the critical purposes of a political campaign. Let me suggest three of those purposes.

First, a purpose of a political campaign is mutual education. Both the voter and the candidate should conclude the campaign with a better understanding of each other. I cite as an example of that mutual education a former colleague and very close personal friend, Senator and then-Governor Lawton Chiles of my State of Florida.

In 1970, he commenced a campaign for the U.S. Senate as the most distinct long shot in a large field of candidates. He had no money. He had almost no statewide name recognition. He had no organization. But what he did have was a powerful desire and an idea. His idea was that he was going to take 3 or 4 months in the middle of the campaign, not to dial for dollars or to make TV spots, but to get to know the people of Florida in a very intimate way. He did it by walking almost 1,000 miles from the northwest corner of the State to the Florida Keys.

In the course of that walk, Lawton Chiles became a different human being. He had learned from the people of Florida, and then they responded to what he had done by electing him, and he in turn responded by 18 years of outstanding service in the Senate.

That is eliminated as people rush to the shadows to both dial and then produce TV ads.

A second purpose of a political campaign is to establish a contract between the candidate and the voters as to what is expected once elected.

I suggest this contract is especially important in our form of government. We do not have a parliamentary government where, when the people believe that the party elected has drifted away from its commitment, they can overturn that government and install a new government. We are all elected for a fixed term, so it is important that as that term commences and in the process of the development of the relationship between citizen and candidate, there is a clear understanding of what that candidate is going to do if he or she is elected.

That contract development is largely abrogated by the process of focusing the campaign exclusively on raising money in order to support 30-second television ads.

Finally, a purpose of a political campaign is to test the aptitudes, the character of the candidate should he or she be elected. I believe one of the most telling statements of what kind of a person one would be in office is how they conduct themselves as a candidate. Do they make quality decisions in public, under pressure? Do they exercise self-discipline? The kind of people they surround themselves with in the campaign will be a telling commentary on the kind of people they are likely to surround themselves with in office.

Again, what do we learn about the character and aptitude of a candidate if all we see is their own self-financed and self-produced TV ads? The public is

telling us of its disgust with the move of the campaigns from the sunshine to the shadow. The American voters are shouting, particularly young voters. How are they shouting? They are shouting by their nonparticipation. Ever since the Constitution was amended to allow 18-year-olds to vote, the message of those 18-year-old voters has gone down at every Presidential election. If that is not telling us what the newest generation of American citizens has to say about the current process, we are deaf.

The Hagel amendment would increase the torrent of money into politics. It would increase the time and effort spent on raising and spending money on television ads. It would accelerate the slide of public involvement and interaction in a political campaign. We need to reject this amendment and adopt the legislation offered by Senators MCCAIN and FEINGOLD.

Mr. ALLARD. Mr. President, I should offer an amendment that says: on page 3, between line 27 and line 28, insert the following: 30 days after enactment of this Act, the starboard deck chairs of the R.M.S. *Titanic* shall be moved to the port side, and vice versa.

Because if we step back and examine the campaign finance issue, I believe that in the end all this legislation affecting details of the campaign finance system is doing just that rearranging deck chairs on the *Titanic*. If I can just stretch this metaphor a bit farther, the iceberg looming out there in front of us is not soft money, or disclosure requirement, or compulsory union dues, but rather the simple fact that our federal government is so bloated and intrusive that Americans are desperate to find ways to affect it's actions.

I believe the absolute best ways to ensure there are no undue special interest influence is to suppress and reduce the size of government. If the government rids itself of special interest funding and corporate subsidies, then there would be less of a perception of any attempts to buy influence through donations. A simplified tax code, state regulation flexibility, free markets, local education control—these are less government approaches to problems that would also lower the desperate need for influence.

I am not alone in that belief. The Colorado Springs Gazette ran an editorial on Thursday, March 22 saying that ''The best way, and the constitutional way, to limit campaign contributions is to reduce government itself, and thus the need interests have to manipulate government to their advantage.''

That editorial is proof that perhaps those outside the beltway see the forest instead of all the individual trees we keep getting caught up by here on the Senate floor. They know that all we are doing is addressing symptomatic, not causal, problems.

There are two reasons why McCain-Feingold is ineffective. One of those reasons is the United States Supreme Court, and I will address that later. The other reason speaks to the futility of these alleged reforms—these various deck chair amendments. That reason is human nature. Even if we could constitutionally ban soft money, human nature dictates that people whose interest, both financial and otherwise, are constantly and severely being abused or threatened by our 1.9 trillion in federal spending will continue to seek to influence the government, some out of just basic self defense.

In the Eighties the complaint was against the PACs. In the Nineties and now, the complaint is against soft money. Even if there was a constitutional soft money ban, there will be something else later. What needs to be done is to address the problem, not try and hide the effect of the problem. But, since we are here, moving our chairs around, I must say that I favor certain chair arrangements. And so do my constituents.

Then Denver Rocky Mountain News, for instance, ran an editorial during the last Congress in response to the passage of the Shays/Meehan bill, expressing the paper's belief that soft money campaign contributions are a form of political expression and, as such, are protected by the First Amendment.

In the editorial they use an example of an average citizen who might decide to distribute leaflets against a city pot hole problem. If this hypothetical citizen is stopped from doing so by a city council, it would be a clear-cut violation of freedom of speech. The editorial then goes on, correctly, to explain that the difference between this simple form of election activity control and the kinds contained in McCain-Feingold is merely a difference of degrees, not type. Donors who want to give to the Republican National Committee or the Democrat National Committee are expressing their political views. As the Supreme Court has ruled, political spending equals political expression. Attempting to completely ban this political expression, however distasteful some might find soft money, is an attempt to stifle activities protected by the constitution. And so it is our duty as legislators to find a better way.

Let me explain also that I feel that a soft money ban is biased. It might just be coincidental that the McCain-Feingold has 34 Democrat co-sponsors and 6 Republican ones, but it might also have something to do with the fact that a ban on party soft money will ultimately benefit Democrat candidates over Republican ones. If political parties are curbed, the Democrats already have a cohesive constituency ready and able to step up and assume party functions. Organized labor is just that—coordinated people ready to work. They are also ready to spend. I don't begrudge the Democrat National Committee this labor and funding base, but it is unbalanced and blatantly partisan to attempt to shield this type of spending—which has been done in amendment after amendment on this floor—while attacking its counterbalancing force, the areas where the Republican National Committee instead has the advantage.

I have cosponsored Senator HAGEL and LANDRIEU's legislation because it shared some aspects of what I have previously proposed for campaign finance reform. The bill calls for increased disclosure, aspects of which we have embraced here already. Sunshine is a strong disinfectant. The bill calls for an increase to campaign donor limits. Hard money is called for a reason, and so we should encourage as much campaign spending as feasible to move into that category, where the rules are tighter and more defined.

The Hagel-Landrieu legislation is one of the best deck chair arrangements before us. I urge its passage.

Mr. WARNER. Mr. President, today I rise in support of the Hagel amendment to the McCain-Feingold campaign finance reform bill. This legislation is similar to legislation that I introduced in each of the last two Congresses, ''The Constitutional and Effective Reform of Campaigns Act,'' or ''CERCA.'' My bill has proven to be a good faith effort to strike middle ground in this important debate and offered an alternative to the bills that have been debated before the full Senate in the past. The principal points in my bill were enhanced disclosure, increased contribution limits, a cap on soft money and paycheck protection. Senator HAGEL's amendment does much the same thing.

As Chairman of the Rules Committee during the 105th Congress, I had the honor of presiding over at least twelve hearings on campaign finance reform. My legislation was a result of these two years of hearings, discussions with numerous experts and colleagues, and the result of over two decades of participating in campaigns and campaign finance debates.

It is well documented the growth of soft money in recent years is an issue of public concern. The $60,000 soft money cap found in the Hagel amendment addresses the public's legitimate concern over the propriety of large soft money donations while allowing the political parties sufficient funds to maintain their headquarters and conduct their grassroots effort.

In addition to the issue of soft money, there is the issue of raising the hard money caps. Politicians spend too much time fundraising at the expense of their legislative duties for incumbents, and, for both incumbents and challengers, at the expense of debating the issues with voters. The current individual contribution limit of $1,000 has not been raised, or even indexed for inflation for over 20 years. This situation requires candidates to spend more and more time seeking more and more donors. The Hagel amendment triples the individual contribution limits to $3,000 and indexes that limit for inflation. My campaign finance legislation contained the exact same provision.

These are issues that I believe can be solved in a bipartisan fashion. I look forward to working with my colleagues to enact meaningful campaign finance reform, and I encourage my colleagues to support the Hagel amendment as a mechanism to reach bipartisan consensus on campaign finance reform.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. Mr. President, please notify me when I have used 5 minutes of the remaining time.

Mr. President, as I have listened this morning and throughout the days of last week about the dynamics of campaign finance reform, I believe it is well summarized in a piece that appeared in the New York Times on Sunday. I will read part of that piece because it does strike to the essence of real reform of campaign finance.

Joel Gora, general counsel to the New York Civil Liberties Union, and Peter Wallison, a fellow at the American Enterprise Institute, wrote this thoughtful op-ed in last Sunday's New York Times. This is some of what they had to say:

> Despite all the noise [about campaign finance reform] soft money is not the monster it's made out to be. By definition, it consists solely of contributions to political parties for such things as party building, getting out the vote and issue advertising; it cannot be used for direct support of candidates. . . . But eliminating soft money contributions to parties sacrifices other values that we believe are fundamental to our democratic system. . . .
>
> Political parties are groups with broader interests, more intertwined with the electoral process. . . . Banning soft money denies parties the rights that we would not think of denying to other organizations. . . .
>
> The National Abortion Rights Action League can attack the Republican Party with money it raises from any source and in any amount; the National Rifle Association can attack the Democratic party with the same unlimited resources; however, if soft money is eliminated, neither political party will have the resources to counter these attacks. . . .
>
> There is also the free-speech guarantee of the First Amendment. Can there be any doubt that the core of the Constitution's protection of free speech and a free press is to inform the electorate? . . .
>
> The McCain-Feingold bill goes beyond even limiting contributions. It actually prohibits speech. . . .
>
> There are no real winners in this situation, but there are real losers—the voting public.

And so said the New York general counsel to the New York Civil Liberties Union.

I think Mr. Gora said it well.

In these final minutes of debate, I go back to the basics that brought us here. We are here to reform our campaign finance system. My friends from Arizona and Wisconsin have offered one alternative. I believe it is the wrong approach. Their intentions are good, but the unintended consequences of their legislation would weaken our political system at the point where it should be the strongest. The McCain-Feingold bill would not open the process to more people; it would restrict the process to those who can afford to play outside the process.

What do we gain by weakening the vital dynamic institutions of the political process, the political parties, the one group of institutions that is accountable to the American public and the only institution that will help a challenger take on an incumbent?

We have heard an awful lot in this body in the last few days about incumbent protection, a lot of incumbent protection debate and amendments passed to protect our jobs.

My bipartisan colleague and I have offered an alternative. It is real reform. It will change our campaign finance system. It will make it better, more accountable, more responsible.

Our amendment provides more disclosure. It limits soft money. It increases the ability of individuals to participate by increasing the outdated 1974 limits on soft money. My goodness, where were all my colleagues in 1974 when this terrible corrosive corrupting factor of $1,000 was out there? I went back and read that debate. I was in Washington in 1974. There were Members of this body today who voted for that. Not a peep was made in 1974 about any corrupting influence. This is the same dollar amount. So how is that bad or how is that some way more corrupt?

We face serious questions today. Are we going to reform our campaign finance system? I think we can. I encourage my colleagues to vote for this amendment that amends the McCain-Feingold bill.

Mr. DODD. Parliamentary inquiry: The opponents have 8 minutes remaining?

The PRESIDING OFFICER. Your side has 8 minutes remaining.

Mr. DODD. I yield 3 minutes to the Senator from Rhode Island. I believe Senator THOMPSON of Tennessee would like to be heard and we will close with 3 minutes from the Senator from Arizona, just to inform my colleagues of the remaining allocation.

Mr. REED. Mr. President, I rise in opposition to the Hagel amendment. I respect Senator HAGEL immensely and compliment him for his efforts, but I think it is the wrong direction for campaign finance reform. The core of our debate about campaign finance reform is to restore the confidence of the American people in our political system—to make them believe, as we hope they once did, that their vote is the most significant aspect of a Federal election. Today I fear they believe their vote is less important than the contributions of special interests or economic elites.

The Hagel amendment would amplify significantly the bankrolling of economic elites in elections by raising the limits on contributions that these individuals can make.

I think it is very important to point out today the limits on contributions are only reached by approximately one-ninth of 1 percent of our country's citizens. This infinitesimal fraction of individuals are donating significant amounts of money to political campaigns. This does not represent, as a result, this effort to raise the limits, an attempt to reach out to the broad spectrum of American voters. It would, in fact, increase and enhance the role of a very small minority of America.

That is not the direction we should take for campaign finance reform. We should not increase the amount of dollars going to the system. We should create a system in which people again believe their vote, rather than any contribution by a special interest or a wealthy American, is the most important part of our system.

The other aspect of the Hagel amendment which is troubling is the institutional savings of soft money. His proposal allows wealthy individuals to donate $60,000 per calendar year to a political party, congressional campaign committee of a national party and others. This institutionalization once again exacerbates the role of money in campaigns and once again focuses away from the individual voter to the very wealthy contributor.

I think it is the wrong direction to take. As I said, the perception of our constituents is that this system is not working for them.

I yield the floor.

Mr. DODD. I yield 2 minutes to my colleague from Wisconsin.

Mr. FEINGOLD. I focus for a moment on the State party loophole and address the new provisions of the Hagel amendment concerning party soft money. I also want to respond to the argument that the new provisions of the Hagel bill are necessary because the McCain-Feingold bill will starve the parties or will, in their minds, federalize State elections. These charges are just untrue.

I talked yesterday about the Hagel amendment legitimizing and sanctioning the soft money system. I was referring primarily to the $60,000 cap on corporate, labor, and individual soft money contributions. The same can be said about the State soft money loophole, and even more so after the changes Senator HAGEL made in his amendment before he offered it yesterday. The amendment codifies the FEC's allocation rules used for soft money expenditures by the State party. The FEC currently requires expenditures on certain activities including get-out-the-vote and voter registration efforts to be paid for with a combination of hard and soft money. What the Hagel amendment does is write these allocation formulas into law. It takes the soft money system started in the States and makes it permanent.

We support the kinds of activities for which soft money now pays. It is not that we think get-out-the-vote or voter registration activities are somehow corrupt. Quite the contrary, we believe these activities are extremely important to the health of our democracy. But the approach of the McCain-Feingold bill is to get more hard money to

the States, not to allow soft money to live on.

Senator MCCAIN and I strongly support vital political parties at both the State and national level. What we don't support is using unlimited soft money from corporations, unions, and wealthy individuals to elect Federal candidates.

The McCain-Feingold bill doubles the amount of hard money an individual can give in hard money to state and local parties—to $10,000 per year, or $20,000 per cycle. That is a little-noted provision in our bill. To hear the Senator from Nebraska tell it, you would think that we were looking to severely restrict party activity in the States. Far from it.

All our bill says is that when a State party is spending money on Federal elections, it has to be hard money. That includes voter registration activities within 120 days before a Federal election. We all know that voter registration in States helps Federal candidates. Likewise, get out the vote activity and generic campaign activity—like general party advertising—when Federal candidates are on the ballot. Those kind of activities, regardless of how laudable they are and how much we want to encourage them, assist Federal candidates in their election campaigns. So we believe they must be paid for with Federal money. Obviously, so should public communications that refer to a clearly identified federal candidate and support or oppose a candidate for that office.

Does that mean that we are trying to weaken the parties? Not at all. We simply ensure that soft money raised by the states cannot be spent on federal elections. As I have said, to leave that State soft money loophole wide open cannot be considered reform. And at this point I would remind my colleagues that both parties consistently raise more hard money than soft money. It is not true that if you can't spent soft money on an activity, that activity won't take place. The parties raised more than $700 million in hard money in the 2000 cycle. The idea that we are somehow shutting down State party activities because they must now use hard money for certain activities—those connected to Federal elections—is simply untrue.

My colleagues might recall that the parties did just fine without a significant amount of soft money for many years. In the 1984 election cycle, soft money accounted for roughly 5 percent of the total receipts for the political parties, and voter turnout in the 84 elections was 53 percent. In the 2000 cycle, soft money accounted for 40 percent of the parties' receipts, and voter turnout was 51 percent. Soft money does not get out the vote any better than hard money. Soft money doesn't provide some kind of magic bullet that States need to conduct get out the vote activities, or other activities surrounding Federal elections. The States just need adequate funds to conduct those activities, and McCain-Feingold makes sure that they have the money—we double the amount of hard money an individual can give to a state party and increase the aggregate annual limit a commensurate amount.

We want to help state parties stay a vibrant part of our politics. And there are plenty of activities where States can spend whatever soft money they might raise through their State party. We don't attempt to exert any control over what a State party spends on election activities that are purely directed at State elections. But we do say—a million dollar contribution to the party from Philip Morris, or the AFL–CIO, or Roger Tamraz, or Denise Rich has the appearance of corruption, whether the money is used for phony issue ads attacking candidates, or voter registration.

Mr. DODD. Senator THOMPSON of Tennessee was going to try to get to the floor but is unavoidably detained. He would oppose the Hagel amendment on constitutional grounds.

Mr. President, what time remains now?

The PRESIDING OFFICER. Two minutes 50 seconds.

Mr. DODD. The remaining time I yield to my colleague from Arizona, the author of the McCain-Feingold bill.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I appreciate the hard work and sincere conviction that my friend—my dear friend and comrade—the Senator from Nebraska has invested in his amendment. I would, as always, prefer to be on the same side of the fight with him, as we have been so many times in the past, and as we will be again. He is a man of honor and a patriot. I admire him and consider his friendship to be a treasure of inestimable value to me. And whatever faults I might have as a human being and as a legislator, I hope it could never be fairly said of me that I was ungrateful to men and women of character who have honored me with their friendship.

I should also acknowledge that there are provisions of Senator HAGEL's amendment that I could support, or that, at least, could provide the basis for bipartisan negotiations. The Senator's broadcast provision, for instance, merits support. And I believe there are ways that Democrats and Republicans could come together to address Senator HAGEL's central concern about making sure that our legislation does not weaken the two political parties even more than, what I believe, is the case today.

But recognizing both the Senator's hard work and sincere concern, I must oppose this amendment. I must oppose it because it preserves, indeed, it sanctions the soft money loophole that has made a mockery of current campaign finance law, and which has led directly to the many, outrageous campaign finance scandals of recent years that have so badly damaged the public's respect for their government, and for those of us who are responsible for protecting the public trust.

As I said in my opening statement, I believe it is self-evident that contributions from a single source that run to the hundreds of thousands of dollars are not healthy to a democracy. And I believe that conviction is broadly shared by the people whose interests we have sworn an oath to defend. My friend's amendment would allow this terribly damaging flaw in our current system to remain. It would, in fact, sanction it.

Thus I cannot support it. Even if every other provision of our bill were to be struck down by the opponents of campaign finance reform, along with all the good work done by both sides last week in reaching compromises on related issues, even if it were all to fall, a ban on soft money—the huge unregulated six and seven figure checks that come from corporations and unions, from Democrats and Republicans, from Denise Rich and Roger Tamraz—a ban on soft money, while not perfect reform, or comprehensive reform would still be good service by this body toward alleviating the appearance of corruption that afflicts our work here.

A cap of $120,000 per individual per campaign, along with absolutely no limits on soft money used by state parties for the benefit of candidates for federal office, will do little to address this problem. In fact, and I say this with the greatest respect and affection for my friend, it will do nothing but give this much abused system the Senate's stamp of approval.

Mr. President, at the end of debate, I will move to table the Hagel amendment, and I urge all my colleagues to join me in opposing it.

Mr. MCCONNELL. Am I correct that at the end of my 5 minutes we go to the vote?

The PRESIDING OFFICER. That is correct.

Mr. MCCONNELL. Mr. President, I yield 3 minutes to the distinguished Senator from Nebraska.

Mr. HAGEL. Mr. President, over the last few days many of my colleagues, both Republicans and Democrats, including many of my cosponsors, have expressed a desire to vote on each of the three main issues in our amendment to McCain-Feingold. I note that my dear friend JOHN MCCAIN mentioned that there might be some areas in my bill, which now is in the form of an amendment to McCain-Feingold, where we could find some agreement. The senior Senator from Arizona mentioned specifically that the disclosure part of my bill might be something on which we could find some common ground.

Therefore, in order to allow my colleagues to vote on all three of the main issues of my amendment, I demand a division of my amendment into three parts by subtitle.

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

Mr. DODD. Parliamentary inquiry, Mr. President: What was the request?

The PRESIDING OFFICER. Will the Senator yield for a parliamentary inquiry?

Mr. MCCONNELL. I am happy to yield for a parliamentary inquiry.

Mr. DODD. What was the request of the Senator from Nebraska?

The PRESIDING OFFICER. The Senator demanded a division of his amendment into three parts, and it has been so divided.

Mr. DODD. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The Senator from Kentucky has the floor and controls the time.

The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, what the Senator from Nebraska has provided us is an opportunity to have three votes on the three component parts of his amendment. That is allowed under the rules of the Senate. It gives us an opportunity to deal with the core issues the Senator from Nebraska has laid out here: The increase in hard money, increased disclosure, and the soft money cap. It is my understanding that when I yield back my time, we will go to the vote on those three amendments. I therefore yield back my time.

Mr. DODD. Mr. President, may I make a further parliamentary inquiry? I ask unanimous consent I be allowed to address the Chamber for 1 additional minute.

Mr. MCCONNELL. Reserving the right to object, let me just say all this provides is an opportunity for three separate votes, as the Senator from Nebraska has pointed out: On the hard money contribution limit, increased disclosure, and the soft money provisions. Mr. DODD. I appreciate that. All I want to inquire is: There was a unanimous consent agreement entered into for the consideration of this bill, with no second-degree amendments, no intervening motions. Is it the understanding of the Senator from Connecticut, then, that that unanimous consent agreement entered into for the consideration of this bill did not include a motion to divide? That is the first question.

The PRESIDING OFFICER. Division is not a motion; it is a right of any Senator.

Mr. DODD. Second, are motions to table in order?

The PRESIDING OFFICER. The first division will be open to a motion to table, followed by the second division, followed by the third division.

Mr. DODD. I thank the Chair and thank my colleague.

Mr. MCCONNELL. Mr. President, I ask for the regular order.

Mr. REID. If the Senator will yield for another parliamentary inquiry, and that would be simply——

The PRESIDING OFFICER. The Senator from Kentucky has the floor.

Mr. MCCONNELL. I believe the time has basically run out. I think the Chair has explained there would be three votes, each subject to a tabling motion should the Senator from Nevada——

Mr. REID. Mine has to do with scheduling, if the Senator will yield for that.

Mr. MCCONNELL. I yield for that sole purpose.

Mr. REID. We have our party conferences at 12:30. If we have three votes, that will not work. I am wondering what the Senator's idea is.

Mr. MCCONNELL. I suggest to the distinguished Democratic whip we have a 15-minute rollcall vote on the first vote and then 10 minutes on each of the next two. We should not have any problem getting to our policy luncheons.

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

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

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

Mr. REID. Objection.

The PRESIDING OFFICER. Objection is heard.

The senior assistant bill clerk continued the call of the roll.

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

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MCCONNELL. Mr. President, as I said earlier, I ask unanimous consent that the time on the first vote be 15 minutes, and the two subsequent votes be 10 minutes each.

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

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. I yield to the Senator from Arizona.

Mr. MCCAIN. I move to table and ask unanimous consent that that be for all three divisions. I move to table all three.

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

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

VOTE ON DIVISION I, SUBTITLE A, CONTRIBUTION LIMITS

The PRESIDING OFFICER. The question is on agreeing to the motion.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from West Virginia (Mr. ROCKEFELLER) is necessarily absent.

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

The result was announced—yeas 52, nays 47, as follows:

[Rollcall Vote No. 49 Leg.]

YEAS—52

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

NAYS—47

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

NOT VOTING—1

Rockefeller

The motion was agreed to.

Mr. DODD. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the third vote occur notwithstanding the 12:30 p.m. recess.

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

VOTE ON DIVISION II, SUBTITLE B, INCREASED DISCLOSURE

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 0, nays 100, as follows:

[Rollcall Vote No. 50 Leg.]

NAYS—100

Akaka	Corzine	Hollings
Allard	Craig	Hutchinson
Allen	Crapo	Hutchison
Baucus	Daschle	Inhofe
Bayh	Dayton	Inouye
Bennett	DeWine	Jeffords
Biden	Dodd	Johnson
Bingaman	Domenici	Kennedy
Bond	Dorgan	Kerry
Boxer	Durbin	Kohl
Breaux	Edwards	Kyl
Brownback	Ensign	Landrieu
Bunning	Enzi	Leahy
Burns	Feingold	Levin
Byrd	Feinstein	Lieberman
Campbell	Fitzgerald	Lincoln
Cantwell	Frist	Lott
Carnahan	Graham	Lugar
Carper	Gramm	McCain
Chafee	Grassley	McConnell
Cleland	Gregg	Mikulski
Clinton	Hagel	Miller
Cochran	Harkin	Murkowski
Collins	Hatch	Murray
Conrad	Helms	Nelson (FL)

Nelson (NE)	Sessions	Thompson
Nickles	Shelby	Thurmond
Reed	Smith (NH)	Torricelli
Reid	Smith (OR)	Voinovich
Roberts	Snowe	Warner
Rockefeller	Specter	Wellstone
Santorum	Stabenow	Wyden
Sarbanes	Stevens	
Schumer	Thomas	

The motion was rejected.

CHANGE OF VOTES

Mr. GRAHAM. Mr. President, on rollcall No. 50, I voted ''aye.'' It was my intention to vote ''no.'' Therefore, I ask unanimous consent that I be permitted to change my vote since it would in no way change the outcome of the vote.

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

Mr. KOHL. Mr. President, on rollcall vote No. 50, I voted ''aye.'' It was my intention to vote ''no.'' Therefore, I ask unanimous consent that I be permitted to change my vote since it would in no way change the outcome of the vote.

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

(The foregoing tally has been changed to reflect the above orders.)

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Is the Senator from Kentucky correct that in order to adopt the Hagel amendment, division II, just voted on, by voice vote would require unanimous consent?

The PRESIDING OFFICER. That is correct.

Mr. MCCONNELL. I so ask unanimous consent.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. It is adopted.

(Amendment No. 146, division II, was agreed to.)

Mr. MCCONNELL. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

VOTE ON DIVISION III, SUBTITLE C, SOFT MONEY OF NATIONAL PARTIES; STATE PARTY ALLOCABLE ACTIVITIES

The PRESIDING OFFICER. The question now occurs on agreeing to the motion. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 60, nays 40, as follows:

[Rollcall Vote No. 51 Leg.]

YEAS—60

Akaka	Daschle	Kerry
Baucus	Dayton	Kohl
Bayh	Dodd	Landrieu
Biden	Dorgan	Leahy
Bingaman	Durbin	Levin
Boxer	Edwards	Lieberman
Byrd	Ensign	Lincoln
Cantwell	Feingold	Lugar
Carnahan	Feinstein	McCain
Carper	Fitzgerald	Mikulski
Chafee	Graham	Miller
Cleland	Harkin	Murray
Clinton	Hollings	Nelson (FL)
Cochran	Inouye	Reed
Collins	Jeffords	Reid
Conrad	Johnson	Rockefeller
Corzine	Kennedy	Sarbanes
Schumer	Stabenow	Torricelli
Snowe	Stevens	Wellstone
Specter	Thompson	Wyden

NAYS—40

Allard	Frist	Nelson (NE)
Allen	Gramm	Nickles
Bennett	Grassley	Roberts
Bond	Gregg	Santorum
Breaux	Hagel	Sessions
Brownback	Hatch	Shelby
Bunning	Helms	Smith (NH)
Burns	Hutchinson	Smith (OR)
Campbell	Hutchison	Thomas
Craig	Inhofe	Thurmond
Crapo	Kyl	Voinovich
DeWine	Lott	Warner
Domenici	McConnell	
Enzi	Murkowski	

The motion was agreed to.

Mr. DODD. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. DODD. Mr. President, just to notify the Chamber, the next amendment to be offered will be by Senator KERRY of Massachusetts.

I ask unanimous consent that the recess be extended until the hour of 2:30 p.m. today.

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

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:30 p.m.

Thereupon, at 1:15 p.m., the Senate recessed until 2:30 p.m. and reassembled when called to order by the Presiding Officer (Mr. INHOFE).

BIPARTISAN CAMPAIGN REFORM ACT OF 2001—(continued)

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Oklahoma, suggests the absence of a quorum. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MCCAIN. 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. MCCAIN. Mr. President, I am very pleased at the progress we have made. We have disposed of a number of amendments. I think we have had a level of debate with which Americans are pleased, as are certain Members of the Senate, by the significant participation that has taken place.

We really only have two major issues remaining. One is the issue of severability, which is, if there is a constitutional challenge to this legislation, if one part falls, whether or not all of it falls. The other is the hard money issue, with lots of negotiations and discussions going on as I speak.

It was agreed at the beginning we would spend 2 weeks on this issue, and that was my understanding. It is now my understanding that there are some Members who think perhaps we would not move to final passage. I am committed to moving to final passage.

As I have said before, it is not the 2 weeks that counts; it is the final disposition of this legislation which I think not only I but the American people deserve.

As I say, we have disposed of the major issues with the exception of two. Therefore, in regard to further consideration of the bill before the Senate, I ask unanimous consent that first-degree amendments be limited to 10 each for the proponents and opponents of the bill; that relevant second-degree amendments be in order, with 1 hour for debate per second-degree amendment; and after all amendments are offered, the bill be immediately advanced to third reading for final passage, with no intervening action or debate.

Mr. MCCONNELL. Reserving the right to object, and I will object, let me say to my friend from Arizona, he knows, and we worked on it together, the consent agreement under which we took up this legislation scripted the beginning of the bill. It did not script the end.

The Senator from Arizona made very plain from the beginning he wanted this debate to end in an up-or-down vote. It may well end in an up-or-down vote, but the consent agreement did not determine that, and it would not be possible to get consent to structure the end at this time.

Let me say this to my friend from Arizona. I agree with him the only big issues left are the hard money limits and the nonseverability question. I do not think it is likely we would go beyond Thursday night, in any event.

However, Mr. President, to the unanimous consent request, I object.

The PRESIDING OFFICER. The objection is heard.

The Senator from Arizona.

Mr. MCCAIN. Mr. President, I appreciate the thoughts of the Senator from Kentucky. It is hard for me to understand now, with just 2 full days, 2½ days, why we wouldn't, as is our practice around here once we have considered a lot of amendments and a lot of proposals, as we reach the end, narrow down amendments. One, then, has to wonder what the intentions are.

I don't perhaps disagree with the Senator from Kentucky about the language of the unanimous consent agreement. I believe everyone was laboring under the impression that we would reach final resolution of this issue with an up-or-down vote. There are some Senators who now question that.

So I will be back with another unanimous consent request, and if that is not agreeable, then one can only draw the conclusion that there is an objection to a final disposition of this issue and that, obviously, would be something we would have to then consider.

I want to make perfectly clear again what I said at the very beginning, and I will be glad to read the CONGRESSIONAL RECORD when the unanimous

consent was entered into with this distinguished majority leader. No matter how long it takes, as long as I can maintain 51 votes, we will not move to other legislation until we dispose of this legislation. For years we were blocked. For years we were not allowed to have this process which we now all agree has been valuable and helpful. But we need to take it to a final vote. I will be back with further unanimous consent requests so that we can fully bring this issue to closure.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I join in the remarks of the Senator from Arizona. I am pleased to see the distinguished majority leader on the floor, whom I have heard say on a number of occasions with regard to this process that he would not support a filibuster or an approach that would involve preventing us from getting to final passage on this bill. I appreciated those assurances, and I assume they still hold.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Let me make it clear once again, there would have been no consent agreement at all had the end been dictated by the agreement. I fully understood from the beginning that it was the desire of the Senator from Arizona to press for an up-or-down vote at the end of this debate. No one has been more aggressive than he has. Had it not been for the Senator from Arizona, we would not have been on this issue at all, at this point, which would have been my preference given the fact we have an energy crisis in the country, we have a stock market that is in trouble, and I, frankly, am somewhat stunned that we have spent 2 weeks on this issue.

Having said that, we have been on this issue because of the tenacity of the Senator from Arizona. The consent agreement was entered into because of the tenacity of the Senator from Arizona. But let me assure the Senate it was not just the Senator from Kentucky who would not have agreed to a consent agreement that dictated how this debate ends. So that is why I objected, not just for myself but for others.

It could well be that in the next day or so I will have a different view of that. But there are important votes yet to be cast, and I am sure we will be consulting—the Senator from Arizona and I—on the end game as we move along.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, Senator DODD has worked tirelessly with the Senator from Kentucky. He spent long hours here. I think we are arriving at a point where perhaps this evening or tomorrow sometime we can get a finite list of amendments. We have been working on that. We have a number of people on both sides who believe very strongly in their amendments and would not want to be told they are not important.

I have virtually been with my friend from Wisconsin on every vote we have taken this past 10 days. I think the leadership from Senator FEINGOLD, with his partner, the Senator from Arizona, has been exemplary. But the fact is, we have spent a lot of time on this bill. I do not expect at this time we should rush on some program to suddenly end it. As I said, there are a number of people who have submitted requests to Senator DODD about amendments that need to be offered. We expect to offer those amendments. I think we should move along as quickly as we can, and we certainly have tried to do that.

As I said, I think one way we can expedite things is to come up on both sides with a finite list of amendments and have that locked in. I hope to have that, after conferring with the leader and Senator DODD, at the earliest possible date.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, let me just comment before I introduce an amendment and start the process of the clock.

With respect to the question of how this issue finishes, I hope the leader on the other side, and those who oppose this, will not move back from what I think was an understanding by most people who entered into that agreement that we were in fact going to have an opportunity to come to final resolution on this bill.

Obviously, if we are deprived of that, then I suspect many of us are going to try to find every opportunity the Senate presents us over the course of the next months. There is a long schedule yet ahead of us. It would be a waste of the time of the Senate and an insult to the process to somehow try to sidestep an appropriate, complete, and total resolution, having invested the time we have in the last days. I think everybody has moved in good faith in an effort to present the amendments that represent bona fide efforts to improve campaign finance. But I certainly will join with a number of other colleagues, I am confident, if there is some sidestepping procedural effort to deprive us of the appropriate voting conclusion. We will tie up the Senate, I am confident, for some period of time in an effort to try to resolve it.

AMENDMENT NO. 148

Mr. KERRY. Mr. President, I send an amendment to the desk on behalf of myself, Senator BIDEN, Senator WELLSTONE, and Senator CANTWELL. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Massachusetts [Mr. KERRY] for himself, Mr. BIDEN, Mr. WELLSTONE, and Ms. CANTWELL, proposes an amendment numbered 148.

Mr. KERRY. I ask unanimous consent the reading of the amendment be dispensed with.

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

The text of the amendment is printed in today's RECORD under ''Amendments Submitted.''

Mr. KERRY. Mr. President, this amendment is one that I think Senator BIDEN, Senator CANTWELL, Senator WELLSTONE, and I understand is not going to pass today. I hate to say that. I regret to say that. But it is a vote that we ought to have in the Senate. It is a vote that, in our judgment, represents the best of what could be achieved in the context of campaign finance reform. It is steps beyond Senator MCCAIN and Senator FEINGOLD, both of whom, I might add, have great sympathy for it notwithstanding the fact that they know, if it were to pass, you would have a very different mix in terms of what they began with as sort of a legislative agreement, if you will. I know Senator FEINGOLD is a strong supporter nevertheless.

What we are proposing is something the Senate has visited before. We have voted on this before. In fact, the Senate in 1994 passed, by a vote of 52–46, a campaign reform bill. It never got out of the Senate in 1994. This particular one fell victim to the House of Representatives and to the delay of the schedule. Nevertheless, it reflected the willingness of colleagues in the Senate to embrace a partial funding by the public, a partial match funding in order to reduce the dependency of politicians on going out and becoming supplicants in their search for funds.

This is, in effect, translating to the Senate races the same principle that has been in place and has been used, even through the current election for President of the United States, in our national elections. It is a partial funding, a match, if you will, that seeks to address the extraordinary amounts of money that are in our campaigns today.

We bring this particular amendment because this effort of campaign finance reform is not just to create a regulation on how much money you can raise in a particular request from a particular person, not just an effort to put limits on. There is a larger purpose that brings us here. That purpose is to undo the appearance of impropriety that comes with the linkage of money to the fact of getting elected, the act of getting elected. Most people in the Senate who have been here for awhile have watched colleagues sometimes squirm with discomfort because questions have been raised about those linkages.

We have had investigations, both of the Senate, of the Ethics Committee, and of outside groups, that have often been pointed at the way in which we are forced to raise money. I think most people in any honest assessment would be prepared to say when somebody sitting on a particular committee has to

go out and raise money from people who have business before that committee, or when someone in the Senate has to ask for money from people who have legislative interests in front of them on which they will vote, there is almost an automatic cloud. It is not something we define for ourselves, it is something that is defined by the system itself. It is there whether we like it or not.

I do not think there is one of us in the Senate who has not been asked at one time or another: Gee, did those people who contributed to you somehow have an influence on the way you voted? For most people in the public, it is a natural connection. If people see the milk industry, or the insurance industry, or the banking industry, or the farmers, or the truckers—you could name any group. I am not being pejorative in naming any of those I named. Name any interest in America that conglomerates its money, and then look at the people who are elected, and you have an automatic connection, like it or not, of the money and the election process.

When you measure the fact that most of America does not contribute, most of America does not have the money to contribute—we have one-half of 1 percent of the people in this country who give the $1,000 donations. I think all of the soft money in this country was given by about 800 people in the last election cycle. Think of that—800 Americans out of 280 million giving tens of millions of dollars to affect the political process.

Most of the average citizens sit there and say: I can only afford $10, or maybe I can afford $15 or $20 or $50. But they know; they sort of say to themselves: Boy, my $50 is not going to do much to alter the impact of $50,000 from some big, large interest, et cetera. They feel powerless and they turn off the system. They go away. They look at the system and they say: It doesn't represent me.

I don't know how many of my colleagues have stopped to ask, but why is it that a majority of the Senate is made up of millionaires? Are we representative of the United States of America as a group? The answer is no. But most people cannot afford to run for office, particularly for the Senate. So the question is, Do we have the guts, do we have the courage to come here and fight for real campaign finance reform that affords a more even playing field?

Is it a perfect playing field? The answer is no. We do not do that. And I understand that. But we can try to make it fair so a lot of people can get involved in the process.

Let me share with my colleagues this idea that we are submitting to the Senate today comes from a group of business leaders. This is not an idea that has been created by some sort of interest group that might arouse the normal suspicions of those who oppose campaign finance reform. This idea has been put together by a group called the Committee for Economic Development. Over 300 business leaders have endorsed this proposal. They include top executives of Sara Lee, Nortel Networks, State Farm, Motorola, Bear Stearns, American Management Systems, Hasbro, MGM Mirage, Guardsmark, Kaiser Permanente, Prudential, Saloman Smith Barney. They also include retired chairs or CEOs of AlliedSignal, Bank of America, GTE, International Paper, Union Pacific, General Foods, Monsanto, Time, CBS, Fannie Mae, Dow Chemical, and B.F. Goodrich.

I suppose the question might be asked, Why would past CEOs, why would corporate chieftains, why would corporations themselves be so interested in supporting a campaign finance mechanism that includes some public funding?

The reason is, these are the corporate entities that keep getting asked to contribute and contribute and contribute, that keep feeling as if they are dragged into a process that they themselves know is not in the best interests of the democracy of our country.

We are supposed to be, as Senator BYRD reminded us in our caucus a few minutes ago, a republic. A republic means we are people who represent the people who elect us—not the money that puts us here, the people who elect us.

The question is, Are we prepared to pass a campaign finance reform regime that distances us, to the maximum degree possible, from the fundraising and connects us, to the maximum degree possible, to the people who elect us? That is the purpose of this particular amendment.

This amendment is voluntary. I emphasize, it is voluntary. There is no mandate that anybody in the country has to follow this particular way of campaign financing. So there is no constitutional challenge here. You can choose to go in and live by a limit that you are given as a matching amount of money.

I want to explain exactly how it works. We want to encourage the small donor to participate in America again. We want to emphasize that it is the smaller contribution that is the most important contribution. So what we do is provide a matching amount of money doubled by the Federal Treasury for those small contributions up to $200. That means if somebody contributes anywhere up to $200 to a candidate, they would get up to $400 in a matching amount of money. And they would agree to live by a specific formula limit for each State in the country. That formula is: $1 million, plus 50 cents, times the number of voters in that particular State.

We did an analysis of the last two election cycles. When you compare the amounts that would be provided to candidates under this formula, it demonstrates that in only three races in the last cycle would you not have had enough money under this formula to be able to meet what happened in those races. The spending limit formula in 23 States would have provided candidates with more money than they had to go out and hock the system in order to be able to run. In an additional seven States, the formula would have brought candidates within $500,000 of the average amount that was spent in the last Senate election in that State.

Given what we have already passed in McCain-Feingold with respect to lowest unit charges, in effect, this formula would allow people to be able to spend more, if not the same, because they would be able to get more media buy for the dollars spent; and that result would be that they would be, in fact, greatly advantaged by this kind of formula.

What they also allow them to do is: If a candidate is not able to raise up to their limit, we allow the parties, through their hard money contributions, to be able to make up the difference to that candidate, much as they do today through the section 441(a)(d) contributions.

The virtue of this particular approach is that it does the most that we believe we can do to separate candidates from the fundraising process, to reduce the capacity of people to question the large contributions. We would still allow contributions up to the amounts of McCain-Feingold. So if that amount remains $1,000 in the primary and $1,000 in the general election, you can still raise it, but you only get credit for the first $200 toward your match. That means you would be encouraged to go out and bring people into the system for low-donor-amounts of contributions.

In every other regard we stay with McCain-Feingold. We want to see the ban on the soft money. We want to see the increased scrutiny, increased transparency, but we are trying to provide people with an ability to avoid the extraordinary arms race of fundraising that takes place in this country and to begin to restore every American's confidence that we are not in hock to the interests that support the campaigns.

There is a reason for having to do that. I remember when I was chairman of the Democratic Senatorial Campaign Committee in 1988. As Chairman, I refused to take soft money back in 1988. We did not take any soft money in the committee. That was the last year the campaign committee did not take soft money because they could not in order to compete. From that time until now, we have seen this extraordinary growth in the amount of soft money being raised, so that there was almost $½ billion of soft money in last year's campaigns. Think about that—an extraordinary amount.

But for 1992, the Republican Party raised $164 million in hard money, $45 million in soft money. In 1996, the $164 million jumped to $278 million in hard money; and it went from $45 million to $120 million in soft money. And this year, it went from the $278 million to

$447 million in hard money; and the $120 million went up to $244 million in soft money. This is so far outside of inflation or any legitimate costs with respect to campaigning, it is insulting. The only way we are going to end that is to put in place a system where we bring Americans back into the process of contributing smaller amounts of money.

It is interesting that corporate contributions outnumbered the amount of small and union contributions by 15 to 1. Americans are currently looking at a political system that is effectively a corporately subsidized, corporately supported system. If you were the leader of any corporation in America—there are a few who are making a different decision—some of them have decided spontaneously they are simply not going to contribute, but unfortunately, an awful lot of them still decide: I can't be left behind, I can't suffer the vagaries of the system unless I can weigh in, unless I get sufficient access. So most of them, answerable to their board of directors and their shareholders, as a result, play the system as hard as they can.

Most of them will also tell you privately, they pray and hope the Senate will have the courage to change that system because they don't like it any more than many of us do.

The one thing we are going to hear from the opponents—and you can hear it right now—we have politics that are really good right now in using little phrases: ''It is not the Government's money; it is your money. You deserve a refund.'' That is a quick, easy hit. People get applause. Everybody feels good and they forget about the fact that there are a whole lot of other issues.

We are going to hear them say: Gee whiz, politicians shouldn't depend on the public treasury to run for office. They are going to say this is welfare for politicians, ''welfare for politicians'' because somehow the Federal Government contributes. Ronald Reagan was elected using this Federal money. George Bush, in 1988, was elected using this money. Even the current President Bush was elected using Federal money. Bob Dole ran for President using Federal money. Countless numbers of candidates have run using Federal money.

It is not welfare for politicians. What it is is protection for politicians. That is what they want. They are afraid of a system that allows the average American to have a full voice. They are afraid of a system which requires them to go out and do anything except play sweetheart with a whole bunch of givers who give them big amounts of money so they can just swamp the average person who wants to run for office.

The fact is, if you analyze the amount of Federal dollars that are wasted and spent only because those interests are able to get the laws they want and ride roughshod over a broader consumer interest, there are billions upon billions of dollars that are spent as a result of the current system.

What this represents is liberty money for people in this country, freedom, the ability to be able to cut the cord of the system we have today and free themselves to be able to go out and have a fair system in which Americans can have confidence. Most Americans, if they were presented with that argument fair and square, would say: That is precisely what I want. I am willing to pay a $400, $500 amount to cover the cost of elections in this country in order to guarantee that people are free from the kind of special interest process today.

Moreover, you might see a lot more of your Senator and your Congressman because they wouldn't have to travel all around the country on weekends and weeknights to raise money from fundraisers in States everywhere other than their own.

It doesn't make sense. That is what this is an effort to try to achieve. I hope my colleagues will think hard about it. Fifty-two Members of the Senate in 1994 voted for a bill that had a partial component of public funding in it. Many people have acknowledged that ultimately this is the only way for us to free ourselves from the current system. While we can't deal with the primaries, that is too expensive and it doesn't work. What we do is set up a structure where in the general election, there is a clear ability of people to spend a limited amount of money, commensurate with the amounts of money and in some cases more than even the amounts they spend today.

I yield 15 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. It seems as though the Senator from Massachusetts and I have been doing this a long time. We lost one of the musketeers in Senator Bradley. I don't know how many times we have come to the floor to talk about this issue. What is discouraging is, we seem to be moving backwards now instead of forward.

I have a reputation that doesn't always serve me well of being relatively blunt. I am going to continue to exacerbate that a little bit today and depart from my prepared remarks at the outset and speak to the last point the Senator from Massachusetts was talking about.

Our friends who oppose this will say to any idea of any public financing: Why should the public pay for bumper stickers and billboards and the like? I will bet you if you sat down with every American, and were able to do it one on one, and said: Here is the deal: Do you want me taking money from a checkoff system on your income tax, as the Presidential campaign is run, or from a direct appropriation that may cost you a couple bucks a year? Would you feel better about me and my independence if you did that and I had a limited amount of money if I were the nominee that I could spend, a limited amount of money based on the size of my State? Or would you rather have me hanging around in Hollywood, New York, Detroit, Los Angeles, San Francisco, Chicago, the major money centers of the world, sitting down with investment bankers and with corporate heads and union leaders and listening to them telling me what they think is important for the future of America and my knowing full well if I disagree with what they think is important for the future of America, that they are not likely to contribute to me and, therefore, if I have to rely totally on the people with the big money, that I may very well find myself rationalizing that, well, maybe it is not such a bad idea to be for that idea because it is better for me to get elected intact with most of my views in place than it is for me to be pure about this and not be able to run. I think the American people understand.

I may be mistaken, but I believe Dick Clark, a former Senator from Iowa, and I, were the first two to introduce public financing as an idea back in 1974, in the middle of the Watergate scandal, to try to take polluting influence out of the system—I don't think there is an American out there who thinks if they get a chance to come up and lobby me on a particular issue and say, Senator, I sure hope you will vote for this tax cut or that tax cut or vote for or against something, that they have as much influence on me as somebody who walks in having contributed $10,000 to my campaign through two PAC contributions. I wonder what the American people think. I wonder do they think their voice is as easily heard as the rest of those folks.

The thing that has surprised me over the years that I have been pushing this idea, along with others, is that we who hold public office aren't tired of this, aren't worried, why it doesn't bother us, whether we are lily pure or not, why it doesn't bother us being associated with the notion that what we do is a consequence of the financial influence placed upon us.

For example, I don't think there is anything morally wrong, per se, about PAC money. That is an organization getting together and representing a particular interest—whether it is a labor organization, business organization, social organization—and giving a candidate $5,000 at a crack. I admit that is no more debilitating, no more immoral, no more unsavory than five people getting together in one family and coming up with $1,000 apiece to give $5,000. But I don't accept PAC money, and I haven't accepted PAC money—not because I think it is immoral or wrong, and I don't question the morality or judgment of those who accept it. I think I am one of the few people who don't accept it, and maybe one of the few in the whole Congress.

The reason I don't accept it is that I like the fact that no one can—and I am a pro-labor Senator—question my pro-

labor votes because labor gives me any money. They don't. I can stand up and say I like the feeling at home that when I am for something that maybe not all my constituents like, but labor likes, nobody can use the argument that BIDEN has been bought off by labor because the following labor groups got together and contributed to him X amount of dollars.

A lot of Senators who talk about being lily white and pure accept PAC money. That is OK. But the only reason I don't is I don't like looking at my constituents and them thinking that I have taken a position because somebody contributed to me. That just bothers me. That just bothers my independence. There may come a day I have to take PAC money. I may run against somebody who raises $5 million in PAC money and I can't raise the money, so I have to take it to compete. But I don't accept it simply for my own gratification. I love walking into a meeting with a businessperson, or a business organization, or labor organization, and deciding for or against them based on the merits and never having to talk about money. I feel liberated. It is my sort of self-imposed, tiny victory against this system that I rail against all the time.

What has surprised me is why people of this body would not want limits on spending. Do you think the majority of us like traveling two-thirds of the way across the country to sit down at a fundraiser in the home of somebody who is going to ask us stupid questions, who may be an absolute idiot, and is going to raise us $20,000, and we have to sit there and listen. Now I'll have everybody who has ever done a fundraiser for me saying, ''Is he talking about me?'' If anybody likes that, you probably should be doing something else because you can't be that bright.

So I don't get this. I don't get it. I don't get why we haven't gotten to the point that just for our own living standard, so that we don't have to get on planes at 7:30 at night and sit in an airport, and then miss it, and 47 thank-you notes why we could not be there and apologize and set a new date, and you miss your kid's first communion, or you miss your daughter-in-law's birthday, or something because you are out raising money. I don't think anybody sitting in here has any idea how much of our time is spent raising money. The more scrupulous you are about how you raise it, the more hurdles you place in your way to make sure everybody knows that you are clean and you are not like what people think you are, the harder it is—the harder it is.

We all do it. We all sit here and say, wait a minute now; we just voted on a bill that will affect some of the people who are going to be there. I can't go to that fundraiser now. It will look like I did it for the wrong reason. I don't want them thinking that is why I did that because that is not why I did that. All Members here are moral, decent people. The irony is, this place, in terms of personal rectitude is probably squeakier than any Congress in the last 200 years because of all the disclosure rules. That is the irony. You used to have a person standing at a desk right over there—one of the leading Senators in history—who would write letters to the railroad company saying, ''By the way, I just defeated a thing that would have hurt you. Send more money or I won't do it next time.'' The money that was being sent was in his pocket.

When I ran for the Senate in 1972 and won, there were no limits on what you could spend or what could be given to you. My goodness, you would think by now the irony of all ironies is that I would be dumbfounded if any Member of this body was taking money under the table or doing anything illegal. They are the cleanest bunch I have dealt with. Yet we are viewed as being among the dirtiest bunch. Why? Because we are associated with all this money.

My mom had an expression when I was a kid. I would say, ''Mom, can I go hang out on the corner by Buffington's with the rest of the guys?'' She would say, ''Those guys get in trouble.'' And I would say, ''But I won't.'' She would look at me and say, ''JOE, if it walks like a duck and quacks like a duck and looks like a duck, it is a duck.'' I used to say, ''What does that have to do with anything?'' She would say, ''Those boys down there are not good boys. When you hang with them, even if you are not doing anything wrong, you are going to be presumed to be.''

What happens now when anybody within earshot, not holding public office, hears your child say, ''Mom, I want to be a politician.'' I am not allowed to reference the gallery, but I bet if I looked at their expressions right now, they would all have the same expression: Oh, no, no, you don't want to do that. Why, when in fact they have more honest men and women in the business now than have ever have been in it? The likelihood of people doing untoward things relative to financial gain is almost unheard of now. When you have a billion plus dollars spent on elections, the conclusion to the American people is that if it looks like it is corruption, sounds like it is corrupt, it appears to be corruption, then it is probably corrupt.

So this has always amazed me. I would have thought by now that we would be so afraid of being burned by our association, unintentionally, with unsavory notions, causes, or people, through contributions, that we would say let's get out of this. I will tell you right now. I don't think anybody here would disagree. I would rather be beholden, or thought to be, to 280 million Americans than to 200 contributors. I would think they would want me to be beholden to them, not only in fact but in perception.

So what have we done? As my friend from Massachusetts has said—and we have been allies in this for a long time, and I am a great admirer of his—just since 1976, the total congressional campaign spending has gone up eightfold. In 1976, the average race for the House of Representatives cost $87,000. Today, it cost $816,000. Where are you going to get that money? Where are you going to go for that money? Do you think there is $816,000 worth of folks out there saying: Just because I love this system, I don't care what your positions are on any issues. I just want honorable men and women like you involved, so here is a contribution.

What do you think? Do you think that is how it happens? You know what it is for Senate races? In 1976, the average cost of a Senate race was $609,000. Now it is $7 million.

So I have gotten to the point where I am even more concerned about the amount than I am about the source—more about the amount than I am about the source. Let me explain that. If, in fact, we are going to ever do anything about the influence of money and the ability of people like me to be able to get involved in politics—I say people like me. No one who ever held State office, no one with any personal fortune or money, and who has a dubious distinction along with one other Senator on the floor being listed as one of the poorest men in the Senate.

How can a guy like me get involved today knowing that for me to get out of the box, I am going to have to raise, even in a tiny State such as mine, potentially $4 million to $5 million? How does one start that? Where does one go?

Why are we surprised with a lot of millionaires? Do you know what a lot of us Democrats do, as Dale Bumpers, one of the best speakers I heard on the Senate floor in past years, used to say, in the bosom of the lodge here? Because we cannot match their money, do you know what we do? When we recruit candidates, whom do we look for, I say to the Senator from Connecticut? We try to find millionaire Democrats. We try to find Democrats who are millionaires to front their own campaigns because we do not have enough money around to front all the campaigns. We try to find people who are millionaires.

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

Mr. BIDEN. I ask for 5 minutes more.

Mr. KERRY. Mr. President, how much time remains on our side?

The PRESIDING OFFICER. Fifty-four minutes.

Mr. KERRY. I yield 5 minutes to the Senator from Delaware.

Mr. BIDEN. Mr. President, the fact of the matter is, we are never going to make any really fundamental change in the system until we adopt the position of setting limits on the total amount of money that can be spent in a single State on a single election.

Our approach provides the candidates with partial public financing when they commit to voluntary limits, and if the other person does not commit to

those voluntary limits, then we allow that funding to go up so that person can keep in parity with the person against whom they are running.

It is a simple, basic proposition. By the way, it is complementary to the so-called soft money ban. It is not contrary to, it does not undermine it; it is complementary to the ban on soft money.

The spending limits for the Senate candidates are different in each State based on a rather simple formula that my friend from Massachusetts pointed out: A million bucks to start and then, on top of that, 50 cents for each person of voting age in that State. In my State of Delaware, that means one could not spend more than $1.3 million. In a State such as Illinois, where there are 9 million potential voters, one could spend $5.5 million.

I will not go through all the detail beyond that except to say that our amendment also includes a provision to counter those last-minute sham ads that have become all too common in the closing weeks of campaigns. Our amendment says if your campaign is a victim of one of those drive-by sham ads, you will receive additional public funding to enable you to respond to keep you in the game.

I have been calling for public financing for congressional campaigns for a very long time, since 1973, my first year in this body. I thought Watergate would have been enough to take us to the brink of trying to do something serious about campaigns. We did make some initial progress until the Supreme Court ruling in Buckley v. Valeo which set everything on its head, and now here we are back again.

The time has come, as my old math teacher would say, to work the problem and to stand at the blackboard until we come up with an answer that will pass the test of public confidence. The amendment we are offering today I think passes that test, and I urge all of my colleagues, for once and for all, do something that really will impact upon who can run, their ability to stay in the game, the ability to compete and reengender some confidence in the American people.

My closing remark is this: We have gotten to the point, as my friend from Massachusetts pointed out, of businesspeople dreading this funding process because they get held up for contributions. Beyond that, we have reached a point where, because we have had to become so brazen in the way in which we raise money, those who used to contribute to us who never were brazen in return are now equally brazen, suggesting they want to know more about what we will do before they give us the money.

It is a bad system. This could go a long way to changing it. I have no hope that it is likely to be adopted this time, but someday—someday—it will, and I suspect only after some additional major scandal occurs. I want to make sure for my own safety's sake I am recorded on the right side of this argument again so no one misunderstands what I think we should be doing.

I thank my friend for his leadership, and I thank him for yielding the time he has. I yield back whatever time is remaining.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank the Senator from Delaware for his comments. As he said, he started this crusade back when he was elected in 1972. We had a high water mark in the Senate when we actually passed it. We also had 49 votes at one point in time. We know we are not at that high water mark today for a lot of different reasons.

It is very interesting what the Senator just said about businesspeople. I cited the types of businesspeople who support this—major executives of major companies in the country. Here is what they said when they announced it:

> As business leaders, we are . . . concerned about the effects of the campaign finance system on the economy and business. . . . A vibrant economy and well functioning business system will not remain viable in an environment of real or perceived corruption, which will corrode confidence in government and business. . . . In addition, the pressures on businesses to contribute to campaigns because their competitors do so will increase. We wish to compete in the marketplace, not in the political arena.

I applaud these business leaders for recognizing the truth that a lot of the opponents of reform refuse to acknowledge.

The fact is that even the Supreme Court in the cases we so often cite—Buckley v. Valeo, Colorado, and others, all of those cases—talks about the legitimate right of Congress to try to curb the perception of corruption which they acknowledge on the Supreme Court is a component of trying to have good campaign finance reform.

What they have deemed to be constitutional, they have deemed to be constitutional partly making the judgment that it was necessary to combat that concept of corruption.

Moreover, I point out to my colleagues, sometimes we all know Congress does not do what the American people think it should do or want it to do, but the American people want us to put together a better system. A national survey conducted by the Mellman Group in April last year found that by a margin of 68 percent to 19 percent, voters favored a proposal that eliminates private contributions, sets spending limits, and gives qualifying candidates a grant from a publicly financed election fund.

In other words, every time the Congress votes against public funding, the Congress is explicitly denying what the majority of the American people want, which is the capacity to separate the people they elect from the fundraising process.

That same survey found that 59 percent of voters agree that we need to make major changes to the way we finance elections. But perhaps the most telling statistic was the fact that overwhelming majorities think special interest contributions affect the voting behavior of Members of Congress.

Eighty-seven percent of voters believe that money impacts Members of Congress, with 56 percent expressing the belief that it affects Members a lot. We ought to want to do something to eliminate that perception and to restore people's confidence in this institution.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, assuming all the time is used on both sides, when would the vote occur?

The PRESIDING OFFICER. At 5:55 p.m.

Mr. MCCONNELL. This should be such an easy vote that I don't think I will need all my time. I will withhold it for the moment to see how many speakers there are on the other side. Suffice it to say, that taxpayer funding of elections is about as unpopular as voting to raise congressional pay.

We have the most complete poll ever taken on any subject, every April 15, when taxpayers get an opportunity to check off on their tax return the diversion of $3 to the Presidential campaigns and to help subsidize the conventions. It doesn't add to their tax bill. It is just diverting $3 of their tax money to politics.

The high water mark of the checkoff was back in 1980 when 29 percent of taxpayers checked off. Last year it was 12 percent. In fact, the lack of taxpayer interest in checking off some of the tax dollars already owed to this cause, the drop off was so alarming that in the early 1990s when the opposition party controlled the House, the Senate, and the Presidency, they upped the checkoff from $1 to $3, so fewer and fewer people could check off more money.

Clearly, this is an idea that is overwhelmingly unpopular with the American people. We had a vote the other day on the Wellstone amendment. The Wellstone amendment gave States the option of having taxpayer funding of elections of congressional races. It was defeated 64–36. Maybe you could have argued on that vote that it wasn't really a vote for taxpayer funding of elections because it only gave to States the option—the option—to have taxpayer funding of elections, yet only 36 Members of the Senate supported that.

This is the real thing before the Senate now. This is not giving any State the option to have a taxpayer-funded system. This is the real thing, taxpayer-funded elections for Senate races.

I have been somewhat chagrined and mystified that we have spent 2 weeks on the whole subject we have been on when the stock market is tanking, we have an energy crisis in this country. What are we doing in the Senate? We

are talking about campaign finance reform. At the very least, the underlying bill didn't have taxpayer funding of elections in it, but there have been first one, and now the second effort to add that to this underlying bill.

So I don't think the American people would be particularly amused if they were paying any attention to this debate, which they are not—I don't think they would be particularly amused to find out what we are doing while we have these emerging problems in our country of energy and the stock market.

The argument over taxpayer funding of elections is a blast from the past. This debate over taxpayer financing is an idea whose time has come and gone. One of the huge victories on my side of this debate that we can savor is that reformers gave up on the horrible notion of taxpayer funding of elections some years ago. That is, most of them. We still have some people offering these amendments, and that is what is before the Senate at the moment.

It may surprise some of the people who are watching C–SPAN that we actually have had taxpayer financing of Presidential elections since 1976. This system has squandered over 1 billion tax dollars. In the 2000 Presidential race alone, taxpayers kicked in $238 million; 30 million of those dollars went toward the conventions in Philadelphia and Los Angeles. Fun weeks for those of us who were privileged to attend, but most taxpayers could surely come up with a better use of their tax dollars than underwriting political conventions.

Proponents of using taxpayer money for political campaigns get very creative in devising their polling questions so they can get results suggestive of some reservoir of support for this notion.

First off, they never refer to the money as the ''taxpayers money.'' You will never see that in a polling question asked by a proponent of using tax money for buttons and balloons and TV commercials. They always call it ''public funding,'' sort of like a public beach, public park, or public parking, leaving out the fact that the money started out in the taxpayers' private pockets.

Then they link the concept of public financing of campaigns to reducing special interest influence. Gee, that sounds like a bargain, except they can still get their numbers over 50 percent when they call it public funding and when they say it is for the purpose of reducing the nasty special interest. We all know the definition of a special interest. That is somebody against what I am trying to do. Those groups on my side are great Americans pursuing a wonderful cause. Those nasty special interests are the guys on the other side.

When someone such as myself frames a polling question in a more straightforward fashion, such as, do you support using taxpayer dollars for political campaigns—very straightforward and very truthful—respondents are decidedly less receptive than in the gimmicky polls that I suspect we have heard cited on the other side of this debate.

A reform group study in 1994 concluded that Americans remain skeptical of public funding for congressional campaigns. Remember, they were using that good word ''public.'' Moreover, a careful examination of the core coalitions both in favor and against leads us to conclude that this proposal tends to be a hot button for a group that is not exactly a microcosm of America. Who is interested in this issue of taxpayer funding of elections when you call it ''public funding''? It is a hot-button issue for liberals who are postgraduates, people who went to graduate schools. Liberals who graduated from graduate school think this is a great issue, that is, about 2 percent of the public—not, I submit, a microcosm of America or anywhere near the average American.

When we look at the biggest poll of all that I referred to earlier, the checkoff on the 1040 tax forms which allows filers to divert $3 from the U.S. Treasury to the Presidential election campaign funds—remember, this is money they already owe; if you ever change the law to make people actually cough up an additional $3, this fund would disappear entirely. It would be gone with the wind. It would be out of here. We would have to appropriate dollars to make up for the zero balance in this fund—nearly 90 percent of Americans choose not to check yes to the use of taxpayer dollars for Presidential elections. Last year's forms, 11.8 percent checked ''yes.''

As I said earlier, at its peak popularity in 1980, less than 30 percent checked yes. Imagine the results if the checkoff was for a congressional election campaign fund, which is what this amendment is about. Imagine the question on the tax form if it were crafted ''congressional election campaign fund.'' People would not confine themselves to checking no. They would no doubt be compelled to include commentary in the margins on their tax returns. Such is the disdain for taxpayer funding of elections.

We haven't even gotten to another essential part of this whole issue. The Supreme Court does not allow us to just provide tax funding to the good guys, the Republicans and the Democrats. No, no. If you are going to provide tax dollars for campaigns, you can't constitutionally limit those taxpayer-funded schemes to the Republicans and to the Democrats—which is all of us in here. No, the Reform Party, Ralph Nader's Green Party, and for that matter, any individual eager for some name identification paid for by the taxpayers would be eligible to qualify.

Let me give a couple of examples. That great American, Lenora Fulani, of many parties over the years, and most recently the Reform Party, has collected 3.5 million of our tax dollars for her in 1984, 1988, and 1992 Presidential campaigns. The taxpayers of America have given Lenora Fulani $3.5 million to run for President of the United States.

In 1992, in fact, Ms. Fulani was the first in line to receive matching funds, even beating Bill Clinton to the funds.

Lyndon LaRouche got taxpayer funds for the 1992 Presidential campaign. It was a little difficult for him to function that year because he was in jail. It was something of an inconvenience. But the fact that he was in jail did not prevent him from getting tax dollars to run for President. He was in the middle of serving a 15-year sentence for fraud. But, by golly, we got him some tax money to run for President of the United States.

Imagine, if we extend this great idea to congressional races, we are going to have Lenora Fulanis and Lyndon LaRouches running in every House and Senate race in America. Every crackpot who got up in the morning, looked in the mirror, and said, ''By golly, I think I see a Congressman,'' is going to get a subsidy from the taxpayers to go out and see if he can pull this thing off.

LaRouche has received over $2 million for his 1980, 1984, 1988, and 1992 Presidential campaigns. If you take out the 2 percent of Americans who are liberal postgraduates, there is not a lot of enthusiasm out in the hinterlands for this kind of reform. Indeed, there is disdain for this kind of reform. I suspect there is not a whole lot of support in the Senate.

Looking at the Wellstone amendment the other day, which got 36 votes, maybe I will be surprised, but I will be surprised if there are 36 votes there to have this proposal replace the current system of electing Members of Congress.

Let me say again, I can't think of anything that would frost the average taxpayer more than the idea of fringe candidates, maybe even in jail, running for Congress, running for the House and Senate.

I do not know how this amendment is crafted, but I can tell you, you cannot constitutionally restrict public funds, taxpayer funds, to just the people we would like to get it, which is people such as us who are Republicans or Democrats. We can't do that. It has to be crafted in such a way that these funds are not unreasonably denied to people who aspire, regardless of their ideas or present circumstance, such as being in jail—their present circumstance—you cannot unreasonably deny them their opportunity to have their say with our tax money.

I do not know how much more debate is needed on this idea from the past. But, not knowing yet, I will just retain the remainder of my time for the moment. How much is that?

The PRESIDING OFFICER. The Senator has 76 minutes.

The Senator from Massachusetts.

Mr. KERRY. Mr. President, I listened with interest to my colleague from Kentucky. I listened to him label this as an idea from the past. I am interested in that because it always struck me that the idea of the past was the perception of corruption of the Congress. The idea that ought to be passed is the notion that unlimited funds and unlimited amounts of money in our system corrupt and corrode the system.

If you were to ask the American people what they would like to see be the idea of the past, they would resoundingly, overwhelmingly tell you, as they have in every indication in the country, that they want us separated from these large sums of money.

It is no surprise my opponent comes to the floor and derides the concept of public funding as some sort of thing from the past which doesn't command a lot of votes. I understand that. I know we are not coming to the floor from a great position of strength. But we have to start from somewhere again on this effort.

We once passed it in the Senate, and we passed it once because it was the right thing to do and it was a good idea. I believe that the judgment made by those Senators who were then here is not now out of date; it is not now outmoded; it is not a judgment of the past. It was sound thinking. Once again, this body will one day come to understand that we need to separate ourselves from this money.

Senator MCCAIN above all set a standard for making clear that this is an idea of now, not of the past. My colleague does not even support campaign finance reform. He doesn't think McCain-Feingold ought to pass, let alone this amendment. It is no surprise he comes to the floor derisive about the concept of some level of public money being used to separate the politicians from the perceptions that cloud this institution.

My colleague from Kentucky brought an amendment a few years ago, with other people, I believe, to terminate the funding process of the Presidential races. Guess what. He lost. The Senate said we want to continue to have our Presidential races funded the way they are, even if it means that a fringe candidate such as a Lyndon LaRouche may get a couple of million dollars to run for office. That is the price in America of having a system that is free from special interests. That is the price.

The fact is, none of us can choose and pick who the candidates are. My colleague from Kentucky just acknowledged he does not know how this bill is structured. Maybe it would help him if he understood to some degree that it is structured in a way that not just anybody can run under this bill. You do not get the public funding unless you raise some money, and you can only raise some money if you have some kind of base of support. You only get some funding for the larger numbers of people you can entice to support you. So presumably there is a reflection in how much money you would ultimately get that is a reflection of what kind of candidate you are—whether you come with legitimacy or you do not come with legitimacy; otherwise, you are not going to get much.

Second, contrary to what my friend from Kentucky said, we do not mandate this on anybody. If you do not want to do this, you do not have to do this. If you are more content to go out and raise millions of dollars from all the interests, go do it. This system is only for those who choose to live by the limits. But the one differential would be involved if some multimillionaire is running against you, or someone wants to go out and court all the other interests and get $50,000, $150,000 at a whack, and have ads run that are completely outside of what even the 1974 election reforms tried to achieve. We are driving through the largest loophole we have ever seen in this process. I regret to say that began in 1996—not before. But the fact is, we have ads run under the guise of being issue ads that everybody knows are directed to either tear down someone's character or argue against their election. They are completely outside the mainstream of the election, except to the degree that they have a profound impact on it.

What we are really talking about is whether or not you want to have a voluntary system where, if somebody is spending those extraordinary amounts of money, you get to raise an additional amount by virtue of the public system.

I do not expect somebody who does not believe in any kind of campaign finance reform, who thinks we ought to have more money in the system, not less, and who equates money exclusively with the determination of elections and power—I do not expect that person to support or like this amendment.

I guarantee that over a period of time, as Americans continue to be disenchanted, as Senator MCCAIN's campaign so aptly showed—and the reason Senator MCCAIN's so aptly showed it is that what he did was he connected the dots for people. People want prescription drugs in Medicare. People want health maintenance organizations to be accountable to them. They want to know a doctor will make a medical decision about their potential illness or real illness if they have one. What Senator MCCAIN did was show them the reason they do not get a lot of these things that they want is that the money manages to completely cloud the issues and real choices.

Americans are subjected to this cacophony of funding which, frankly, crowds out even the voices of the candidates themselves in many cases. That is what this is about, a voluntary system giving people choice, allowing them to make up their own minds.

What are my colleagues so afraid of? What are they afraid of? That another candidate might have the voluntary choice to decide to do this? They don't have to do it. What are they afraid of? There is far more taxpayers' dollars spent and wasted as a result of the campaign system we have today than this system would cost any American.

Senator MCCAIN always talks about an aircraft carrier being built that the Navy did not ask for. That aircraft carrier alone would fund 10 years of election cycles under this bill—that one alone. How many different examples are there of things that get passed because of the money in politics, not because the voice of the American people asked for it?

He talks about the $3 checkoff. Yes, he is right. The $3 checkoff has diminished. But has anybody in America seen an advertisement asking them to participate? Has anyone in America had any kind of public input suggesting to them that if they were to check off, they could have a system that is perception-corruption free? The answer is no. We do not advertise. We do not ask accountants to suggest to their clients that they ought to check it off. There has been no effort whatsoever to try to bring Americans into the process of participation.

I will tell you, for most Americans who look at the system the way it is today, it is no wonder they do not check it off because they have no sense of the connection of that system to the potential that they would be participating in something that actually works and that is free and clear from the kind of cloud they see today.

I know the Senator from Washington wants to speak. How much time would the Senator like?

Mr. President, I yield 5 minutes to the Senator from Washington.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Washington.

Ms. CANTWELL. Mr. President, I will be short.

I am in support of my colleagues and in support of the Kerry-Biden-Wellstone-Cantwell amendment. I want to make three points today about this amendment.

First, as you have heard earlier in the debate, it is an addition to McCain-Feingold. We are trying to ban soft money, limit out of control issue ads, and increase disclosure on independent expenditures. But we also want to give candidates the opportunity to try a system that will free them, their time and their energy, to focus on the issues of the people.

Second, counter to some of the things that have been said on the floor today, this is a system that is supported by whom? Not just a few Members of the Senate; it is supported by business.

You have heard some of the CEO's and officials of the businesses that are part of this Committee for Economic Development, the CED. Why are they supporting such an amendment? Because they understand the world

around us is changing, that they live in an information age, and that as they make better decisions, with more information and a more-informed public, they would like to see a better decision making process in the Senate.

Those businesses that have joined this effort to try to reform our political system, and to have a better decision making process, include Nortel, State Farm, Bear Stearns, the Frank Russell Company, the Vista Corporation of Spokane, Allied Signal, GTE, Dow Chemical—a variety of people who are not just a bunch of Members of the Senate.

This is a movement grabbing hold in businesses across America because they know our decisionmaking process is flawed. And this will only grow if this amendment is defeated, and we will see this organization and its supporters back again.

The third point that I would like to make is that this is in the best interest of the taxpayers. Do not be fooled. The discussion has been that if you vote for public financing, that is a vote for the public's paying for this process. That somehow it is going to cost them in their pocketbook.

We have heard a lot about the Presidential system and the checkoff. But I would ask you to think for a minute, how much is this system costing us when we do not get a prescription drug bill? How much does it cost senior citizens who live on a fixed income, who have to pay thousands of dollars a year for prescription drugs? Because we have been smart enough to figure out the new technologies for new drug therapies—smart enough to figure that out in a new information age—but not smart enough to make prescription drugs affordable.

Why is that? Because our campaign system does not reward that kind of thinking. It rewards a very short-term decision making process that does not discuss the fact that prescription drugs have become 30 percent of our overall health care costs, not 5 percent as they were 10 or 15 years ago. That is what is wrong with the decision making process.

The fact that we do not have a Patients' Bill of Rights, the fact that we do not spend the time and energy debating a real Patients' Bill of Rights and getting that issue before the Congress in a more aggressive way, and coming to terms and bringing the amendments and alternatives to the floor. That failure costs citizens of our country real personal and great hardships. This issue of whether it involves the public, I can tell you, it is costing us by not reforming our system.

What this amendment does today is to try to curb the amount of spending in our political campaigns and set limits. And it does so in a very reasonable way, while at the same time giving people the opportunity to get their message out and to participate in the system as they so wish.

I have learned a lot in the last weeks about how deep the cynicism in Washington is when it comes to discussing campaign finance reform. I am deeply committed to overcoming that cynicism and getting a whole generation of young people to take up this torch and change this system as opposed to thinking that government today is not as efficient in dealing with its issues.

But until we craft a campaign system with a shorter, more intensive campaign period, funded with finite and equal resources available to candidates, we will not govern well. Instead, the American public will be subject to the kind of campaigning, the kind of special interest ads deluging them in their living rooms with the discussions, not by the candidates, but by these interest groups of what your choices in America should be.

I am saying, follow the money back to the citizens of this country. Not until we have freed candidates from the time and energy drained from dialing for dollars will we improve the political discourse, play down the dominance of polls, and render the attack-driven, negative 30-second spots ineffective.

I think that day will come. I hate to wait until we have Internet voting, and an information age where citizens will look at all this information and find out exactly, in great detail, what their Senators and Members have been working on. I hope we can get it done sooner than that.

I commend Senator KERRY and the other sponsors—Senators BIDEN and WELLSTONE for their long-term vision on this issue because it is a vision that is headed in the right direction and it has articulated a better vision for campaign finance reform.

This amendment would make a real difference in how campaigns in this country are conducted. I hope, as the CED and Members join in this effort, we can reach a bipartisan consensus to take a step forward in curbing the spending and improving the participation in our campaign system in America.

I yield back the remainder of my time.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. I yield myself a moment that I need, and then I will yield to my colleague.

Mr. President, I thank the Senator from Washington for her support and for her comments and her understanding of the implications of this debate.

Let me point out to colleagues—and I emphasize—this does not change McCain-Feingold at all, No. 1. It embraces everything that is in McCain-Feingold. No. 2, it is purely voluntary. But, importantly, colleagues should note, 23 States in this country already have some form of public funding.

In the last few years, several States—Maine, Vermont, Massachusetts, I think Arizona—have moved to embrace something called Clean Elections, which have an even lower threshold than what I am supporting today.

I support the Clean Elections. Senator WELLSTONE and I have been advocates of it. But what we are coming in with is something that has broader bipartisan support, where businesses across the country—350 major business leaders and corporations—say: We have had enough of this other system. Here is a way we think is fair that encourages small contributions, encourages citizen participation, and provides some measure of public funding.

So I think the trend with the public in America is to move in this direction. I think that further counters the idea that this is somehow an old idea.

This is passing in States, and inevitably it is going to continue as a grassroots State movement where, once again, Washington, unless we change, is going to be not leading but following the American people.

How much time would the Senator from Connecticut like?

Mr. DODD. Ten minutes.

Mr. KERRY. I yield 10 minutes to the distinguished manager of the bill.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for up to 10 minutes.

Mr. DODD. Mr. President, I ask unanimous consent that I be added as a cosponsor to this amendment.

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

Mr. DODD. Mr. President, I commend my colleague from Massachusetts, Senator BIDEN, Senator WELLSTONE, and our new Member, Senator CANTWELL. I didn't hear all of the statements, but I listened to several of them. I was impressed with their astuteness and their level of articulation in support of this proposal.

This amendment, as my colleague from Kentucky knows, is not going to pass. We don't have the votes for this amendment. The Senator from Massachusetts was fully aware of that the moment he stood up and offered the amendment. Unfortunately, that is the case. It doesn't diminish the rationale or reason for offering the amendment and asking our colleagues to consider it and informing the American public about the value this amendment offers.

Let me step back a little and make two points. The details of this amendment have already been discussed. I think my colleagues and others may be aware of specifically how the amendment would work. It is a partial public financing program. As the Senator from Massachusetts has pointed out, some 23 States—almost half of the States—now have adopted some variation of this approach. The trend lines are clearly in this direction.

We are not alone in the world. Most sophisticated allies of ours, the most sophisticated democracies, industrialized nations around the globe, have also adopted partial public financing, not asking people to contribute more in taxation but a part of what they have contributed to support the underlying efforts of sustaining democratic institutions.

Let me make two points that have some value. One is, the reason this is necessary is that the Supreme Court has ruled that money is speech. Justice Stevens argued in a minority opinion back in 1974 that money was property, not speech. I agree with Justice Stevens. But he was of the minority view when the Court ruled on Buckley v. Valeo. For that simple conclusion that money is speech, we have been running this process out over the years where our ability to have some limitations on the amount of dollars that are spent and raised in seeking Federal office is significantly jeopardized because of the constitutionality of such provisions.

In the absence of having some public financing, we have had now for some 25 years public financing of our Presidential elections. Every single candidate for the Presidency, every prevailing candidate for the Presidency—beginning with Gerald Ford through Ronald Reagan, through George Bush 1 and 2, Bill Clinton—has taken public money. No greater conservative than Ronald Reagan took public money to run for the Presidency because, under that scheme, we could limit to some degree the amount that would be spent.

I know we have spent a lot of money on races. I hate to think of what the cost would have been in the absence of the public financing arrangement which every candidate has accepted, almost without exception, since 1976.

What the Senator from Massachusetts and those of us who are supporting his efforts are suggesting is that if it has worked fairly well in Presidential contests, if it is working fairly well in 23 States, if it is working fairly well in major democracies around the world, is it such a radical idea to slow down the money chase of multimillion-dollar campaigns to try something along the lines the Senator from Massachusetts is suggesting? I think not.

This is a modest proposal. In the absence of the constitutional amendment that our friend from South Carolina offered, which would say that money is not speech and amend the Bill of Rights—which many of our colleagues are reluctant to do, and I understand that; I happen to support him out of frustration because I don't know of any other means by which we can begin to try to slow down this exponentially growing foot race to gather the millions of dollars to run for Federal office—in the absence of that, this is the only other way I know that we are really going to make some difference in what is a growing and serious problem in this country, where the cost of running for public office is going way beyond the means and reach of average citizens.

As Senator KERRY has pointed out—I don't recall exactly the numbers, but roughly several hundred thousands of dollars, $300,000 to $400,000 on an average Senate race 25 years ago to around $7 million today—the cost has gone from some $400,000 to $7 million in the last 25 years, with no end in sight. How many Americans can even think about running for the Senate or the House of Representatives, where the factor of increase is almost the same?

This amendment is necessary. It is a reasonable one and one that is worthy of support.

The second thing I will mention about this: I heard my good friend from Kentucky talk about the diminishing response of the public to the checkoff system on the 1040 forms that has gone from a high of 29 percent down to some 12 percent. That is troubling. I believe it has less to do with the fact that there is a checkoff on public financing for Presidential races than the fact that those of us in public life are so devaluing public service, are so devaluing those who dedicate part of their lives or years of their lives to public service, that we demean it. We ridicule it. We attack each other every year.

I am surprised there is any support left. If you were to transfer what we do to each other in the public debate in this country to the private sector, you would destroy most competing businesses.

Someone once drew the analogy of comparing what would happen to McDonald's or Burger King if they engaged in campaigns against each other, competing for market share, with what we do as Democrats and Republicans in competing with each other for the right to represent them in public office. Someone suggested not only would they destroy each other, they would destroy franchised food.

If you look at campaign advertising, the attacks we wage against each other, the personal degradation we attach to and associate with our political competitors, what has happened is, we have so devalued public service and the public life of elected office that the public has become understandably disgusted with the condition of politics in America. We have no one to blame for that but ourselves. In no small measure that has occurred because of the rising amount of dollars that are spent being convinced by political consultants that the best way to win office is not to convince anyone of the merits of your argument but if you can convince people that your opponent is somehow unworthy of even consideration for the office, let alone that his ideas or her ideas may lack substance, then you can win a seat in the Congress of the United States.

Thus we see, as we did last year, where, of the 200 million eligible voters in America, only 50 percent voted; 100 million Americans cast their ballots for the Presidency of the United States, a decision that was made by a handful of votes in one State, and 100 million of our fellow citizens did not even show up on election day, where a tiny fraction, had they shown up in one State, would have resulted in a different outcome than what occurred as a result of the recounts and so forth that occurred in the State of Florida.

I suspect that a good portion of that 100 million didn't show up because they forgot or because they had something better to do that day.

I suspect a substantial portion didn't show up because they are disgusted with the process; they are sick and tired of coming into September and October after an election year and you can't turn on a single bit of programming without some mudslinging going on, attacking of one another, blistering one another. Whether it is through our own ads, or the ads of outside groups just trying to destroy the reputations of people seeking public life, I suspect that has more to do with the declining numbers of people checking off on the 1040 forms, the resource to support Presidential public financing.

One of the reasons why McCain-Feingold deserves support, in my view, is because there is some hope that this will put the brakes on, slow this down enough so we don't have an unending exponential growth of dollars pouring into the coffers of candidates and groups out there year in and year out, destroying not only the candidates, but the public's confidence in a political system that has contributed greatly to this great Nation over 200 years.

For those reasons, I applaud what the Senator from Massachusetts has offered. It is a worthwhile effort. I regret that he has to even go this route, but in the absence of it there is not much hope that we can do anything else in terms of getting the real numbers down. For those reasons, I support this amendment and urge its adoption.

Mr. KERRY. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Massachusetts controls 18 minutes 30 seconds.

Mr. KERRY. Let me begin by thanking the Senator from Connecticut. He has been at this for a long time. He has a voice of enormous credibility on the subject, and he is well respected around the country for his political wisdom and abilities. I think his voice is an important one, and I welcome it.

Very quickly—and then I will yield some time to the Senator from Minnesota—when we talk about these perceptions, I am not going to throw names around at all, but I mentioned earlier prescription drugs and some of the health care issues. If you look at what the drug industry spent in the last Congress—$8.7 million on political contributions—the result in the 106th Congress was no prescription drugs for seniors. But it is interesting, the industry got an extension of the R&D tax credit for those companies.

Most Americans would say: That is kind of interesting; I thought I had an interest in getting something, but they got it. Likewise, the juvenile justice bill doesn't happen because the gun lobby doesn't like the restrictions on gun show sales. The gun lobby spent $3.9 million in political contributions in the last cycle. Interestingly enough, the juvenile justice bill died in conference.

You can go down a long list of these things. They may or may not be connected, but the perception among the American people is very clear.

Without using any names at all, let me point out contributions from the oil and gas industry. Three or four of the major proponents of oil and gas interests in the Senate received in the last cycle $129,921; one received $146,779, another $286,000. But it is very interesting. Other people who were not so interested in the issue got figures in the range of $1,500, $1,075. That kind of a range sends a message to the American people about the impact of money in the system.

Mr. President, it is precisely the perceptions—leave alone realities—of that kind of connection that distorts our existence and our ability to have the confidence of the American people.

I yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for up to 5 minutes.

Mr. WELLSTONE. Mr. President, let me thank Senator KERRY and Senator BIDEN and say I am proud to be an original cosponsor on this amendment.

My colleague has described the amendment, a 2-to-1 match for up to $200 worth of contributions. This is the public financing part that is in exchange for agreed-upon spending limits. I want to make two or three points in less than 5 minutes.

First, very soon we are going to have an amendment to dramatically increase hard money spending limits. The argument is that we really need to do this. As Senator DODD said earlier this morning, poor Senators, gee whiz, we need to be able to raise more money. There is nothing like that. When you do that, you are more beholden. It is the obscene money chase. You are more beholden to big money.

Most people in the country believe big money can pay so they can play, but they can't pay so they can't play. This amendment Senator KERRY has talked about, and Senator BIDEN spoke about, takes us into a different direction. Candidates agree to spending limits, and you have smaller contributions. You get your support from a lot of folks, little folks, middle class people. What a better politics it is. It is an election and a politics in which people can more believe.

The second point is, if you view this as a system—and I don't like saying this because I am an incumbent. But I think it is wired for incumbents. Most people agree that, by and large, that is true. If you want to move toward a more level playing field, in that direction, some system of voluntary, agreed-upon spending limits for public financing really gives the challengers and the people who aren't as well known a much better chance.

It is important to have competitive elections in a representative democracy. I can just tell you, remembering back to 1990—and Senator KERRY can go back to his first race—I certainly remember when it felt as if when people didn't know you or think you had a chance and you could hardly raise any money, there was no kind of system that would give you a chance. We lucked out. I won because of my good looks and brilliance. If not for that, I would have lost.

I got the Presiding Officer's attention on that. I am kidding.

The third point I want to make is that I believe this amendment, if it were part of the McCain-Feingold bill, would be another one of those reform amendments. I hope colleagues will vote for it. I think it is so much a better way of having people believe in the process. It is so much a better way of making sure lots of people think they can run for office as opposed to only a few. It is a better way of having people believe that these elections belong to them and believe they are more a part of politics.

I have heard my friend from Kentucky say more than once that any kind of public financing is ''food stamps for politicians.'' That, again, presupposes that elections belong to politicians. They don't. They belong to the people in our States, to the people in the country.

This is a very good amendment. This is a strengthening amendment, and it is a very important vote. I hope we will have a strong vote for this Kerry amendment. I am very proud to be an original coauthor. I thank my colleague for allowing me to speak on this amendment.

Mr. KERRY. Mr. President, I thank the Senator from Minnesota. He is one of those who doesn't just talk about these things; he really practices it. Everybody in the Senate respects the depth of his commitment to reform and the principles that guide him in politics. I am very pleased to have him as a cohort in this endeavor.

Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator from Massachusetts controls 11 minutes.

Mr. KERRY. Mr. President, we are nearing the end of this debate. I will take a couple minutes to summarize a few thoughts. I will then reserve the remainder of the time. I understand Senator MCCAIN may be coming to the floor.

I emphasize to my colleagues that this is voluntary. It is absolutely voluntary. No one is mandated to live by this or to accept it. It simply gives candidates an option of being able to choose a different way of trying to be elected to high public office. It does so in a way that maximizes the effort to pull our fellow citizens who have less amounts of income, who have less capacity to influence the system into participating.

It encourages small contributions. It provides a match only for the contribution up to $200. Therefore, if you want to raise a large sum of money or even receive a large sum of money from the Federal Government, you have to include a lot of people in your campaign.

What it does ultimately is end the extraordinary spiral of higher and higher amounts of money governing the elections in our country, the staggering increases of each election.

When I first ran for office, it was about $2.5 million or $3 million. My last race was $13 million. That is why we see so many millionaires running, so many self-funded campaigns.

What we try to do is allow an adjustment against the self-funded candidate. We do not preclude a millionaire who wants to run for office and spend his or her money from doing so. There is no restraint whatsoever on somebody doing that, but what we try to do is level the playing field a little bit for that person who does not have the millions of dollars so their voice can also be heard in American politics.

Most Americans would like to see a Senate that is more reflective of America, that has more people who have varied experiences and who reflect more of the life and real concerns and aspirations of our Nation.

It is important for us to move to reflect that Americans have a right to elect Senators the same way they elect the President of the United States: by freeing them from the extraordinary burden of having to raise these large sums of money from those most interested in what we do, when we do it, and how we do it.

I do not know one colleague who had an advertisement run against them or who lost an election because they voted for this in 1994 or because they voted for this in 1986. I do not ever recall it being raised in campaigns in this country.

The notion of voting for a voluntary system for people to participate in an election, the same way we elect the President of the United States, that that would somehow trip them up in their reelection, is absurd and completely unproven in the process. I reserve the remainder of my time.

The PRESIDING OFFICER. Who seeks time?

Mr. DODD. Mr. President, I suggest the absence of a quorum and ask that the time be charged against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

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

Mr. MCCONNELL. Mr. President, there is no particular need to prolong this debate. I want to make a couple observations.

It has been suggested that because Republican candidates accepted taxpayer funds to run for President, that is somehow an endorsement. It is noteworthy that President Reagan always

checked ''no'' proudly on his tax return on the notion of using taxpayer funding for Presidential elections. The reason he accepted the money is because he really did not have a choice, as a practical matter, since the contribution limit was set at $1,000. All of his advisers told him there was simply no way, not enough time to pool together enough funds at $1,000 per person to opt out of the Presidential system.

President Reagan, were he able to observe the last election, would have been proud that our now President, George W. Bush, was able, during the primary season where there is enough time to reach large numbers of $1,000-and-under donors, to refuse to accept the spending limits and the taxpayer funding prior to the convention.

Knowing the President as I do, if there had been enough time between the convention and the general election to have avoided taking taxpayer funds, I am confident he would then, too.

The problem is, when you have a contribution limit of $1,000 a person, and your convention ends around August 1, there is just not enough time to pool together enough resources to run for President.

It is not appropriate to suggest that the Republican Presidents, at least the two I have mentioned, endorse the idea of taxpayer funding of elections; certainly not for House and Senate races.

The other point I want to make is there was some suggestion that large segments of the business community—there was some discussion about the underlying bill—that large segments of the business community were supporting McCain-Feingold. That is clearly not the case. I am only aware of one fringe group that supports the underlying bill. All the major business organizations oppose the bill: the Chamber of Commerce, the National Association of Manufacturers, the National Association of Business PACs, and BIPAC, which is widely known. All the mainline business organizations oppose McCain-Feingold, and any suggestion to the contrary is not accurate.

I do not know who else may want to speak against the amendment. I know Senator FEINGOLD probably supports the principle but opposes the amendment and wants to speak.

I see Senator THOMPSON is here. We have not had a lot of speakers on this side. I think it is because just about everybody on this side has made up their mind on this amendment. Does the Senator from Tennessee want to speak against the amendment?

Mr. THOMPSON. No.

Mr. MCCONNELL. Mr. President, is Senator FEINGOLD going to speak against the amendment? How much time does he need?

Mr. FEINGOLD. Ten minutes.

Mr. MCCONNELL. I yield 10 minutes to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for up to 10 minutes.

Mr. FEINGOLD. Mr. President, I was candid with the Senator that I would be opposing the amendment even though I agree with the principles, and I will use some of my time to speak about the bill generally.

I think the amendment offered by the Senator from Massachusetts is absolutely the right policy. I have always believed completely in public financing, and the mechanism proposed in this amendment is the way we should go.

I have also taken note of the enormous amount of interest around the country in moving toward public financing in a number of States. Senator KERRY is right; this is a new beginning on this issue. It is not an old issue that has died. It is a rebirth that is occurring across the country, and the Kerry-Biden amendment is an important step in that direction.

When Senator MCCAIN and I began this process, coming to the final stages of trying to debate this bill, we agreed we would vote together on all amendments to make sure we show we are unified and that this will continue to be a bipartisan issue. So it is particularly painful for me to have to vote against this amendment, but it is not because I do not think it is the wave of the future and the ultimate solution to this problem.

All the McCain-Feingold bill does is close an enormous loophole that has made a mockery of our campaign finance system. It is the idea and principle behind the Kerry amendment that is ultimately the direction we have to go as a country in campaign finance reform. I hope we can get started on it the day after we get this bill through.

I want to talk about one other issue to which the Senator from Washington, Ms. CANTWELL, alluded. The time has come to talk about commonsense and conventional wisdom in the business community. It is common sense to declare our campaign finance system is broken and needs to be fixed. It is conventional wisdom, however, to say members of the business community must surely and monolithically oppose changes to the campaign finance reform system that has made influence available to them.

The common sense is right, but the conventional wisdom is wrong. Let us take a look at three items in last week's news.

First, we see the release of a list of names of 307 of our most prominent business leaders who have pledged their support for the campaign finance proposals of the Committee for Economic Development, CED. CED is an organization of prominent business leaders which has endorsed the McCain-Feingold bill and issued its own proposal that includes a soft money ban. This list of business leaders is a who's who of America's commerce. It includes CEOs and current or former top executives from Dow Chemical, Sara Lee, Motorola, Goldman Sachs, FMC, Prudential, and dozens of others.

Here is what CED President Charles Kolb had to say:

> As reform nears, the inside-the-beltway cottage industry is scrambling to oppose action, but this list provides real evidence that a growing number of business leaders want reform. They don't fear reform, but think it's desperately needed. They are the leading funders of campaigns, and they're tired of being hit-up for ever-increasing amounts of cash. They know the system—or lack of one—is hurting the business community and our democracy.

I ask unanimous consent that this list of business leaders and the accompanying release be printed in the RECORD following my remarks.

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

(See Exhibit 1.)

Mr. FEINGOLD. Business leaders have common sense and they are changing the conventional wisdom about the need for real campaign finance reform.

Look at the second item, the results of a poll of hundreds of senior executives conducted for CED. In the poll leaders of companies with annual revenues of $500 million or more overwhelmingly supported the provisions of our bill, including strong support for a soft money ban.

The poll, conducted for CED by the respected Tarrance Group included these findings: three in five top business executives back a soft money ban; 74 percent say business leaders are pressured to make big contributions. Half said they ''fear adverse consequences'' if they refuse to contribute; more than 80 percent said that corporations give soft money for the purpose of influencing the legislative process. And 75 percent say that their contributions work—it gives them an edge in shaping legislation; 78 percent of business leaders agreed that the current system is ''an arms race for cash that continues to get more and more out of control''; and 71 percent of executives in big companies say that all of these big dollar contributions are hurting their corporate image.

Business leaders believe that they are victims of a system that allows them to be shaken down. When asked why their companies give, the most frequent answer, from 31 percent, was ''To avoid adverse legislative consequences''. Twenty three percent say it is to buy access to the legislative process.''

As a result, a full three-fifths of senior business executives said that they support a complete ban on soft money. That number was about the same, 57 percent, even in those companies that have been recent soft money givers.

Those findings are grim but they shouldn't surprise anyone who has thought about the political environment businesses in America now face. Business leaders have had enough. They have abandoned the conventional wisdom about the benefits of this corrupt system, and they are beginning to

lead the call for reform. I ask unanimous consent that a release summarizing the results of this poll be printed in the RECORD following my remarks.

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

(See Exhibit 2.)

Mr. FEINGOLD. A piece on the op-ed page of Monday's Washington Post entitled ''Why this Lobbyist Backs McCain-Feingold.'' It was written by Wright Andrews, a long-time lobbyist, and a successful lobbyist, who has used this system to the advantage of his clients, but has finally said: ''enough is enough.'' According to the conventional wisdom, Mr. Andrews is an unlikely advocate for reform. Not long ago, he was the president of the American League of Lobbyists, so it is fair to say that he was the lobbyists' lobbyist, but he seems to be a man of common sense as well, and there is what he had to say. He writes:

[A]s a Washington insider, I know that on the campaign finance front, things have mushroomed out of control. . . . I know that lobbyists, legislators and the interests represented increasingly operate in a legislative environment dominated by the campaign finance process, and its excesses are like a cancer eating away at our democratic system. . . . [M]illions of Americans are convinced that lobbyists and the interests we represent are unprincipled sleazeballs who, in effect use great sums of money to bribe a corrupt Congress.

Mr. Andrews has put his finger on something. This system, especially soft money, taints everybody who is involved with it. Big money changes hands, things get done in Washington, and the American people think it is only common sense to conclude that corruption abounds. Mr. Andrews seems to understand, as the American business community now understands, that the appearance of corruption is just as bad for our democracy as actual corruption, because the American people don't see the difference. Mr. Andrews candidly admits that he and his clients have used money, within the system, to get legislative results. He continues:

Campaign-related contributions, and expenditures at today's excessive levels increasingly have a disproportionate influence on certain legislative actions. Unlimited ''soft'' money donations and ''issue ad'' expenditures in particular are making a joke of contribution limits and are allowing some of the wealthiest interests far too much power and influence.

I ask unanimous consent that Mr. Andrews' op-ed be printed in the RECORD following my remarks.

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

(See Exhibit 3.)

Mr. FEINGOLD. This last quote from a Washington lobbyist is common sense and the new, emerging conventional wisdom. These three items make a few things clear. The old conventional wisdom about the opposition of the business community to real reform is wrong, and it is giving way to the common sense of the movement for reform. To those who will strive on this floor to beat back the reform America demands, I say, listen to these business leaders who are saying that they realize that the corrupt system in place does not serve their interests, or our country's. Listen to the corporate executives who say they are tired of the constant fund-raising and the feeling that they are being shaken down. Listen to this veteran lobbyist, and others like him, who are at the center of the current system and can't stand its rotten influence any longer. And if you oppose reform, listen to the common sense of the American people who today can take heart that the old conventional wisdom about the chances for reform is passing away, along with your remaining allies in this fight.

I can't think of anything more illustrative of the very issue that the U.S. Supreme Court asked us to consider in these situations. Is there an appearance of corruption? When the business leaders and the CEOs of this country believe they are being shaken down and that they are being intimidated into giving these contributions, at a bare minimum, this is the appearance of corruption that the U.S. Supreme Court has identified as the basis for legislative action in this area.

EXHIBIT 1

TOP EXECUTIVES AND CIVIC LEADERS BACK PLAN THAT INCLUDES SOFT-MONEY BAN

As the Senate begins to debate campaign finance reform, the Committee for Economic Development (CED) today sent every Senator the names of 307 prominent business and civic leaders who have endorsed its sweeping reform plan, which includes a soft-money ban. About 100 new executives have joined the effort since the Senate last considered reform in October 1999.

''As reform nears, the inside-the-beltway cottage industry is scrambling to oppose action,'' said CED President Charles Kolb. ''But this list provides real evidence that a growing number of business leaders want reform. They don't fear reform, but think it's desperately needed. They are the leading funders of campaigns, and they're tired of being hit up for ever-increasing amounts of cash. They know the sysem—or lack of one—is hurting the business community and our democracy.''

The endorsers include top executives of Sara Lee, John Hancock Mutual Life Insurance, State Farm, Prudential, H&R Block, ITT Industries, Motorola, Nortel Networks, Hasbro, the MONY Group, Chubb, Goldman Sachs, Boston Properties, and Saloman Smith Barney. They also include the retired chairmen or CEOs of Deloitte Touche Tohmatsu, AlliedSignal, Bank of America, GTE, International Paper, Union Pacific, General Foods, Monsanto, Time, CBS, Fannie Mae, Dow Chemical, Texaco, FMC, and BFGoodrich.

Other prominent Americans on the list include a former vice President, former Republican Secretaries of Defense, Treasury, and Labor, a former Senator and Republican National Committee Chairman, and a former Securities and Exchange Commission Chairman.

CED, the leading business group advocating reform, has officially endorsed the legislation offered by Senators John McCain and Russ Feingold, which the Senate will debate next week. The CED proposal calls for a ban on soft-money contributions, increased individual contribution limits (to $3,000), partial public financing for congressional races, and voluntary spending limits.

''Business executives support reform in roughly the same numbers as the rest of the nation's voters,'' Kolb said, pointing to a poll of top corporate executives of the nation's largest corporations that The Tarrance Group conducted on behalf of CED last year. According to the survey, 78 percent support reform, and 60 percent back a soft-money ban. (Importantly, 57 percent of those from companies that recently made soft-money contributions support a soft-money ban.) Many business leaders have called the current system a ''shakedown'' and half of the poll respondents said they fear adverse legislative consequences if they don't give.

EXHIBIT 2

FIRST-EVER CORPORATE POLL RESULTS—SENIOR BUSINESS EXECUTIVES BACK CAMPAIGN FINANCE REFORM

POLL OF BIG-BUSINESS LEADERS SHOWS SUPPORT FOR SOFT-MONEY BAN, OTHER REFORMS SAY FEAR AND BUYING ACCESS ARE TOP REASONS FOR CORPORATE GIVING

Senior executives of the nation's largest businesses overwhelmingly say the nation's campaign finance system is ''broken and should be reformed,'' and three-in-five back a soft-money ban, according to the first-ever survey of business leaders' views on political fundraising, which was released today. The main reasons corporate America makes political contributions, the executives said, is fear of retribution and to buy access to lawmakers.

Nearly three-quarters (74 percent) say pressure is placed on business leaders to make large political donations. Half of the executives said their colleagues ''fear adverse consequences for themselves or their industry if they turn down requests'' for contributions.

The survey provides new evidence to demolish the myth that corporations support the current campaign finance system. It was conducted by The Terrance Group for the Committee, for Economic Development (CED) a non-partisan research and policy group that has emerged as the business community's leading voice for campaign finance reform.

By a more than four-to-one margin, respondents said corporations make soft-money contributions to influence the legislative process rather than for more altruistic reasons. And 75 percent say political donations give them an advantage in shaping legislation.

Nearly four-in-five executives (78 percent) called the system ''an arms race for cash that continues to get more and more out of control,'' with 43 percent strongly agreeing with that statement. Two-thirds (66 percent) said fundraising burdens are reducing competition in congressional races and the pool of good candidates. And 71 percent say stories about big-dollar contributions are hurting corporate America's image.

''As the chase for political dollars has exploded, the business community has increasingly called for reform,'' said Charles E.M. Kolb, the President of CED. ''More executives are saying they're tired of the 'shakedown' and the unrelenting pressure to give ever-increasing amounts—something some say feels like 'extortion.' ''

''This poll demonstrates conclusively that these are not just anecdotal accounts or minority opinions, but rather the widely held views in the top echelons of major corporations,'' Kolb said. ''The business community sees a campaign finance system that's evolved into an influence- and access-buying system that damages our democracy and the way public policy decisions are made. And

they increasingly feel trapped in a system that doesn't work for anyone.''

When asked why corporate America contributes, the most frequently given answer (31 percent) was to ''avoid adverse legislative consequences,'' and nearly a quarter (23 percent) said it was ''to buy access to influence the legislative process.'' Another 22 percent said the business community gives ''to promote a certain ideological position,'' and 12 percent said it does so ''to support the electoral process.''

''The numbers are compelling because the margins are so wide. The poll leaves no doubt that corporate leaders support significant reforms,'' said William Stewart, Vice President of Corporate & International Research for The Tarrance Group, a polling firm that specializing in working for corporations and Republican candidates. ''In nearly all cases, a clear consensus exists, and it exists across all demographic subgroups. These executives feel the system is an escalating arms race, they fear retribution for not giving, and they describe contributions as being tied to legislative outcomes; all of which helps explain why executives overwhelmingly favor reform.''

Perhaps some of the most surprising results of the survey are the levels of support for various reform proposals. Not only do three-in-five executives support banning soft money (the unlimited contributions from corporations, unions, and wealthy individuals), but 42 percent expressed strong support for the move. Even 57 percent of the executives who work for companies that have made soft-money contributions over the last three years, favor a ban.

In addition, the business leaders said they favored voluntary spending limits (66 percent), a publicly financed matching system for donations below $200 (53 percent), and an increase in the current $1,000 individual-contributions limit (63 percent).

''When so many senior executives support spending limits and a partial public-financing system, you know it's time for reform,'' said Kolb. ''This is not a group that casually supports government rules and spending, but they clearly see that it is now vital to fix this broken system.'' Additionally, nearly nine-in-ten (88 percent) said they were concerned about the decline in voter participation, with 53 percent saying they were ''very'' or ''extremely'' concerned about it.

The Tarrance Group surveyed 300 randomly chosen senior corporate executives (vice presidents or above) from firms that had annual revenues of approximately $500 million or more. The telephone survey was conducted between September 12 and October 10. It has a margin or error or plus or minus 5.8 percent.

Of those surveyed, 42 percent work for firms that have made soft-money contributions since 1997. The vast majority (86 percent) had made personal political contributions. A much larger share identified themselves as Republicans (59 percent) than Democrats (19 percent).

In March 1999, CED unveiled a reform proposal that would ban soft money, institute public matching funds for small-dollar donations and voluntary spending limits, and increase individual contribution limit (to $3,000).

Founded 1942, CED is an independent, nonpartisan research and public policy organization. Its Subcommittee on Campaign Finance Reform was co-chaired by Edward A. Kangas, Chairman, Global Board of Directors of Deloitte Touche Tohmatsu, and George Rupp, President of Columbia University. CED's campaign finance program is funded by grants from The Pew Charitable Trusts and the Carnegie Corporation of New York.

EXHIBIT 3

[From the Washington Post, Mar. 19, 2001]

WHY THIS LOBBYIST BACKS MCCAIN-FEINGOLD

(By Wright H. Andrews)

As a Washington lobbyist for more than 25 years, I urge Congress to make a meaningful start on campaign finance reform and pass the McCain-Feingold bill. While many lobbyists privately express dismay and disgust with today's campaign finance process and are in favor of reforms, most have not expressed their views publicly. I hope more lobbyists will do so after reading this ''true confession'' by one of their own.

I am not an ivory-tower liberal, nor do I naively believe we can or should seek to end the influence of money on politics. I have engaged in many activities most reformers abhor, including: (1) making thousands of dollars in personal political contributions over the years, (2) raising hundreds of thousands of dollars, including ''soft money,'' for both political parties and (3) counseling clients on how to use their money and ''Issue ads'' legally to influence elections and legislative decisions.

Why, then, does someone like me now openly call for new campaign finance restraints, at least on ''soft'' money and ''issue'' advertising? Quite simply because, as a Washington insider, I know that on the campaign finance front things have mushroomed out of control. In the years I have been in this business I have seen our federal campaign finance system and its effect on the legislative process change dramatically—and not for the better.

I believe that individuals and interests generally have a right to use their money to influence legislative decisions. Nevertheless, I know that lobbyists, legislators and the interests represented increasingly operate in a legislative environment dominated by the campaign finance process, and its excesses are like a cancer eating away at our democratic system.

There is no realistic hope of change until Congress legislates. I readily admit that I will continue, and expand, my own campaign finance activities—just as will most of my colleagues—until the rules are changed.

Right now there is an ever-increasing and seemingly insatiable bipartisan demand for more contributions, both ''hard'' and ''soft'' dollars. The Federal Election Commission has reported that overall Senate and House candidates raised a record $908.3 million during the 1999–2000 election cycle, up 37 percent from the 1997-1998 cycle. The Republican and Democratic parties also raised at least $1.2 billion in hard and soft money, double what they raised in the prior cycle. Soft-money donations from wealthy individuals, corporations, labor groups, trade associations and other interests have shown explosive growth. In addition, millions of dollars in unregulated ''non-contribution'' contributions are being plowed into the system through ''issue ads.''

Today's levels of political contributions and expenditures are undercutting the integrity of our legislative process.

Ironically, congressional lobbyists in general are better, more professional, more ethical and represent more diverse interests than in the past. Our elected officials today also are generally honest, hard-working and well-meaning. But millions of Americans are convinced that lobbyists and the interests we represent are unprincipled sleazeballs who, in effect, use great sums of money to bribe a corrupt Congress.

Many citizens believe that using money to try to influence decisions is inherently wrong, unethical and unfair. While supporting reforms and recognizing citizens' concerns, I disagree; I find little problem with political interests seeking to influence elected officials through contributions and expenditures at moderate levels, provided this is publicly disclosed and not done on a quid-pro-quo basis. The First Amendment allows every individual and interest to use its money to try, within reason, to influence Congress. And influence comes not just from political contributions; it also comes from using money, for example, to hire lobbyists, purchase newspaper ads and retain firms to generate ''grass-roots'' support.

I nonetheless think the time has come to temper this right. We have reached the point at which other interests and rights must come into play. Campaign related contributions and expenditures at today's excessive levels increasingly have a disproportionate influence on certain legislative actions. Unlimited ''soft'' money donations and ''issue ad'' expenditures in particular are making a joke of contribution limits and are allowing some of the wealthiest interests far too much power and influence.

Moreover, the ability of legislators to do their work is being reduced by the demands of today's campaign finance system. Many, especially senators, now must devote enormous amounts of time to fundraising.

Any significant new campaign finance limits that Congress adopts will have to survive certain challenges in the Supreme Court. If Congress carefully crafts legislative restrictions, the court will, I believe, uphold responsable limits by following reasoning such as it used in the Nixon v. Shrink Missouri Government PAC case, in which it noted that ''the prevention of corruption and the appearance of corruption'' is an important interest that can offset the interest of unfettered free speech.

Some lobbyists continue to support the present campaign finance system because their own abilities to influence decisions, and their economic livelihoods, are far more dependent on using political contributions and expenditures than on the merits of their causes. Others feel strongly that virtually no campaign contribution and expenditure limits are permissible because of the First Amendment's protections. And some, like me, believe additional restraints on campaign finance are required and allowable if properly drafted.

As to those in the last category, I invite and encourage them to work with me in Lobbyists for Campaign Reform, a coalition to urge Congress to pass meaningful campaign finance reforms, starting with the basic McCain-Feingold provisions.

Mr. FEINGOLD. Mr. President, I yield the floor.

Mr. MCCONNELL. I am not aware of any more speakers on this side.

Mr. KERRY. I will be brief and then I will yield back my time.

I thank the Senator from Wisconsin notwithstanding that he has to oppose my amendment. I understand why. I appreciate the gentle and sensitive opposition that he made, and I particularly appreciate the remarks he made about the CED and the business leaders who support what I am attempting to do this afternoon.

I will answer quickly. I always enjoy my exchanges with the Senator from Kentucky. He is very good at what he does. He certainly is one of the best in this body at making arguments. However, I must say I am a bit taken aback by the notion that President Bush made a judgment not to take the Federal money, or to take the Federal

money because he didn't have time to raise the other money. He raised $100 million in $1,000 contributions and Senator MCCAIN suspended his campaign in March.

The notion that President Bush, between March and the August convention, did not have an opportunity through his rather formidable fundraising machine to reask everybody for $1,000 who gave almost $100 million in order to find the $46 million necessary for the general election or some larger amount if he wanted to live by it is absolutely without merit. Everybody in this country who raises money knows he has the ability to raise $1,000 contributions a second time from those same $100 million worth of people who had invested in his nomination and who would not have quit on him and who would have wanted him elected President.

Likewise with President Reagan, the exact same circumstances existed. He took the money because the money was there, but also because Americans knew that is the way they expect to elect their President in the general election. I don't think you could have sustained the arguments that would have been made in the face of campaign finance reform advocates across the country who believe they don't want a President who, during the general election, has to raise that kind of money and be subjected to what we are subjected to here on an annual basis. There is an enormous distinction here and it needs to be made.

I yield back the remainder of my time.

Mr. MCCONNELL. Mr. President, I sum it up, this is an amendment about the taxpayer funding of congressional elections, about as unpopular with the American people as voting for congressional pay raises. We have the most extensive poll ever taken on any issue on this subject every April 15 when our taxpayers in this country get an opportunity to divert $3 of the taxes they already owe into a fund to pay for the Presidential election and for the conventions. The resounding number, 88 percent, choose not to divert money, although it doesn't add to the tax bill. They choose not to divert tax dollars into this discredited system during which one out of four of the tax dollars have been spent on lawyers and accountants trying to comply with the act and, of course, in recent years, more money spent by outside groups and the political parties in issue ads than the amount of money spent in the course of the campaign.

Finally, let me say at the risk of being redundant, you can't restrict tax dollars to the Republicans and the Democrats, as we have learned in the Presidential system which has provided millions of dollars to Lenora Fulani and to Lyndon LaRouche who got tax dollars to run for President while in jail. This is going to provide funding for fringe candidates for Congress and for the Senate all over America. Any crackpot who wakes up in the morning and looks in the mirror and says, ''Gee, I think I see a Congressman,'' is going to have hope under this that he will receive tax dollars to help finance his campaign.

Let me just say for the information of all Senators, the next amendment will be offered on our side of the aisle by the Senator from Tennessee, Mr. THOMPSON, who is present and prepared to offer his amendment as soon as this vote is concluded.

Am I correct that when I yield back my time, the vote will occur on the Kerry amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. MCCONNELL. Mr. President, at this point I yield back the remainder of my time.

The PRESIDING OFFICER. The question then is on agreeing to the amendment.

Mr. KERRY. 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 PRESIDING OFFICER (Mr. SMITH of Oregon). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 30, nays 70, as follows:

[Rollcall Vote No. 52 Leg.]

YEAS—30

Akaka	Dayton	Lieberman
Biden	Dodd	Murray
Bingaman	Graham	Nelson (FL)
Boxer	Harkin	Reed
Byrd	Hollings	Reid
Cantwell	Inouye	Rockefeller
Carper	Kennedy	Sarbanes
Clinton	Kerry	Stabenow
Corzine	Leahy	Torricelli
Daschle	Levin	Wellstone

NAYS—70

Allard	Ensign	McConnell
Allen	Enzi	Mikulski
Baucus	Feingold	Miller
Bayh	Feinstein	Murkowski
Bennett	Fitzgerald	Nelson (NE)
Bond	Frist	Nickles
Breaux	Gramm	Roberts
Brownback	Grassley	Santorum
Bunning	Gregg	Schumer
Burns	Hagel	Sessions
Campbell	Hatch	Shelby
Carnahan	Helms	Smith (NH)
Chafee	Hutchinson	Smith (OR)
Cleland	Hutchison	Snowe
Cochran	Inhofe	Specter
Collins	Jeffords	Stevens
Conrad	Johnson	Thomas
Craig	Kohl	Thompson
Crapo	Kyl	Thurmond
DeWine	Landrieu	Voinovich
Domenici	Lincoln	Warner
Dorgan	Lott	Wyden
Durbin	Lugar	
Edwards	McCain	

The amendment (No. 148) was rejected.

Mr. DODD. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. DODD. Mr. 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. LOTT. 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. LOTT. Mr. President, I just consulted with Senator DASCHLE, the managers of the legislation, and all interested parties. We believe the best way to proceed tonight is to go ahead and have the next amendment laid down, which is the Thompson-Collins amendment, and that be debated tonight for whatever time is necessary, 2, 2½ hours.

We will come in in the morning at 9:15, have 30 minutes of debate equally divided, and have the next recorded vote about 9:45 a.m.

I ask unanimous consent that the Senate proceed to the Thompson-Collins amendment and, following the debate tonight, there be 30 minutes equally divided for closing remarks tomorrow beginning at 9:15 a.m., to be followed by a vote on or in relation to the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. MCCAIN. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I do not disagree except to say it is the intention to have a Feinstein second-degree amendment immediately following the vote which will be to table the Thompson amendment. It is my understanding that is perfectly agreeable with the author of the amendment to have that vote on a second-degree amendment as well.

I ask to amend the unanimous consent request that, following that vote, a Feinstein second-degree amendment be in order.

Mr. DODD. I object to that. Let me explain if the leader will yield. We are going to debate the Thompson amendment, and there will be a vote on the Thompson amendment. There has been no decision whether it will be a vote up or down or to table.

Mr. MCCAIN. I amend my unanimous consent request that in the event the Thompson amendment is not tabled, a second-degree Feinstein——

Mr. DODD. I do not even want to agree with that. I understand where the Senator is coming from. At this point, I think we ought to go to the Thompson amendment, debate the Thompson amendment, and tomorrow get a better sense rather than push beyond that.

Mr. LOTT. Mr. President, I say to the Senator from Arizona, I hope he will do that because it will give everybody a chance to talk through everything tonight. In the morning, a whole new strategy may exist on the Senator's behalf or somebody else's behalf.

If we can withhold that now, I assume that is the direction we are going to go, but I think the managers want

to have some further discussion about it.

Mr. MCCAIN. Mr. President, I have to say that will be our intention in the event the Thompson amendment is not tabled, and I have discussed this with the author of the amendment and many others, and unless there is some reason for not doing so, I hope that will be agreeable.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Mr. DODD. Reserving the right to object, the only request before the Chair is that posed by the majority leader?

The PRESIDING OFFICER. The Senator is correct.

Mr. DURBIN. Reserving the right to object, I ask the majority leader to give us a general overview, those who have been waiting patiently to offer amendments, as we are going into Wednesday and Thursday of the second week. Are we going to continue on this bill as long as there are amendments to be offered?

Mr. LOTT. There are some additional amendments I understand Senators would want to offer. I don't have a finite list. I don't know whether there are 2 or 3 or 10. The Senator may want to consult with the manager on that side. I don't know that there are more than a couple—I just don't know.

Mr. DODD. We have 21 amendments.

Mr. DURBIN. My inquiry is, there is no understanding that we are going to end this debate on Thursday night or Friday; we are going to continue until we finish the job?

Mr. LOTT. We are enjoying this immensely and we don't want to rush to finish this at a reasonable hour tomorrow. But if that is the will of the Senate, we may want to consider that.

Mr. DURBIN. I do not object.

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

Mr. LOTT. In light of the agreement, the next vote is at 9:45 a.m. on Wednesday.

I yield the floor.

AMENDMENT NO. 149

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

The PRESIDING OFFICER (Mr. VOINOVICH). The clerk will report.

The legislative clerk read as follows:

The Senator from Tennessee [Mr. THOMPSON], for himself, Mr. TORRICELLI, and Mr. NICKLES, proposes an amendment numbered 149.

Mr. THOMPSON. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To modify and index contribution limits)

On page 37, between lines 14 and 15, insert the following

SEC. ___. MODIFICATION OF CONTRIBUTION LIMITS.

(a) INCREASE IN INDIVIDUAL LIMITS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (A), by striking ''$1,000'' and inserting ''$2,500'';

(2) in subparagraph (B), by striking ''$20,000'' and inserting ''$40,000''; and

(3) in subparagraph (C), by striking ''$5,000'' and inserting ''$7,500''.

(b) INCREASE IN AGGREGATE INDIVIDUAL LIMIT.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)), as amended by section 102(b), is amended by striking ''$30,000'' and inserting ''$50,000''.

(c) INCREASE IN MULTICANDIDATE LIMITS.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (A), by striking ''$5,000'' and inserting ''$7,500'';

(2) in subparagraph (B), by striking ''$15,000'' and inserting ''$17,500''; and

(3) in subparagraph (C), by striking ''$5,000'' and inserting ''$7,500''.

(d) INCREASE IN SENATORIAL CAMPAIGN COMMITTEE LIMIT.—Section 315(h) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(h)) is amended by striking ''$17,500'' and inserting ''$35,000''.

(e) INDEXING OF INCREASED LIMITS.—

(1) IN GENERAL.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(A) in paragraph (1)—

(i) by striking the second and third sentences;

(ii) by inserting ''(A)'' before ''At the beginning''; and

(iii) by adding at the end the following:

''(B) Except as provided in subparagraph (C), in any calendar year after 2002—

''(i) a limitation established by subsection (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A); and

''(ii) each amount so increased shall remain in effect for the calendar year.

If any amount after adjustment under the preceding sentence is not a multiple of $500, such amount shall be rounded to the next nearest multiple of $500 (or if such amount is a multiple of $250 (and not a multiple of $500), such amount shall be rounded to the next highest multiple of $500).

''(C) In the case of limitations under subsection (a), each amount increased under subparagraph (B) shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.''; and

(B) in paragraph (2)(B), by striking ''means the calendar year 1974'' and inserting ''means—

''(i) for purposes of subsections (b) and (d), calendar year 1974; and

''(ii) for purposes of subsections (a) and (h), calendar year 2001''.

(2) EFFECTIVE DATE.—The amendments made by subsection (e) shall apply to calendar years after 2002.

Mr. THOMPSON. Mr. President, I think it would be appropriate at this time to remind ourselves why we are here and to remind ourselves of the need for changing the current system under which we operate in terms of financing campaigns for Federal elections. It has to do with large amounts of money going to small amounts of people.

We have seen over the centuries problems with large amounts of money going to elected officials or people who would be elected officials. That is the basis behind the effort to ban soft money from our system.

We have gone from basically a small donor system in this country where the average person believed they had a stake, believed they had a voice, to one of extremely large amounts of money, where you are not a player unless you are in the $100,000 or $200,000 range, many contributions in the $500,000 range, occasionally you get a $1 million contribution. That is not what we had in mind when we created this system. It has grown up around us without Congress really doing anything to promote it or to stop it.

I think we are on the eve of maybe doing something to rectify that situation. Many Members are tired of picking up the paper every day and reading about an important issue we are going to be considering, one in which many interests have large sums at stake and then the second part of the story reading about the large amounts of money that are being poured into Washington on one side or the other of the issue—the implication, of course being clear, that money talks and large amounts of money talk the loudest.

Of course, that is a reflection on us. It is a reflection on us as a body. As the money goes up, the cynicism goes up, and the number of people who vote in this country goes down. That is not a system of which we are proud. That is not a system that many want to continue.

I read a few days ago about the problems our friends in France are having with their own big money scandal. I read in the newspaper where the French are saying their politics have become Americanized—meaning it is now a system of tremendously large amounts of money.

We learned in 1996 that the President of the United States can sit in the Oval Office and coordinate these large amounts of money on behalf of his own campaign. So the issue of whether or not making these large contributions of the State party ever reaches the benefit of the candidate is a moot issue. We know certainly that it does.

If we are able to do something about this soft money situation, where is this money that is in the system now going to go? I suggest we have seen the beginning of the phenomenon in electoral politics that will continue unabated, and that is the proliferation of independent groups, nonprofit groups, what have you, buying television ads in our system. I think it is protected almost totally by the first amendment. There are some modest restrictions one can make, but basically it is protected by the first amendment and it will continue and there is nothing we can do about it even if we wanted to. I am not sure we ought to. We ought to be subject to discussion and criticism and robust debate.

Having said that, if we get rid of the soft money, it is going to go somewhere—a good deal of it, anyway. Are we going to fuel that independent sector out there even more or are we

going to allow the candidate, himself or herself, to have some voice in their own campaign? It will go to all these outside groups unless we do something about the hard money limits. Of course, we all know what we are talking about, but I hope the American people understand we created a system of so-called hard money, which is the legitimate money that we decided people ought to be able to contribute to Federal candidates for campaigns.

Everybody knows it takes money. It takes large amounts of money, it takes more and more money, and we will see in a few minutes how much it really takes.

We said for an individual in one cycle or in one campaign, $1,000 individual limit. That was back in 1974 when we passed that law. We had other limits for other activities. Individual contributions to parties we capped at $20,000; individual contributions to PACs, $5,000; aggregate individual limit of $25,000 a year. That has been the system we operated under since 1974. The soft money phenomena was very small until the mid-1990s and the system worked pretty well.

It has all changed now. The soft money is there in droves. The independent groups are out there energized on both sides, all sides, and we are still back here at these hard money $1,000 limitations that we created in 1974—a limitation of $1,000 that would be worth $3,500 a day if adjusted for inflation.

That is the nature of the problem. All the other areas have increased exponentially, and these legitimate, the most legitimate, the most disclosed, the most controlled, the area where nobody says there will be any corruption involved because the amounts are so low, has not changed. Inflation has tripled. It has more than tripled since 1974. The costs of campaigns have gone up 10 times.

I have a chart showing the average cost of winning a Senate seat in this country back to 1976. I wish we had 1974 numbers because it would probably be $400,000 or $500,000. We know in 1976 it was $600,000. In 1978, it came up to $1.2 million. The cost in the last election cycle that we had in 2000, the average cost of winning a Senate seat was over $7 million.

That includes one or two very expensive seats and that boosts the number up, but they count, too.

The last cycle, in 1998, was about $4.5 million. So about any way you cut it, you can see the dramatic increase, about a tenfold increase since 1974, of the cost of the election. That is the cost of everything: consultants, television is the biggest part of it, personnel—everything from stamps to the paper that you write on, the material that you send out. Everything has skyrocketed, has increased greatly with regard to campaigns since 1974—10 times. Inflation has increased over 3 times. And we are back at a $1,000 limit pretending we are doing something good by keeping the limit that low.

What has been the effect of that? What has been the effect of everything else running wild and our keeping this low cap on the most legitimate money in politics? It means one thing: incumbents have to spend an awful lot of their time running and raising money in $1,000 increments. In that respect, we get the worst of both worlds because, also, once we get the money, it is an incumbent protection deal because the great majority of Senators who run for reelection win because of inherent advantages that we have.

In the House last time, 98 percent of the sitting House Members to run for reelection won reelection—98 percent—attesting to the fact that by keeping these limits low, you are making it that much more difficult for challengers. You are making it that much more difficult for people who want to get into the system and reach that threshold of credibility by raising enough money to be able to say they are going to buy a few TV ads and such things as that, and tell their supporters: Yes, I am credible; I have that much money in the bank.

It is extremely difficult under our present system to do that now. We have an incumbent protection system in operation now. I do not think that is good for our country. We have been criticized for some of these amendments that have been passed during this debate in the last couple of weeks as, once again, doing something to protect incumbents. One of the things we can do to answer that is to say we are not going to continue to stick with this antiquated hard dollar limitation.

Others have commented upon and made note of the difficulty that challengers have in raising sufficient amounts of money to run. There was an article recently by Mr. Michael Malbin, executive director of the Campaign Finance Institute, a professor of political science in the State University of New York at Albany. In Rollcall last Monday, Mr. Malbin pointed out that the Campaign Finance Institute, affiliated with the George Washington University, analyzed past campaign finance data and reached surprising conclusions about the role that large contributions play in promoting competition in Federal elections. These conclusions are not arguments for or against McCain-Feingold or the Hagel bill.

He points out the $1,000 limitation today would be worth $3,500 if it was just indexed for inflation.

From a competitive standpoint, upping the individual contribution limit would help nonincumbent Senate candidates, while having little impact on the House.

He points out in races in 1996 and 2000, 70 percent of the $1,000 contributions went to nonincumbents. He says nonincumbents rely more on the $1,000 givers. He says:

These data do not point to a single policy conclusion. But they do raise a yellow flag. Large givers and parties are important to non-incumbents.

McCain-Feingold would shut off one source of soft money, the banning of donations, without putting anything in its place.

I suggest we should put something in its place. That is the amendment that Senator TORRICELLI and Senator NICKLES and I have submitted. We take that $1,000 limitation that we have operated under since 1974 and we increase it to $2,500. I, frankly, would prefer to raise it closer to what inflation would bear, which would be $3,500.

I have been talking about rounding it off to $3,000. I do not get the indication that we would have the opportunity to pass that nearly as readily as what I am offering. Frankly, that is my primary motivation. I believe so strongly that we must make some meaningful increase in the hard money limit that I want to pare mine down to something that is substantially less than an inflation increase.

So, in real dollars, if we pass my amendment, we will be dealing with less than the candidate dealt with back in 1974 with his $1,000, not to mention the fact that all of the expenses have skyrocketed.

Individual contributions will go from $20,000 to $40,000; aggregate individual limits would go from $25,000 to $50,000 aggregate individual limits. People say $50,000, that is a lot of money. That is not $50,000 going to one person; that is $50,000 aggregate, going to all candidates.

Look at the tradeoff. Again, what I said in the very beginning about the reason we are here: large amounts of money, hundreds of thousands of dollars going to or on behalf of particular candidates. Here the individual candidate would only get $2,500 for an election. In terms of the aggregate amount, what is wrong with several $2,500 checks being made out to several candidates around the country, if a person wanted to do that? No one candidate is getting enough money to raise the question of corruption. I think the more the merrier. In that sense, more money in politics is a good thing. We have more people reach the threshold of credibility sooner and let them have a decent shot at participating in an election and not have a system where you do not have a chance unless you are a multimillionnaire or a professional politician who has been raising money all of his life and has his Rolodex in shape that he can move on, up, down the line.

So I doubled most of these other categories except for the contributions to PACs. On individual contributions to PACs, we move from the current $5,000 a year to $7,500 a year. On PAC contributions to parties, we move from $15,000 a year to $17,500 a year; PAC contributions to PACs, $5,000 to $7,500.

These are modest increments. I don't know the exact percentage—less than half increase.

Some would say, I assume, that though we are not even coming close to keeping up with inflation, and even though these prices are skyrocketing for everything that we buy connected

with the campaign, that going from $1,000 to $2,500 is too rich for their blood. But I must say for those who read any of the articles, any of the treatments that have been out recently by scholars and thoughtful commentators and others, they have to see a pattern that must convince them that they should take a second look at taking such a position.

There is an article recently by Stuart Taylor in the National Journal, saying that increasing these hard money limits to $2,000 or $3,000 is certainly an appropriate thing to do.

There is no commentator, there is no writer, there is no reporter with more respect in this town and hardly in the country than David Broder. Mr. Broder wrote recently that raising it to $2,000 or even $3,000 would be an appropriate thing to do. There is no corruption issue there. There is no appearance issue there. That is what we need to keep in mind. We are not just talking about money. Money is not the same in one category as it is in the other. And more of it is not necessarily all bad, if you are giving a little bit to various candidates around the country. Let's not get so carried away in our zeal to think that all money is bad, that it doesn't take money to run campaigns, when that kind of attitude is going to hurt people who are challengers worse than anybody.

Let's get the amount up decent enough so it will not be so high as to have a corrupting influence or a bad appearance problem, but high enough to make the candidate credible.

Recently, I got the benefit of some legislative history on this matter with regard to this body and some comments that have been made over the years by former Senators who we all remember and we all respect.

Back in August of 1971, they debated a piece of legislation. If you recall, it was 2 years before Watergate. Senators Mathias and Chiles moved to establish a $5,000 limit on a person's contribution to a Federal candidate. That amendment was rejected. But Senator Chiles said: ''to restore some public confidence on the part of the people [we need this amendment].''

He said:

> The people cannot understand, today, why a candidate receives $25,000 or $250,000 from one individual, and they cannot understand how a candidate is not going to be influenced by receiving that kind of money.

He said what we need to do is raise the amount so that it is not so high that we have that kind of improper influence appearance, but raise it high enough to give them a decent chance; and to him, at that point, it was $5,000. Well, that is closer to $20,000 today.

Before a subcommittee in March of 1973—on March 8, 1973—there was discussion between Senator Beall and Senator George McGovern, former Presidential candidate. Senator Beall said:

> [I]n Maryland, we don't have any limit on the total amount that you might spend in an election but we do limit contributions to $2,500.

This is, of course, the amount I am suggesting today.

Senator McGovern said:

> I favor that, Senator. I think there should be an individual limitation. I have proposed that in no race should it go beyond $3,000 by a single individual.

So Senator McGovern was at $3,000, and in real dollars way above what I am proposing. Again, his $3,000 would be $10,000, $12,000 today.

Coming on further, in the Watergate year, 1973, Senator Bentsen, former Senator from Texas, former Secretary of the Treasury, said:

> I believe my $3,000 limit walks that fine line between controlling the pollution of our political system by favor seekers with money to spend and overly limiting campaign contributions to the point that a new man simply does not have a chance.

On the vote to amend the Proxmire amendment with the Bentsen amendment, Senator Mondale voted yes. Senator Mondale and Senator Bentsen voted for a $3,000 individual limit which, again, is—what?—$10,000 or so today. On the vote which carried to adopt the amendment as amended, both Senator Mondale and Senator McGovern voted yes. Senator Cannon summarized the contribution limit provisions, as amended by Bentsen's amendment, and stated: The maximum of $3,000 individual contributions to congressional and Presidential candidates is what is in the bill, and the overall limit is $100,000. That is 100,000 1974 dollars. This is in the wake of Watergate that they were having this discussion at these amounts.

On March 28, 1974—after Watergate—which is the year that the last significant legislation in this area was passed, Senator Hathaway proposed an amendment to increase the amount from $3,000 to $6,000 that organizations may contribute.

During the debate, Senator HOLLINGS—our own Senator HOLLINGS—said:

> I . . . support limiting the amount that an individual can contribute to a campaign, and while I personally favor a $1,000 ceiling, I would agree to a compromise that would set $15,000 as the maximum contribution in Presidential races and $3,000 in Senate and House races.

Again, that is substantially above what we are talking about today.

Senator Hathaway said:

> [T]he President [President Nixon] advocated a $15,000 limitation. It seems to me the $3,000 for individuals and $6,000 for a group limitation, being considerably below the amount recommended by the President, is realistic.

The Hathaway amendment carried, and, again, Senator McGovern voted in favor. Again, it is substantially above what we are talking about today.

Finally, in June of 1974, the Watergate Committee issued its final report. That is a committee I spent a few days and weeks assisting in the writing. Recommendation No. 5 of the Watergate Committee report:

> The committee recommends enactment of a statutory limitation of $3,000 on political contributions by any individuals to the campaign of each Presidential candidate during the prenomination period and a separate $3,000 limitation during the post-nomination period.

And the report also states:

> [T]he limit must not be set so low as to make private financing of elections impractical.

That had to do with Presidential elections. The Watergate Committee did recommend substantially above what we wound up with regard to Presidential elections. What would they have recommended 25 years later with inflation—knowing then what we know now, and that expenses were going to go up tenfold? The amounts would be much, much higher.

I say all of this to make one simple point. The increase in the hard money limits is long overdue and very modest. By trying to be holier than thou—and no one has fought for McCain-Feingold harder than I have since I have been here. When I first ran for political office—the first office I ever ran for—it just seemed to me that something was wrong with a system that took that much money, and it was a whole lot easier to raise money once you got in, and once a big bill came down the pike that everybody was interested in.

In private life you get a little uneasy about things such as that. I was not used to it. So I signed on. I became a reformer. And I have gone down to defeat many times because of it. So I take a back seat to no one in wanting to change the system so we can have some pride in it again.

But I am telling you, by keeping this hard money limit so low, we are hurting the system. We are going to wind up with something, if we are not careful, worse than what we have now. That is how important I think the increasing of the hard money limitation is.

There is another question that we should ask ourselves. I heard one of the commentators refer to this last Sunday. I had not thought about it, frankly, but it makes a lot of good sense. It is a good question. And that is, wait a minute, we just passed a so-called rich, wealthy candidate's amendment. I voted against it. I think it is unconstitutional. But the sentiment is a legitimate one. Everyone is fearful of the prospects of running against a multimillionaire who can put millions of dollars in of their own money. So what was adopted was an amendment that says, if the rich guy puts in money, you can raise your limits to $2,000, $3,000, $4,000, $5,000, I believe $6,000. You can take $6,000 from one person, I believe is what we wound up with. Let me ask you, if the $2,500 that I am proposing is corrupting, what about the $6,000 you are going to be using against the rich guy?

The fact that you are running against a rich guy is not going to make you any more or less susceptible to

corruption, if that is the issue. How can we pass an increase for ourselves based on what somebody else is spending against us, if we are concerned about the corruption issue, unless we acknowledge that those levels of dollars are not a corruption problem? It is something considerably lower than that, such as $2,500, I suggest.

The amendment also has the benefit of being clearly constitutional. We have had a constitutional issue with regard to just about every aspect of this bill that has been brought up so far. We will not have a constitutional issue with this amendment. There is no question that we can increase the hard money limits. The constitutional issues have always been whether or not we could reduce the hard money limits.

I urge the Senate not to be so afraid to do something that is long overdue, and to not try to wear the mantle of reform to the extent that we wind up creating more harm, to take a noble purpose and turn it into a terrible result and have a situation where amendments such as mine are defeated and we go ahead and pass McCain-Feingold and do away with soft money and wind up with a hollow victory, indeed, as we see the candidate is unable to fend for himself, candidates who want to run can't afford to raise the money to run on the one hand and all the independent groups doing whatever they want to do in triplicate from what we have already seen in the future—that would be worse—and inflation continuing to increase and seeing that $1,000 limit continue to dwindle, dwindle down below the $300 that it is today.

I suggest to those who want to come in at some lower limit that we not simply nibble away at this problem, that we face up to it, do what we need to do, index these dollars, do what we need to do so we don't have to revisit this thing every couple of years, so that we can get on with our business. In a practical sense, look how long it has taken us to get here. It has taken us since 1974 to get here for these 2 weeks. A lot of blood has been spilt on the floor just to get here and get this debate. It may be another 25 years before we have another debate such as this. Let's come up with some reasonable amount, index it for inflation, so we don't have to go through this again because, in fact, we probably won't go through this again and nothing will be done about the proliferation of the independent ads and the independent outside groups as that goes on and on and on, and our puny little hard money limitation, the most legitimate, the most disclosed, the most limited part of our whole system continues to dwindle and dwindle and dwindle. That would be a bad result and a hollow victory indeed.

Mr. President, I urge the adoption of the amendment and yield the floor.

The PRESIDING OFFICER. Who yields time in opposition?

The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I rise in opposition to the Thompson amendment.

The fact is, the Senator from Tennessee was one of the very first persons to get involved in the McCain-Feingold effort. I am grateful for the years of hard work he has put into our effort to try to reform the campaign finance system. We have always had a disagreement about this issue but a polite disagreement. Now the issue is finally joined.

I understand many Members of this body believe it is appropriate to raise the hard money limits. I have said many times that there must be some flexibility on this issue. I have said, half seriously and half kiddingly, that I am willing to go up as much as $1,001 per election for the individual limit. I prefer we not even do that.

When I say that, of course, at this point in the difficult process of bringing this bill together, I don't really mean that that is as far as I am willing to go, as much as I regret it. This is an area that now has to be opened to negotiation, and there have already been several days of discussions about this subject. That said, I don't think a significant increase in the limits is warranted.

In the 2000 election, according to Public Citizen, roughly 232,000 people gave $1,000 or more to Federal candidates. That is just one-ninth of 1 percent of the voting-age population. An elite group of donors don't just dominate the soft money system, frankly; they actually dominate the hard money system as well. To most Americans, $2,000 is still a large sum of money. That is when an individual can give to a single candidate $1,000 in the primary and then another $1,000 in the general election. If we talked about average Americans getting a tax cut for that amount of money, we would say $2,000 is a very sizable tax cut. Somehow when we talk about the same sum in the context of political giving, we act as if this is a small figure.

As I have said, I understand that raising the hard money limits does have to be a part of a final stage of this debate, even though I am reluctant to do so. If we can agree on an increase that doesn't jeopardize the integrity of the McCain-Feingold bill as a whole, I will support it.

I am afraid that this amendment, well-intentioned as it is, simply raises the limit too high by raising the individual limit to $2,500 and by doubling the other contribution limits, including the aggregate limit, the total amount that people give. That is why I must oppose this amendment and urge my colleagues to oppose it as well.

I understand that because this bill bans soft money, those of us who would prefer to leave the limits at their current level may have to compromise. I say to all my colleagues, increasing the individual limit by 150 percent is just not a compromise we should make. Such a small number of Americans can afford to give what the limits even allow now—quite often it is given the nickname of ''maxing out,'' giving the maximum—that a vote to increase the individual limit to $2,500 does mean putting more power in the hands of an even more concentrated group of citizens, and few Americans have the wherewithal to give those kinds of contributions.

A recent study by Public Campaign found that Senate incumbents in 2000 raised on average nearly three times as much as their challenges did from donors of $1,000 or more. It is likely that raising the hard money limit will give incumbents an even bigger advantage than they already have now. So whatever increase we might support, we need to consider that aspect of this very seriously. We should carefully consider any measure that increases an incumbent's advantage, which I am afraid is already so strong in our Federal elections. I am afraid the Thompson amendment does just that.

On this point, the Supreme Court has said Congress may legislate in this area in order to address the appearance of corruption. There is another appearance that is important here, and that is how the bill we are trying to craft as a whole appears to the public at large. That is very important. This bill started out, with the good help of the Senator from Tennessee, as a straightforward effort to ban soft money and address the phony issue ad problem.

We quickly added an amendment that raised individual limits when a candidate faces a wealthy opponent on the first day of the debate. Now we are looking at a doubling of most of the contribution limits for all campaigns. If we keep going in this direction, as others have said, pretty soon this bill starts to look as if it is aimed at raising limits and really protecting incumbents rather than addressing the problem of corruption. We need to pay attention to that perception because our goal here is to reestablish the American people's trust in government, not to drive people further away.

I am afraid the Thompson amendment doesn't just increase the individual limit to 150 percent; it doubles every other important hard money limit as well. For example, the aggregate of what an individual can give to individual candidates would increase from $25,000 a year to $50,000 a year. So in the course of an election cycle, a couple—if there happens to be a couple involved—could give $100,000 in contributions. Now I was just talking about how $2,000 is a lot of money to most Americans. Well, $100,000 is, of course, a staggering sum to most people. I think it is too high to have the name ''reform.''

This bill is about lessening the influence of money on politics. It is not about increasing it. If we are going to raise the limits at all, we must do everything we can to act in good faith with all the American people, not that tiny number of Americans who can afford to open up their checkbooks and

max out the candidate. We have to do everything we can to look out for the Americans who could not even dream of writing a $1,000 check to a candidate, no matter how much they supported what that candidate stood for.

Although I know important negotiations are underway, this is why raising the limits has to give this body pause, because every time we act to empower the wealthy few in our system, we really do a disservice to our Nation. I believe the soft money ban in this bill does a great service to the Nation by ending a system that allows completely unlimited contributions from corporations, unions, and individuals to flow to the party. The soft money ban helps empower the average voter in this country, and that is why it is the centerpiece, the bottom line, the reason to be of the McCain-Feingold bill.

With this bill, we are getting rid of hundreds of millions of unregulated dollars. So I am willing to consider a modest increase in regulated dollars. But this amendment goes too far. I oppose raising the hard money limit 150 percent when only one-ninth of 1 percent of the voting-age population gives $1,000. Increasing this figure by 150 percent would give an unprecedented new level of access to those who would continue to max out under the new limit.

I must urge my colleagues to oppose this amendment. I do hope the Members of this body can work together to reach an increase that will be palatable to both sides of the aisle. I mean that sincerely. If we can't come to an agreement, this bill will be seriously jeopardized. This body has made laudable progress in the course of this debate. I have never been more proud to be a Member of the Senate. I say to my colleagues that we have come too far to let this reform debate stall, even over an issue as tough as this one.

I hope we can come to an agreement on this issue that I can support. Until that time, I do have to oppose the Thompson amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. THOMPSON. What does the Senator from Virginia need?

Mr. ALLEN. Ten minutes.

Mr. THOMPSON. I yield 10 minutes to the Senator from Virginia.

Mr. ALLEN. Mr. President, and Members of the Senate, I rise in support of the Thompson amendment. I have listened to the debate on this issue for the last several days, and I have listened to the many different points of view expressed here. There is quite a spectrum of opinion. On one side of the spectrum, there are those—and they had 40 votes—who want to limit First Amendment rights and, in fact, voted for a Constitutional amendment to do just that. I actually commend the Senator from South Carolina, Mr. HOLLINGS, for at least recognizing that many of these proposals, including the McCain-Feingold bill, have the effect of restricting First Amendment rights, which is part of the Bill of Rights. Nevertheless, that is their view.

On that side of the spectrum, there are also those who want the taxpayers to pay for elections, which would be the result if you actually limited First Amendment rights. They honestly believe that is the approach to take. I find myself on the other end of the spectrum, as one who believes very much in the Bill of Rights. After all, it was first authored by George Mason in the Virginia Declaration of Rights. I think the First Amendment, as well as all of the Bill of Rights, is very important for all Americans. My view is that what we ought to have is more freedom; the maximum amount of individual freedom, and the maximum amount of accountability and honesty in elections, and having contributions made voluntarily as opposed to being taken out of tax money.

All the various amendments that have been offered today, and probably will be offered in the next few days, have as their purpose various restrictions or subterfuge to these two different points of view.

I have been a candidate for statewide office in Virginia twice. Last year, I ran statewide for the U.S. Senate under the Federal election laws. I also ran for Governor statewide, obviously, under Virginia's laws that are based upon the principles of freedom. In my view, the current Federal election laws are overly restrictive. They are bureaucratic, antiquated, and they are contrary to the principles of individual freedom, accountability and, yes, contrary to the concepts of honesty.

I have been working on an amendment with the Senator from Texas, Mr. GRAMM, on what we call the Political Freedom and Accountability Act. I don't know if we will offer that amendment, but this looks like an opportunity to be in support of something that is at least going in that same direction. I have stood by my guiding principles on vote after vote during this debate. Sometimes I do not agree with the Senator from Kentucky on an amendment; to his and my chagrin, because I consider the professor someone very knowledgeable on this subject. Nonetheless, I am trying to advocate greater freedom and greater accountability.

What I am trying to do is make sure that in this debate we are advancing the ideas of freedom of exchange of ideas, freedom of political expression and increasing participation to the maximum extent possible. And equally important are the concepts of accountability and honesty.

First, the issue of freedom. The current laws and limits are clearly out of date. There is no one who can argue that these laws, the current restriction on direct contributions to candidates, are anything but completely antiquated and out of date. Let's take some examples. When TV reporters ask me what kind of reforms do I want, I tell them greater freedom, greater accountability, and to get these Federal laws up to date. I ask the TV reporters: Will you please, in your reporting of this issue, say what it cost to run a 30-second ad in 1974 when these laws were put into effect versus what you charge today for a TV ad.

Well, I am never home enough to watch TV anymore since I have joined the Senate, so maybe they told us. Nevertheless, we did our own research. The average cost of just producing a 30-second commercial has increased seven times, from $4,000 to $28,000. The cost of stamps—because we do send mailings out has increased. The cost of a first-class stamp in 1974 was 10 cents. Today, it is 34 cents, and rising. So that is over three times as much.

The cost of airing a 30-second television advertisement per 1,000 homes has escalated from $2 in 1974 to $11 in 1997. That is fivefold increase.

Candidates are today running in larger districts. There are more people in congressional districts, obviously, than before. There are more people in the United States of America. The voting-age population increased from 141 million in 1974 to over 200 million in 1998.

The reality is that the limits in the Thompson amendment don't even catch up with the increase in costs.

The Thompson amendment is a very modest approach of trying to get the Federal election laws more in line with what are the costs of campaigns.

The accountability and honesty aspect of this amendment is important because I think the current situation has improper disclosure; very poor disclosure and subterfuge. As far as disclosure is concerned, one can get a contribution of $1,000 on July 2 and it is not disclosed until late October under the current law. I very much agree with the efforts of the Senator from Louisiana, Ms. LANDRIEU, to get more prompt disclosure, and that needs to be done.

The contribution limits also force a greater use of soft money. People are all so upset about soft money going to political parties. Why is that being done? Because the cost of campaigns are increasing for all those demographic features and facts I just enunciated. The fact is, you need more money to run campaigns to get your messages out.

If an individual desired to part with $5,000, which is right much money for most people, but they believe so much in a candidate that they want to give $5,000, right now they would have to give $1,000 to the candidate. That would be disclosed, maybe belatedly but it would be disclosed. Then they would have to give $4,000 to a political party that would run ads, run mailings, whatever they would do to help that candidate.

The point is that $4,000, in this example, would not have the same accountability. It would not have the same scrutiny. Fred Smith may be a controversial character. It is one thing for him to give $1,000 and then $4,000 to the

party, but it is all $5,000 to candidate B and you say: Gosh, candidate B has gotten all this money from Fred Smith. But really it only shows up as $1,000 because the rest has gone to the Democratic Party or the Republican Party or some other organization. Therefore, you are losing that accountability and the true honesty in a campaign that you want to have and the scrutiny that a candidate should have for getting contributions from individuals.

It is my view that we need to return responsibility for campaigns to the candidates. We are getting swamped. At least we were swamped—and I know this was not unique to Virginia last year—with these outside groups that are contributing to our campaigns. Mr. President, $5 million, at least the best we can determine, was spent not just by the Democratic Party running ads contrary to my campaign or Republicans running ads in favor of my campaign or in opposition to my opponent, but these independent expenditures—handgun control, attack TV ads, donor undisclosed; Sierra Club running attack ads, radio ads, voter guides, donors undisclosed; pro-abortion groups, dirty dozen ads against us—all these ads and they are all undisclosed. There are people all upset with this. That is part of democracy. That is part of free expression. It would be nice if there would be a constitutional way to disclose those individuals, but that is apparently unconstitutional.

The point is, you end up having to answer those ads. People think: You want to do all sorts of sordid things I will not repeat, but nevertheless you have to get the money to make sure you are getting your positive, constructive message out or setting the record straight.

With these limits, you end up having to raise money through political parties to combat these ads which, as much as I did not like them, they have a right to do. And I will defend the rights of these groups or any other groups to run those ads and have their free expression and political participation.

The point of the Thompson amendment is people are allowed to contribute more directly to a candidate. The candidate is held more responsible and accountable, and to the extent that you can get more direct contributions, it alleviates, negates, and diminishes the need to be using political parties as a subterfuge or a conduit to get the money you need to set the record straight.

Current Federal laws in many cases—one says: Look at how wonderful they are. It is amazing to me people think that, but nevertheless that is their view. They are so unaccountable in so many ways, and by limiting hard dollars, so to speak, or direct contributions, you are back with PACs.

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

Mr. ALLEN. May I have an additional 5 minutes?

Mr. THOMPSON. I yield an additional 5 minutes to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ALLEN. I thank the Senator from Tennessee.

I think the contribution limits definitely create a dependency on soft money, thereby the corollary logically is that by increasing the direct contributions on hard limits, it decreases the necessity. It is pure commonsense logic, at least for those of us who have run under a system of freedom such as that in Virginia.

The other matter is contribution limits also prohibit candidates, except those with personal wealth, from acquiring a stake from which to launch a campaign. We went through this whole debate about what happens when you have millionaire candidates and thereby raise the limits for those candidates, and so forth. Gosh, if you did not have any limits, you would not have to worry about this.

Again, at least the amendment of the Senator from Tennessee addresses that in that we want to encourage more political participation in speech rather than limiting it. We ought to be promoting competition. We ought to be promoting freedom and a more informed electorate, which we would get with the amendment of the Senator from Tennessee. We want to enable any law-abiding American citizen to run for office.

Had the current limits been in place in 1968, Eugene McCarthy never would have been able to mount his effort against President Johnson.

Today's system has failed to make the elections more competitive. The current system hurts voters in our Republic by forcing more and more committees and contributions and political activists to operate outside the system where they are unaccountable and, consequently, more irresponsible and less honest.

I, of course, want to repeal the hard limits, but nevertheless, by increasing these limits, we can open up the political system. Challengers need to raise a great deal of money as quickly as possible to have any real chance of success. The current system, with its very stringent limits, prevents a challenger from raising the funds he or she needs, and I saw that in 1993 when I was running for Governor.

One may say: Gosh, this is all wonderful theory from the Senator from Virginia. You can look at Virginia as a test case of freedom and accountability. People say, sure, they have plenty of disagreements between the legislative and executive branch and between Democrats and Republicans, but you have honest Government in Virginia. If there is anybody giving large contributions, I guarantee you, boy that is scrutinized and there is a lot of answering to do for large contributions. Indeed, it may not be worth the bad press you get for accepting a large contribution.

Again, if you look at Virginia—which has a system where we have no contribution limits and better disclosure—Virginia right now has a Governor whose father was a butcher. His predecessor was a son of a former football coach. The predecessor to that Governor was a grandson of slaves. Virginia's system gives equal opportunity to all. Virginia has a record of which we can be proud.

The amendment of the Senator from Tennessee, while not ideal and exactly like Virginia, it is one that at least increases freedom—freedom of participation, freedom of expression, and coupled with other amendments, such as the amendment of the Senator from Louisiana on disclosure, brings greater honesty.

I urge my fellow Senators to support this amendment. It is a reasonable improvement, it is greater freedom, it is greater accountability, and it is greater honesty for the people of America. I yield back what moments I have remaining.

Mr. MCCONNELL. Mr. President, I say to the Senator from Virginia——

Mr. THOMPSON. I yield to the Senator from Kentucky.

Mr. MCCONNELL. I say to the Senator from Virginia before he leaves the floor, I hope he adds me as a cosponsor to the Allen-Gramm freedom amendment and indicate my total agreement with the Senator from Virginia about the Virginia law.

As I understand the situation in Virginia, and correct the Senator from Kentucky if he is wrong, Virginia almost never has a situation where candidates cannot get enough money to run.

Mr. ALLEN. You can have that situation if you are not credible.

Mr. MCCONNELL. If you are not credible, you do not. The two parties are well funded. The candidates, if they are credible, are well funded. They are able to raise enough money to get their message across because they are not stuck under the 1974 contribution limit.

In fact, as the Senator from Virginia was pointing out, it has produced rather robust competition with minimal or no accusations of corruption; is the Senator from Kentucky correct?

Mr. ALLEN. The Senator from Kentucky is correct and there are no limited contributions from corporations, which I am not arguing at this point, but it is purely on Jeffersonian principles of freedom and disclosure and honesty.

Mr. MCCONNELL. In fact, what a candidate does in Virginia is weigh, knowing the contribution will be disclosed, the perception of whether or not the candidate should accept the large contribution, knowing full well it will be fully disclosed and people can make of it what they will. Is that essentially the way it works in Virginia?

Mr. ALLEN. The Senator from Kentucky is correct. As I alluded in my remarks, sometimes you might as well

not have been receiving a large contribution because the negative connotations and everything wrong that person or corporation may have done is somehow besmirching you. You have to be careful with it in trying to get contributions, whether for yourself or for political action efforts.

Mr. MCCONNELL. I say to the Senator from Virginia, I know it must be somewhat depressing, given his philosophy, what we are doing here. But to make the Senator from Virginia feel better, not too far in the past the reform bills we were dealing with had draconian spending limits on candidates, taxpayer funding of elections.

As recently as 1992 and 1993 and 1994, majorities in the Senate were supporting taxpayer funding of elections. It was noteworthy that only 30 Senators in this body supported taxpayer funding of congressional races—the Kerry amendment earlier today. We have made some progress. We are now down to arguing over the impact of campaign finance reform on parties and outside groups. It used to be a lot worse. The whole universe of expression was balled together in these reform bills as recently as 1994.

I say to my friend from Virginia, add me as a cosponsor to the freedom amendment. We have come a long way. We are not quite there yet. The wisdom he has imparted tonight is certainly good to hear.

I yield the floor.

Mr. NICKLES. Mr. President, I will speak for a few minutes. I thank my friend and colleague from Connecticut for allowing me to jump ahead.

Mr. THOMPSON. I yield 15 minutes to the Senator from Oklahoma.

Mr. NICKLES. I thank my friend and colleague from Tennessee for offering this amendment, which I am happy to cosponsor and also congratulate him for the speech he made. I hope my colleagues had a chance to hear what Senator THOMPSON was saying.

I also compliment Senator ALLEN for the comments he made. I appreciate the impact he has had since joining the Senate, including his idea, based on a campaign system that has worked quite well in the State of Virginia, which he has shared with us. Perhaps we will have a chance to vote on that amendment as well.

The pending amendment is the Thompson amendment, which I am pleased to cosponsor, which increases the hard money limits. It is one of the most important amendments we will deal with in this entire debate, in this Senator's opinion.

The amendment increases the hard money limits, hard money representing what individuals can contribute. Every dime of hard money is disclosed and reported. No one has alleged, that I am aware of, that this is corrupt money, that this is illegal money. Every dime is out in the open for everybody to see. The Thompson amendment increases the individual level from $1,000 to $2,500. That increase, if you look back to 1974, doesn't even keep up with inflation.

Senator THOMPSON also would increase some of the other limits that are in the current law. PAC limits would grow from $5,000 to $7,500. That is not keeping up with inflation: if we kept up with inflation over 25 years, we would have over a 300-percent increase. The amendment has a moderate increase in PACs. And the aggregate individual limit goes from $25,000 to $50,000. Somebody has said, isn't that too much? I don't think so. If somebody wants to contribute $2,500 per year, they can only contribute to 10 candidates currently. Under this amendment, you could contribute to 20.

Is that corrupt? No, I don't think that is corrupt. What I see as corrupt are the joint fundraising committees where you have millions of dollars of soft money funneled into some races. That money is not fully disclosed. Who contributed that money? We had a lot of Senate races last year and, the Democrats received around $21 million in these special joint committees last year. And we would like to say, is this the right way to raise and spend money? Does it make sense to do it that way? I don't think so. But with hard money, every single dime is out there for everybody to see in every single instance.

I think the Senator's amendment makes great sense. I hope my colleagues agree.

Some say we need to look for a compromise on this amendment. Senator THOMPSON has already compromised. His original amendment basically kept everything up with inflation, growing the aggregate limit from $25,000 to $75,000. His amendment now is at $50,000.

The limits on giving to parties goes from $20,000 to $40,000. Don't we want to strengthen parties? My friend and colleague has made a good point: parties are healthy to the system. Senator THOMPSON's amendment allows individuals to increase contributions to parties. We should keep party contributions and allow parties to grow.

If we are going to ban soft money, we should allow some increases in hard money. I think that is what the amendment we have before the Senate would do.

I thank my friend and my colleague from Tennessee for offering this amendment. I think it is an important amendment. I urge my colleagues: Isn't this a good improvement over the existing system?

I think it is. I urge the adoption of the amendment when we vote on it tomorrow morning.

I yield the floor.

Mr. MCCONNELL. I ask the Senator from Tennessee if I could have 7 or 8 minutes.

Mr. THOMPSON. I yield 10 minutes to the Senator from Kentucky.

Mr. DODD. Could I be heard at some point?

Mr. MCCONNELL. I will wrap it up really fast.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. I want to commend the Senator from Tennessee for his amendment. It certainly begins to deal with what I think is the single biggest problem in the system today, and that was the failure to index the hard money contribution limit set back in 1974 when a Mustang cost $2,700.

As may have been said by the Senator from Tennessee and others, the average cost of a 50-question poll has increased from about $5,000 to $13,000 over the last 25 years. The average cost of producing a 30-second commercial has increased from $4,000 to approximately $28,000 over the last 26 years. The cost of a first-class stamp was 10 cents in 1974 and today it is 34 cents. The cost of airing a television advertisement per 1,000 homes has escalated from over $2 in 1974 to $11 in 1997. Meanwhile, the number of voters candidates must reach has increased 42 percent since 1974.

The voter population in 1974 was 140 million; today it is 200 million. We have produced a scarcity of funds for candidates to reach an audience. In 1980, the average winning Senate candidate spent a little over $1 million; in 2000 the average winning candidate spent a little over $7 million, an almost sevenfold increase. An individual's $2,000 contribution to a $1,000,000 campaign in 1980 amounted to .17 percent of the total. If the contribution limits were tripled for this last election to adjust for inflation, since 1974 an individual $6,000 contribution to the average $7 million campaign would have been only 0.08 percent of the total. A $60,000 contribution to an average winning Senate campaign in 2000 would be only .83 percent of the total.

What this all adds into, there is no potential for corruption, none based on the 1974 standard, if the amendment of the Senator from Tennessee is adopted. If no one in 1974 thought those limits at that time, based upon the cost of campaign activity at that time, was corrupting, why in the world would the Senator's amendment, which is even less than the cost of living increase—why in the world would anybody say that this has even the appearance of corruption? Certainly not corruption or even the appearance of corruption in today's dollars?

It is also important to note that these low contribution limits are the most tough on challengers. Challengers typically do not have as many friends as we incumbents. They are trying to pool resources from a rather limited number of supporters in order to compete with people such as us. The single biggest winners in the increase in contribution limits in hard dollars would be challengers.

Challengers already took a beating here on this floor when we took away

all of this money from the parties earlier today. We have taken away 40 percent of the budget of the Republican National Committee and the Democratic National Committee. We have taken away 35 percent of the budget of the Republican Senatorial Committee and the Democratic Senatorial Committee. Parties: The only entity out there that will support challengers.

Challengers have lots of problems. Typically they have a really difficult time getting support from individuals and PACs. Now we have nailed the parties. At least under Senator THOMPSON's amendment we give these challengers an opportunity to raise more money from their friends to compete with people such as us.

So this is a very worthwhile amendment. I hope we will have an opportunity to vote on the Thompson amendment up or down, which means a chance to adopt it. We will have that discussion, I gather, at greater length in the morning. But it is a very worthwhile amendment.

I associate myself with the effort of the Senator from Tennessee, congratulate him for making this effort, and indicate my full support.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut.

Mr. DODD. Mr. President, I believe I said earlier I was the only one here. I have been told a couple of colleagues may be on their way to the floor to be heard on this amendment before wrapping up debate tonight.

I am very fond of my friend from Tennessee. We have gotten to know each other a little better over the last number of months. He is a wonderful addition to the Senate. He was not unfamiliar with this institution prior to being elected to it, having worked back in the 1970s as a very successful and influential member of the Watergate Committee staff, and, having worked with Howard Baker and others, he is no stranger to this institution. His participation in any number of issues has enriched the Senate.

So it is with some sense of—again on a personal level, I would like to be supporting his amendment because I am very fond of him. People might understand those inclinations. But, unfortunately, I disagree with my colleague on this amendment. I will explain why.

I always love this story. When they asked Willy Sutton why he robbed banks, I always loved his answer. He said, ''That's where the money is.'' That is why he robbed banks. We are not robbing banks, but my concern about this amendment is we are going to end up gravitating to where the money is. That is what we do. Our staffs and consultants and advisers and people who help raise money will tell you: Look, we have so much time in a day, so much time before the reelection or election campaigns. So if you have an hour to spend, we are going to spend the time going after those large contributors. It doesn't take a whole lot of knowledge to know that you do not go after the ones who cannot give as much. Instead, you go after the ones who can give more.

My concern is not so much that this number goes up and that people who can afford it are going to have greater access and greater influence. What is not being said here is very troubling to me. We are moving further and further in the direction of seeking the support and backing of those who can afford to write a check for $2,500. But, make no mistake about it, we should be clear with the American public, these numbers are somewhat misleading.

It doesn't make any difference whose numbers you are talking about. Under current law, an individual may contribute a $1,000 per election or $2,000 with $1,000 going to the primary and another $1,000 going to the general election. If we are talking about amendments being offered, Senator HAGEL's proposal contained a $3,000 per election, Senator FEINSTEIN is proposing $2,000 per election, while there are still others talking about $1,500 per election. Those numbers are really not a final number. A more accurate number is a doubling of the per election number to reflect one limit for the primary and another for the general, with the potential of yet another limit for a special or runoff election. So every number you read, has the automatic potential to double with respect to the individual contribution to candidates per election.

I know very few cases where Members have gone after the $1,000 contribution and not ended up with the $2,000. That, after all, is how it works. Because, as a practical matter, you can give $1,000 before the primary and $1,000 for the general election. So when we talk about limits here of $1,000 or $1,500 or $2,000 or $2,500, do a quick calculation and double the amount. That is the general formula that an individual can contribute to a candidate per election.

My friend from Tennessee proposes a $2,500 per election limit that individuals can give to candidates. This number may also double to $5,000, because that individual can write $2,500 for the primary and $2,500 for the general election.

You do not have to have a primary, just as long as there was some potential contest within your own party for the nomination. Such a potential contest allows you to get that additional $2,500 limit.

But it goes even beyond that. Frankly, people who can write a check for $2,500 probably can write a check for $5,000. If you can afford to give someone $2,500, there is a good likelihood your pockets are deep enough to write the check for $5,000. Under current law, each spouse has his or her own individual contribution limit. So that $2,500 becomes $5,000. If your spouse is so inclined—and they usually are—the $2,500 under the Senator proposal then becomes $5,000 per election. As a couple, the total they can give is now up to $10,000 per election.

Every single Member of this Chamber knows exactly what I am speaking about with respect to fundraising practices because as a candidate for this body many have done exactly what I have described. The general public may not follow all of this. That is how it is done. When you get that person who is going to give you $2,500 contribution for the primary, you always say: Can't you give me $2,500 for the general as well? In addition you say—Wouldn't Mrs. Jones or Mr. Jones also be willing, as well, to write those checks reflecting the maximum individual contribution limit per election?

Under this proposal, we are talking about potentially a total of $10,000 per couple as opposed to the current levels of $2,000 or $4,000 per election, if you will, if both husband and wife contribute. That is a pretty significant total increase.

My colleague quickly answers that his stamps have gone up, the price of television spots have gone up. I know that these costs have increased. But so has the population of the country and the number of people who can write $1,000 checks.

In 1974 there were not a tremendous number of people who could write a check for $1,000 to a candidate. Today the pool of contributors who can give $1,000 has expanded considerably. Last year there were almost a quarter of a million people who wrote checks for $1,000. That is not a small amount of people: 235,000 people wrote checks for $1,000 to support Federal candidates for office.

But what we are doing here by raising these amounts? We are moving further and further and further away from the overwhelming majority of Americans. I would like to see the average American participate in the electoral process of the country. I would like to see them contribute that $25 or $50 or $100, $200 to a candidate or party of their choice. However, given the average cost of a Senate race today or a House race—the numbers of my colleague from Tennessee suggests of around $7 million, and a House race around $800,000 a congressional district, I do not see many campaigns that are going to bother any longer with that smaller donor.

It is the de facto exclusion of more than 99 percent of the American adult population who could support, financially, the political process in this country, that worries me the most. I am worried about us getting overly concentrated on only those who can afford to write the large, maximum checks to campaigns. But I am more worried that we are getting ourselves further and further and further removed from the average citizen. The Americans who could not dream, in their wildest dreams, about writing a check for $2,500, let alone $10,000 to support a candidate for the Senate or the House of Representatives. They

couldn't dream about doing that. They may be making decent salaries and incomes so they are not impoverished. But the idea of writing out a $10,000 check or any such checks that we would allow if this amendment is adopted is beyond the average Americans' imagination.

To some extent, it ought to be beyond ours as well. However, where we appear to be going is where the money is. That is what Willy Sutton said, and that is what we are saying. We are going to spend our time on that crowd because that is the most efficient use of our time with respect to fundraising. A phone call to Mr. and Mrs. Jones who can afford to make this kind of a contribution are going to get our attention. We are not interested in that individual who may be making $30,000, $40,000, $50,000, $60,000, $70,000, or $100,000 a year, with two or three kids, paying a home mortgage, trying to send kids to college. We are not interested, really, because they cannot even begin to think about contributions like this.

That is the danger. That is the danger. I am really not overly concerned—although it bothers me—over this concentration of wealth and the access that comes with it by adopting this amendment. That bothers me.

What deeply troubles me—what deeply troubles me—is that this institution gets further removed from the overwhelming majority of Americans. Their voices become less and less heard. They become more faint. They are harder to hear. They are harder to hear because we are getting further and further away from them since their ability to participate is being diminished.

One of my colleagues——

Mr. WELLSTONE. Will the Senator yield for a question?

Mr. DODD. I would be happy to yield.

Mr. WELLSTONE. I don't want to break up the rhythm of what the Senator is saying. It is very powerful. I do not think I can say it as well as you. I would like to ask you one or two questions.

In this debate I don't believe I had really heard your formulation before. We talk about big money, corruption, not individual wrongdoing; some people have too much access. You just used the word ''exclusion.''

There was a young African American man today with whom I spoke. He was talking about Fannie Lou Hamer, a great civil rights leader. By background, Fannie Lou Hamer was the daughter of poor sharecroppers.

This is a question of inclusion. If you take the caps off, and you are relying on people who can afford to make these kinds of contributions, he was basically saying, this almost becomes a civil rights issue because it is a question of whether or not people who do not have the big bucks will be able to participate in the political process, will be able to be there at the table.

I ask the Senator, is this part of what is concerning you, that you are getting away from representative democracy and many people are going to feel more and more excluded as we now rely on bigger and bigger dollars?

I have three questions. And I will not take any more of your time. Is that what you are talking about?

Mr. DODD. That is part of it. I said, we are concentrating on who can give and how much they can give. Every time we raise the bar on the limits, then we are also expanding the number of people who do not, and maybe cannot, contribute their financial support. We are not even seeking their financial support, only their votes. I think there is inherently a danger in that.

I think it is a positive thing, by the way, that people write that check out for $5 and $10 and $20 contributions. In some ways, it can be more significant because sometimes that $10 or $25 check from someone who is trying to make ends meet. It is a greater sacrifice in some ways than it is for some of the people I know who write checks for $1,000 or $2,000 or $10,000. That $10,000 in the context of their overall wealth is a smaller percentage than the person making that $50 or $100 contribution who really cannot afford to do it but believes it is in their interest. It is part of their responsibility of citizenship to support the political process of this country and to support our democratic institutions.

What I am deeply troubled about—I am bothered by the raising of the contribution limits because of where I think it takes us, where it is ultimately going.

Mr. WELLSTONE. Right.

Mr. DODD. If you take the numbers of my friend from Tennessee, I think it is $400,000 in 1976—Is that right?

Mr. THOMPSON. It is $600,000.

Mr. DODD. So $600,000 in 1976, and $7 million in the year 2000. I tried to do some quick math—and I could be corrected of course—but if you extrapolate from that and go to the next 10 years, to the year 2010, we are buying into the notion that there is nothing we can do about this. It is just going to keep getting more expensive, guys.

So we are just going to make it a little easier for you to reach the levels of $13 million. I think that is about where we go in 10 years if the trend lines are accurate and continue.

I realize there can be changes here because it is not a perfect trend line. But if you take where it was 10 years ago, I think in about 1990 it was $1.16 million——

Mr. THOMPSON. That was 1993.

Mr. DODD. Sorry. So that was 1993. It has doubled. It is roughly about the same. So we may be talking about roughly $12 or $13 million in 10 years.

So as we raise the bar to make it easier for us to get up there, we are shrinking the pie of people who can contribute. Getting smaller and smaller and smaller and smaller are the number of people who can write these kinds of contributions. Make no mistake about it, that is where the money is. That is where we are going to go. You are not going to hold $100 fundraising events. You might do it because it is good politics. Maybe it will pay for the hotdogs and chips, and so forth, but you are not going to have a fundraiser doing that. It is a political event. Fundraisers have, as their minimum contribution, $500, $1,000, $1,500, or whatever it is as the bars go up.

In response to the question of my friend from Minnesota, that bothers me. What troubles me—what deeply troubles me—is that as that pool shrinks of those Americans who can make those large contributions, the pool expands of those Americans who are excluded from the process. And that is a great danger. That is a peril.

For us to enter the 21st century having inherited 200 years of uninterrupted democracy in this country, the only responsibility we have as life tenants, charged with however long we serve in this body, is to see to it that future generations will inherit an institution as sound and as credible and as filled with integrity as it was when we inherited it. To go in the direction we are headed here puts that, in my view, in peril and danger because of the very reason we are excluding too many Americans from having a voice to participate in our political process.

Mr. WELLSTONE. Will the Senator from Connecticut yield for another question?

You might call it a plutocracy, but let me ask you this. To my understanding, our colleague from Tennessee is talking about individual limits that basically amount to $5,000 for the 2-year cycle. The amount an individual can give to a party goes from $20,000 to $40,000 to $80,000 per cycle. What concerns me maybe even more is that the aggregate limit, am I correct, goes from $30,000 to $50,000, so it is $100,000 per cycle?

Mr. DODD. Yes. I did not get to that, but that is further down the line.

Mr. WELLSTONE. Let me ask my colleague this. I would argue that what we are now doing with the proposal of the Senator from Tennessee is actually making hard money soft money when you get to the point where people can now contribute up to $100,000 per cycle.

Mr. DODD. I say to my colleague, I will regain my time a little bit here, and then I will yield to him.

Mr. WELLSTONE. Here is my question. Do you think that when people in Connecticut—and I see Congressman SHAYS is here—or people from Minnesota, or people from Rhode Island—people around the country—read a headline, if this amendment passes—I certainly hope it is defeated—''The Senate Passes Reform, Brings More Big Money Into Politics,'' do you think people are going to view this as reform? Do you think taking these spending limits off and having us more dependent on the top 1 percent of the population—do you think most people in the country in the coffee shops are going to view this as reform, or do you

think they are going to feel even more disillusioned about what we have done, if we support this amendment?

Mr. DODD. I suggest more of the latter. I didn't get to that part of the amendment yet, but the Senator from Minnesota is correct.

I have a hard time saying this and keeping a straight face. Today, and for the last number of years, you could give up to the limit of $25,000 per calendar year to Federal candidates. There were 1,200 people in America last year in part of the national campaign, including the Presidency, the entire House of Representatives and one-third of the Senate, who wrote checks contributing the $25,000 limit. I think it was 1,238 Americans to be exact.

But now we are saying—This is too tough. This is a real burden. These poor people out there, they are upset about this. We have to do something for these folks. This is outrageous that they have an aggregate limit for each individual of $25,000. We are going to double that cap.

We are going to say to them—The aggregate limit is now $50,000 per individual per calendar year. As I have suggested, as a practical matter, a husband and wife have their individual limits. If you can write a check for $50,000, I will guarantee that the couple can write checks totaling $100,000 in aggregate limits.

My colleague from Minnesota is correct. This is the softening of hard money. I don't know of anybody who keeps personal accounts—I am not talking about candidates no. I am talking about the average citizens. If they have a bank account at the Old Union Savings and Trust, or whatever it is, then they have their soft account and their hard account. I don't know of anybody, particularly average citizens, who segregates their own wealth that way. They write checks for politicians. They are told they have to send this to the soft money non-Federal account or instead, to the hard-money Federal account. But the average citizens do not keep money nor accounts that way. When they are writing checks for $100,000 and we say, ''That could be all hard money,'' we make the contributor dizzy. They get nervous when you start telling them about soft and hard money. Money is money.

The fact is, it is too much money in the political process. The average citizen who hears about this throws up their hands. They shake their heads in utter disgust. They must think, what are these people thinking about. How disconnected can they be from the people of their States and their constituencies. It is not understandable to the average American if we sit here with a straight face and suggest that raising the maximum aggregate annual limits from $25,000 to $50,000 per year, which could total $100,000 per year per couple.

Mr. THOMPSON. Will the Senator yield on that point?

Mr. DODD. I am happy to yield.

Mr. THOMPSON. Does the Senator realize that the $50,000 he is concerned about now, which is doubling the $25,000, would be about $75,000 in 1974 terms? In other words, when our predecessors looked at this problem in 1974, they decided that for an individual limit for that year, it ought to be $75,000, roughly, in 2001 dollars. So actually by doubling it, we are not keeping up with inflation.

In terms of real purchasing power, they were higher than we are today. Did they miss the boat that badly back when they addressed this?

Mr. DODD. I suggest they may have.

I am not sure I heard my friend from Tennessee talk about statements made in 1971 or 1972. Prior to the adoption of the legislation after Watergate in 1974, people such as former distinguished colleague George McGovern and others who had suggested limits that were higher than even what we are talking about. I would be curious to know, had we said to them at that time, by the way, as a result of what you are doing, what the cost of an average Senate race would be 25 years from now, that even with $1,000 limits, we would be looking at a $7 million cost, when in 1976, the average cost was $400,000, and if you buy into this, it is going to rise to $7 million.

My concern is, by doubling the limits, we are inviting those numbers to go up. We are doing nothing about trying to at least slow this down from the direction it is clearly headed in: $13 million in 10 years, an average cost of a Senate seat. We are going to make this the Chamber of the rare few who can afford to be here or have access to these kinds of resources.

I accept the notion that costs have gone up. I also accept the notion that there are many more people today who could make that $1,000 contribution than could in 1976. It was a relatively small number of people then. Of course, that law also had other limitations which the Court threw out after the adoption of the campaign finance reform measures of 1974.

I realize the contribution limit is going to go up. I am even willing to accept some increase in the numbers. I am not suggesting we ought not to have any increase, although I could make a case for that.

I hope my friend from Tennessee and others who care about this—I know a lot of Members do—that we can find some numbers here that would be more realistic. The stated purpose must demonstrate that we are trying to slow down the money chase. It should not get any more out of hand than it has.

If you don't think it is out of hand—I know there are Members who don't—if you don't think the direction we are heading in is dangerous, if you don't think we are excluding more and more people every year, when you should look at the tiny percentage of people who actually can write these checks. During the 1999–2000 election cycle, the were only 1,200 people who could write checks totaling $25,000 per year. Out of a Nation of 280 million people, there were 230,000 people who wrote $1,000 checks. Basically we disregard most of the other contributors. If you think we are heading in the right direction, then you ought to support this amendment.

If you think this is getting us dangerously close to the point where fewer and fewer people are going to participate in the process, then you should oppose this amendment. I remind my colleagues that in the national Presidential race last year, one out of every two eligible adult voters did not show up at the polls. Despite the fact we spent over $1 billion in congressional races, not to mention what was spent on the Presidential race, one out of every two eligible adult voters of this country did not vote. There is a reason for this statistic.

I suggest in part it is because people are feeling further and further and further removed from the body politic. If you will, the body politic of our own Nation is being pulled further and further by excluding the average American. They do not believe they have the ability to have some say in politics. Their voices are being drowned out. Average Americans are further and further removed from being involved in the decision making process of who will represent them. That worries me deeply. That is what troubles me about this amendment.

For those reasons, I will oppose the amendment when the vote occurs. I urge that others see if we can't find some configuration. I am still hopeful, I say to the Senator from Tennessee, that maybe some configuration here that can be founded. There are a couple of numbers I didn't address, such as PAC limits, the State and local parties limit, the national parties limit. I don't really disagree with my colleague regarding where he has come out on those numbers. In fact, he could even move them around a little more. I accept that.

The number I have objected to is the aggregate annual limit of $50,000 per calendar year. There has been another number suggested by our colleague from California. There is a possibility of a compromise in there somewhere that we might be able to reach. I am not interested in seeing us go through an acrimonious debate and having a series of amendments where I think people recognizing the realities, could come to some reasonable compromise.

Our colleague from Tennessee has already reduced his original proposal by $500—as I think his original proposal was $3,000. He is now proposing $2,500 with this amendment. It is presently $1,000 per election under current law. It seems to me that if we are serious about this, we will attempt to come to a compromise. For those of us who support McCain-Feingold, who want to see us send a bill to the President that he could sign, then I would urge, between this evening and tomorrow, that we might try to find that ground.

I know that there are many people here interested in doing that. I add my

voice to that. I am more than prepared to sit down with others who may be so inclined to see if we can't find some numbers that we can live with and defend. Numbers, I hope, that will both restrain the exponential growth of the cost of campaigns and not get us even further removed from the average citizens' ability to participate in the process financially and otherwise.

I put that on the table for whatever value it may have. I hope there is something we can do. I commend my colleague. I mentioned how fond I am of him personally and what a contribution he has made to the Senate. He has made very good suggestions in this amendment. While I disagree with some basic points, there are elements with which I do not disagree. I commend him for that and want to be on record in support of those efforts he has made.

My colleague from New York has arrived. I don't know what my colleague from Tennessee wants to do.

Mr. THOMPSON. Mr. President, I will make a couple comments first. I thank my friend from Connecticut, who is eloquent, as usual, in his advocacy. Clearly, what we are trying to do is reach a balance where we have limits that are high enough for people to run decent campaigns, and allow challengers in large States such as California, Texas, and others to have a decent chance to get a campaign off the ground, so you don't have to be a multimillionaire or a professional politician in order to have a chance. That is what we are doing—trying to get it up enough so they have a fighting chance, while not getting so high that we have a danger of corruption, or appearance of corruption. I don't really detect that we are in that ballpark yet.

There is some talk that increasing the aggregate individual limits from $25,000 to $50,000 is somehow outrageous. But I don't think that the ability to give several contributions, let's say, of $2,500 around the country s going to corrupt anybody. No one person is receiving all this money. No one person is receiving more than $2,500. So you don't have a corruption issue there. And why we are doing something on behalf of democracy by limiting the number of potential candidates out there who can get $2,500 kind of escapes me; plus the fact that in 1974, after the Watergate scandal, when everyone was rather sensitive, shall we say, about these issues and we addressed these issues, they came up with a $1,000 limitation, which would be $3,500 today. They came up with this $25,000, which—I am going to round it off 3 times—would be $75,000 today.

My colleagues heard my reference to Senators of the past, Democratic Senators and Republican Senators, many of whom wanted to go higher than what we are talking about today. My colleague is correct that I have scaled mine down because I had the temerity and audacity to think there was a chance that we could index this to inflation and have basically actually a little less than inflation. But let's round it off and say basically we can have the same dollars they had in 1974, right after the scandal of the century, when people were most receptive and responsive to this. But I found that was not to be the case. I don't think that would have flown. Certainly, Senator HAGEL's amendment today did not fly. So I came back and said: OK, let's move down from inflation, move down from 1974 dollars, go to $2,500. There is no corruption issue here. And these other limits, too, let's double some of them. We don't double all of them. But let's do something that will enhance McCain-Feingold, my friends.

As you know, I have supported McCain-Feingold from the beginning through thick and thin. My colleagues talk as if McCain-Feingold has already passed and that the scourge of soft money has totally left us. That is not the case.

Mr. SCHUMER. Will my colleague yield for a question?

Mr. THOMPSON. Yes.

Mr. SCHUMER. I thank my friend. I have respect for him and I know his commitment to reform is so real. I want to ask him a question because I have a concern. I would not go as high as $2,500. I can support a $2,000 raise. But that doesn't bother me very much. It is the aggregate limit that bothers me.

A minute ago, my friend from Tennessee who, I repeat, I have such respect for on this issue and on so many others, said it is not going to one person.

Why the aggregate limit raise gives me trouble is this. And I ask my friend from Tennessee a question. It is true that in 1974, when this law passed, the aggregate limits didn't go to one person. Now, however, they do—much of it. The reason is a series of Supreme Court rulings, as well as all of us, Democrats and Republicans, have become much more clever, and I know that people will donate the maximum limit to the national party, and the national party then gives that money to the candidate in their State, or the candidate they wish to see the national party give the money to; and given the first 1996—maybe 1998—Colorado decision, the party and the candidate can coordinate completely.

So I don't think it is correct for my good friend from Tennessee to say the aggregate limits don't go to one person. They didn't in 1974; they do now. If my friend from Tennessee had just decided to raise the individual limits and kept the party limits the same, I would not have much of an argument with him. It is silly to quibble over $500, if I believe $2,000 is the right amount and he has an amendment for $2,500. But it seems to me that under the new cases and under my friend's bill, somebody could donate $40,000 per year to the national party, could do that for 6 years, and thereby get $240,000 back to their candidate.

One other point, and I will ask my friend to comment. If the Supreme Court in the second Colorado case rules that the limits that the national party can give to the candidate, which is now 2 cents per voter age person per State, or per district in the House—but if they rule, as many think they will, to eliminate those limits, then it would not just be three or four people giving $240,000. It could be unlimited numbers of people giving $240,000 to the national party, which then gives it back to the candidate, with complete coordination allowed.

So, frankly, even though I know this was not the intent of my friend from Tennessee, I shudder to think that the party limits would go up. And unless there were provision in my friend's bill that would not allow that to happen—and I think with Supreme Court rulings it would be difficult to prevent—I think this would be a giant step backward, not because of simply raising the limits but because of all the new ways—I will be introducing tomorrow an amendment that tries to deal with the 441(a)(d) problem. But I say to my friend—and this is not his fault—that even if McCain-Feingold were to pass as is, if the Supreme Court rules that the 441(a)(d) limits go, then maybe we will accomplish a 10-percent improvement in corporate and in labor changes. True, you could not give more than whatever—you could not give $500,000 or a million, but you would not accomplish much.

The reason I am so worried about the amendment of my friend from Tennessee is it makes it even easier; instead of saying $180,000 that somebody could give in a Senate cycle, or $50,000 in a House cycle, they could give $400,000 in a cycle and, again, without those limits, out the window everything goes.

I just ask my colleague from Tennessee, am I wrong in thinking that now with the new Supreme Court decisions the aggregate limits are such that they do allow just what my friend from Tennessee said he didn't want the aggregate limits to do, which is give lots of money—call it hard or soft, whatever—to one campaign? I thank him for yielding and will give him a chance to answer.

Mr. THOMPSON. Mr. President, I respond first by saying that, based on my recollection, I disagree with his analysis of the Colorado case. I do not believe the Colorado case would allow coordination. I believe coordination would run afoul—in the amounts we are talking about, would run afoul of the hard money limits. Coordination would deem it as a hard money contribution, and therefore that is not allowed.

With regard to the issue of an individual contributing to a State party and having that earmarked for some particular candidate, again, I think you get into a coordination problem.

I am somewhat amazed with this alchemy going on here. This piddling increase that does not even keep up with

inflation has doubled, tripled, quadrupled, and now we are up into the stratosphere. A couple is automatically doubled. Are we assuming the husband is going to tell the wife what to do or is the wife going to tell the husband what to do? I am not prepared to assume that. I do not think my friend from New York is either.

Mr. SCHUMER. It depends on the family.

Mr. THOMPSON. I think the Senator from New York might agree that we should not automatically double whatever the head of the household might want to do politically.

Let us get back within the realm of reason. Clearly, the real world being what it is, there is certainly a risk of some things going on in terms of parties helping individual candidates at the expense of other candidates. I do not think you can stop that.

My point is that the areas about which we are talking are infinitesimal compared to the problem we are supposed to be addressing. We are concentrating on the tail of the elephant instead of the elephant or we are concentrating on the tail of the donkey instead of the donkey. We are talking about hard money, incremental increases that do not amount to very much in terms of the increase but are very significant in terms of their being hard dollars instead of soft because it is not union money, it is not corporate money, if they are hard dollars to start with. I think we can agree that would be progress.

Again, yes, the world has changed. Perhaps people have gotten more clever. They have gotten attorneys general who will give them interpretations they like, and things of that nature, but when the people addressed this back in 1974, they were talking about much more buying power than we are talking about today.

Again, my colleagues are assuming they have soft money. That is the situation in the bank, and now we are talking about the details. I suggest that what my amendment will do is strengthen McCain-Feingold and ultimately make it something that will be more likely to pass the Senate, more likely to pass the House, and more likely to be signed by the President of the United States.

I am trying to help my friends, as I always have, with regard to this issue.

We overlook what is going to happen if we do not make some progress in this hard money area. I am encouraged to hear my friend from Connecticut say he is willing to talk about it, and obviously I am, too, but I have been doing all the coming down and I have not seen much coming up.

If we do not make some progress with regard to this area, we are going to create a situation where we have eliminated soft money, and we have impoverished the hard money side of the equation. Both parties have neglected the hard money side of the equation, the side that used to be predominant, by far, in terms of running these campaigns.

We are going to eliminate soft money, have an impoverished hard money situation and have these independent groups continue doing what they have been doing more and more.

People are going to react to that. That will not work. That will not work in my estimation. I want to get rid of soft money. I am tired of reading all these stories about the money pouring in and this vote on this major issue is going to go one way because the Democrats got this money and another way because the Republicans got that money. I am tired of all that.

I am telling my friends, if we do that and nothing else, we are going to wind up with a disfigured system that is worse than what we have today, and we will be back on the floor and all regulations will be taken off.

There is sentiment out there that I think will be energized under a few years of the system I just described, and we will be back here and people will be making credible arguments that we tried this, we tried that, candidates can no longer compete, and instead of having 98-percent reelection in the House, we will have 100 percent. They cannot get any higher than that. Challengers will not have a prayer, especially in the larger States. The independent groups will double, triple, and quadruple their buys in all of our States. Everybody will be running our campaigns except ourselves, and these are just the incumbents. The challengers will have no prayer at all.

That, I say to my colleagues, will result in a reaction that none of us want, a reaction to take off absolutely all the limits. I say some of us—none of us on the reform side of this issue want. I had to stop and remind myself that some of my colleagues think that would be a jolly good idea, which makes my point, that we are not as far away from that possibility as we might think.

In summary, I say to my friend from New York and to my other colleagues on this issue with whom I have worked side by side, it boils down to this: $5,000—let's say you double it to take care of the primary and the general election. Somebody can contribute $5,000.

Mr. President, $5,000 is different than $100,000; $5,000 is different than $500,000; $5,000 is different in every way quantitatively and qualitatively from $1 million. That is what we ought to be concentrating on, but in order to get rid of those large dollars, we have to give a candidate an even chance of running so he is not totally dependent on that soft money and he is not even totally dependent on his party and having somebody in Washington dole out the checks and decide which one of the potential challengers has a chance and which one does not.

Hopefully, at the end of this, we will have an opportunity to adopt this amendment and still be open for further discussion.

I reiterate, this amendment strengthens the cause. This amendment strengthens the cause; it does not weaken the cause. The fact that someone cannot contribute to the limits we might raise, to that point I say there are plenty of people who cannot contribute to the $1,000 limit we have today. We have diminished their freedom when we raise it to $1,000, recognizing you have to have some money to run.

If somebody can give $200, do we diminish their freedom? Are we causing their levels of cynicism to rise because we had a $1,000 limit? If we have a $2,500 limit, there will be some people who can give $1,000 or $500 or $700. Maybe not the full amount. The fact that you can give the full amount does nothing to my freedom or to my citizenship because I cannot at the present time give as much as you can.

As long as we live in a free country and I can aspire to that, there is no legal impediment to me doing that. I do not think we do anything to empower those who cannot necessarily give to the maximum of whatever level we raise because they cannot do it now. We are getting off the focus.

The focus ought to be on the issue of corruption, which cannot be the case. If so, our forbears in 1974 missed the mark, if we say corruption kicks in in these cases or the appearance of corruption. The other side of the equation, of course, is making it so people can run a decent campaign and get their message out and especially challengers.

I cite, again, the independent study that was done by the Campaign Finance Institute affiliated with George Washington University. It says from a competition standpoint, upping the individual contribution limit helps nonincumbent Senate candidates while having little impact on the House.

I can understand all the positions that my friends who oppose this amendment take with regard to it, but one might listen to that and think this is something outrageous we are proposing. I cite David Broder, I cite Stuart Taylor, I cite almost any commentator I have read on the subject. I think I am paraphrasing correctly. It was certainly reasonable to raise the limits to $2,000 or $3,000, and of course we are coming in the middle of that.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New York.

Mr. SCHUMER. Mr. President, I ask unanimous consent I be given 7 minutes from the time of the opposition.

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

Mr. SCHUMER. Mr. President, I reiterate a statement made in my dialog with the Senator from Tennessee. I did not hear him actually rebut what I said.

We focus too much on the smaller individual limits which go up from $1,000 to $2,500. I have no problem keeping

them at $1,000. I have no problem raising them to $2,000. Yes, $25,000 is pretty large but hardly worth falling on a sword in terms of the bill.

There is truly an egregious problem with the amendment of my friend from Tennessee, and that is the raising of the aggregate limits. Under the new aggregate limits, there is complete coordination allowed by the Supreme Court when a national party contributes to the candidate. It is an expenditure. There is total coordination allowed. Under his proposal, a candidate could give to that national party $40,000 a year—this is not $1,000 or $2,000 but $40,000 a year. In the Senate, which is 6 years, that is $240,000. Assume for the sake of argument the spouse is of a different political persuasion, $240,000 under the Thompson amendment going directly to one candidate. That could be done over and over and over again if the 441(a)(d) limits go to candidate after candidate after candidate.

There is a serious problem with the amendment of my friend from Tennessee. It is not the raising of $1,000 to $2,500. It is the huge raise of the aggregate limits. We all know right now people raise money for their campaigns in $20,000 bits, the maximum allowable to a party. It is limited by the 441(a)(d) expenditure limits, 2 cents a voter. Those are likely to go in a month or two. Once they go, it won't matter, for most contributors, the contributors of wealth, whether the limit is $1,000 or $2,000 or $3,000; they can give to the candidate of their choice $40,000; $40,000 to the national party, again, constitutionally protected by the United States Supreme Court. That national party can coordinate with the candidate.

This is not a minor increase. That is not simply a rate of inflation increase. That is undoing a large part of eliminating soft money.

My friend from Tennessee talks about it being hard money. The way I thought about it, a large amount of individual money that goes to a candidate, whether it is funneled through a party or goes directly to a candidate, is what we are trying to prevent. You can call it hard money, but $40,000 is awfully soft hard money.

The amendment is a serious mistake under present law. But the only saving grace is that couldn't be done very often because there are limits on how much the party can give each candidate. I repeat, if the 441(a)(d) limits are eliminated, which many think they will be, then we have gone amok. And we will go doubly amok with the amendment of my friend from Tennessee.

This is not about raising the limits from $1,000 to $2,500. That is the least of it. If the Senator from Tennessee were good enough to keep all the other limits in place and just raise the individual limit to $2,500 or even raise the PAC limit to $7,500, I would have an argument. But it would be an argument against the current system. When he doubles the amount of money that can be given to national party committees from $20,000 to $40,000, he makes it a heck of a lot easier—call it soft, call it hard—for large amounts of money to be channeled directly to individual candidates.

If I were a well-to-do person who wanted to aid a campaign, I wouldn't give $1,000 directly to the candidate. I wouldn't give $2,500 directly to the candidate. I would give $40,000 to the Senate Republican committee, to the Senate Democratic committee and they, then, could coordinate with the candidate I liked and give them all of that money.

What are we talking about? The Senator from Tennessee keeps going back to 1974. We are not in 1974. We have had a number of Supreme Court rulings. We have had all sorts of consultants who have found ways around the law. The aggregate limit in 1974 seemed rather benign. It said, OK, you can only give to 25 candidates at $1,000 a head. The aggregate limit in 2001 is pernicious because the combination of court rulings and figuring out ways around the law have allowed all of that money to be channeled to an individual candidate.

I yield the floor.

Mr. THOMPSON. Mr. President, I simply say the issue has been joined. My position is my friend from New York is incorrect in terms of the law, his interpretation of the law in terms of a donor's legal right to coordinate or direct the direction of his contribution to a particular candidate. I do not think that is a correct interpretation of the law.

For anyone concerned about that, perhaps the Senator from New York and I can get together and hash this out tonight or in the morning, but I did want to state that issue. We have a disagreement on that.

I ask unanimous consent the Senator from Utah be given 10 minutes.

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

Mr. BENNETT. Mr. President, as I listened to the Senator from New York give a hypothetical circumstance, I am reminded of the statement that I was taught by a lawyer. As the Chair and my colleagues know, I am unencumbered by a legal education, so I have to defer to those who have been to law school, but I am told that one of the factors in law school they teach is hard cases make bad law.

The Senator from New York has described a theoretical, highly unlikely, hard case. If we were to legislate entirely on the basis of that theoretical circumstance, we would make bad law. I am interested to hear the Senator from Minnesota go on at great length about how few people give in these upper ranges. For the Senator from New York to be talking about many people giving $40,000 to many candidates every year flies in the face of the actual circumstance and experience about which the Senator from Minnesota talks.

As I say, I cannot comment on the legality of the cases that have been cited. But as an outside observer, listening to it, I simply say we had a theoretical hard case which would, if we followed it, make bad law.

Let me comment on why I am in favor of the Thompson amendment. As the Senator from Tennessee indicated earlier, I am one who would be delighted to see all limits disappear for a variety of reasons that I have stated over the years about campaign finance and its challenges.

Let me run through a historic demonstration of why the green bars on the Senator's chart keep going up. I got chastised in the press the other day for quoting Founding Fathers and talking about the Founding Fathers—as if they were irrelevant.

Quite aside from the philosophy, there is much we can learn from the Founding Fathers because every one of them was a very practical, very real politician. They had to run for election, too. They understood the political process. As I pointed out, George Washington won his elections by buying rum punch and ginger cakes for the assembled electorate. That is how they did it in those days. James Madison refused to do it and got defeated. So this issue is not new.

But when they were writing the Constitution, George Washington, as the President of the Constitutional Convention, never spoke except when he recognized one or the other delegates to the convention—except on one issue and that issue was how big congressional districts should be. The original proposal was that a congressional district should represent 50,000 people. The motion was made; no, let's cut that down to 30,000 people.

George Washington stepped from his chair as President of the Constitutional Convention to endorse the idea that it be cut down to 30,000 because, he said, a Representative has too much to do if he has to represent as many as 50,000 people. That is just too big for a congressional district.

So it was written into the original Constitution, 30,000, with, of course, the understanding that Congress could change that.

I now come from the State that just by 800 people missed getting a congressional seat in the last redistricting. Our State has the largest congressional districts, therefore, of any in the country—roughly 700,000 people per congressional district.

So if you want to talk about inflation in campaigns, go for a House campaign that, in George Washington's day, had to go for a population of 30,000 people to, today, where the seat represents 700,000 people—more than 20 times increased.

So it is not just inflation of money; it is inflation of challenge to meet that many people. How do you do it? You do not do it shaking hands. You do not do it speaking to Rotary Clubs and Kiwanis Clubs. You do not do it by

holding town meetings. The only way you can reach 700,000 people for a congressional seat, and 10 times that or more in many Senate seats, is to buy time. That is the only way you can do it. There is no other physical way to let the people of your State know who you are, unless you are an incumbent who has already had 6 years of free publicity, a sports hero—and we are getting more and more of those in Congress and some of them are pretty good Members of Congress, but they would not be Members if they had not had their names emblazoned on the front pages of the papers, a circumstance that is worth millions.

If somebody wants to start from scratch, run from obscurity, they have to raise a lot of money because they have not been on the sports pages and they have not been on the front pages. They have not had all the free exposure. If they are not wealthy, they have to raise a lot of money. Raising money becomes harder and harder to do if you have a limit on the amount you can raise that does not grow with inflation and does not grow with the number of people in your district.

The days when Abraham Lincoln and Stephen A. Douglas could go around the State of Illinois and hold debates where thousands of people would come and stand in the Sun for 3 hours listening to them are over. We do not have that kind of attention being paid to politics today.

When I run a campaign ad, I do not have to just compete with my opponent. We talk as if all the campaign advertising is between two opponents. When I run a campaign ad, it has to compete with the Budweiser frogs. It has to compete with all the other ads that are out there that will crowd it out as far as public attention is concerned. I can't just say here is where I am, and put my ad up and my opponent says here is where I am and put his ad up because people are turning off the ads. They are going into the kitchen for a sandwich while the commercials are on. I have to have so many that I cut through the clutter of all the competition that has nothing to do with politics. And that means I have to raise a lot of money.

It becomes harder and harder to do that if the limits do not grow, either with inflation in money or with inflation in the population I represent or with inflation in the amount of competing advertising that is there.

In my first race, we bought ads on all of the network stations, and I thought we were reaching the public. Then my ad adviser came to me and said we were getting killed in the ad war. I said: What do you mean? We are doing fine.

He said: You are not on cable and your opponent is on cable.

I hadn't thought about cable. I don't have cable in my house. So we had to buy ads on cable.

The number of outlets keeps increasing and the number of challenges to meet those outlets keeps going up. Yet we stick with a limit of the amount we can raise in the face of all of these increases.

So it only makes sense to index the amount we spend, not only to inflation of dollars but index to the inflation of the challenge that we face in spending those dollars to reach the voter because you get less and less bang for your buck, even if the number of bucks goes up according to monetary inflation.

I support this amendment. It is only common sense. It will not lead to the kind of theoretical disaster about which the Senator from New York talks. It will only make it possible, slightly easier, for challengers to get a little traction against incumbents. I still think it is not easy enough and I quote again the primary example of a challenger who took on an incumbent and knocked him off, which was Eugene McCarthy in 1968, who went to New Hampshire against an incumbent President and won enough votes in the New Hampshire primary to cause Lyndon Johnson to resign the race and announce he would not run.

Understand how he did that; that is how McCarthy did that. He got five people to give him $100,000 each. So he went to New Hampshire with a war chest of $500,000 in 1968. In today's money, that is $2 million or more. Under today's rules, he could not begin to do that. Under today's rules, for him to raise $100,000, he would have to go to 100 different people and do that five times over. His chances of getting that done would be very slim.

So I endorse this amendment. I am happy on the occasion of campaign finance reform to finally be in agreement with my friend from Tennessee on something relating to this bill. I hope we reject all of the theoretical arguments and live in the real world where this amendment makes enormous good sense.

The ACTING PRESIDENT pro tempore. The Senator from Michigan.

Mr. LEVIN. Mr. President, I yield myself 10 minutes in opposition.

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

Mr. LEVIN. Mr. President, first, let me say I know how much Senators THOMPSON and COLLINS believe in campaign finance reform. They have been two of the real stalwarts of trying to help us get rid of the soft money loophole. So this is a disagreement in which I take no particular pleasure, to put it mildly. They have been some of the strongest supporters for campaign finance reform.

I do not agree with their amendment. The limits that are created are way too high, and it is going to create some of the same problems that the soft money loophole has created in terms of the size of the contributions that will be permitted. It will not be through unregulated money, the soft money loophole, but it will be through regulated increases in the total aggregate amounts which are simply too high to create public confidence that we are doing the right thing, that we are not selling access to ourselves for large amounts of money, that we are not accepting contributions of large amounts of money from people who have significant business before the Congress.

We are at an important moment in the Senate's consideration of this bill. It is a point where we are going to have to decide whether we are going to hold the line on real reform, which not only means eliminating the soft money loophole, which I think we are on the verge of doing, but also in terms of putting some reasonable, modest limits on contributions so we do not have aggregate contributions that are so large that the public will lose confidence in the electoral process. They could lose confidence, whether we call it soft money or hard money, if the amounts which flow into these campaigns, either directly or indirectly, are too large.

We become addicted to large sums of money. It is easier to raise a large sum of money from a few people than it is to raise a small sum of money from many people. That is how we got started on soft money. That is why it is called soft money. And that is why regulated money is called hard money.

It is hard to raise money with real limits. But now that we are close to banning soft money—hopefully—to going cold turkey on the enormous contributions that the soft money loophole has let us raise from a small number of individuals, now I am afraid we are going to be looking around for other opportunities to raise large sums of money.

It is like a smoker who wants to quit who looks under the sofa cushions for a cigarette they may have dropped 3 months ago. We are looking around for someplace to still get large contributions.

The categories for the amount of money that an individual can give to a party and the aggregate that an individual can give in any 1 year to candidates, parties, and PACs looks to be a very large pot of money. We have to resist the temptation—that is what it is properly called, at least for some of us—to raise the aggregate limits to sums which to the average American seem horrendously large.

The Thompson-Collins amendment doubles the limits for parties and the yearly aggregate, so that one individual, under the Thompson-Collins proposal, can give as much as $100,000 in a cycle. That is $50,000 a year to the parties and candidates and PACs that the individual supports. So a couple could give $200,000 over 2 years, and it can be solicited all at one time—from you, from me, from a Member of the House, from the President, the Vice President, and the political parties—because what is before us would raise the hard money limits.

It means that any of us can solicit the amounts of money which are under

that aggregate or within the aggregate. That would mean, if this amendment passes, we could call up a couple and say: Can you contribute $200,000 in this cycle to our party and to the candidates we are supporting?

It is too big an amount. It puts us in a position which I believe we should not be in, which is to be competing in this arena for large contributions, which have undermined public confidence in the electoral process.

Too often when these large contributions have been what is being solicited—in the past with soft money, the unregulated money, but now if this amendment passes up to $200,000 a cycle per couple in hard money, usually we have gotten into the sale of access, the open, blatant sale of access. Nothing hidden about that.

Just a couple of examples—one from each party because this is a bipartisan problem.

First, for a Democratic National Committee trustee, which is shown on the board before us—this is for a $50,000 contribution or raising $100,000—a contributor gets two events with the President, two annual events with the Vice President, an annual trade mission where the trustee is invited to ''join Party leadership as they travel abroad to examine current and developing political and economic [trends].'' And, by the way, this same thing was used in a Republican administration—visiting foreign dignitaries at the highest level. So this is not, again, a partisan issue. It is the sale of access for huge amounts of money. And the larger the amount of money that we permit to be solicited, the worse, it seems to me, the appearance is when access is so openly and blatantly sold for that contribution.

That is what the temptation is. There is nothing illegal about this. I think it is shocking, but it is not illegal. If we raise the hard money limits to this extent, this same kind of sale of access is going to continue for the large contribution, which I think is so totally disenchanting our constituents.

On the Republican side, I have a chart in relation to a RNC annual gala. This is for a contributor who raises $250,000. He or she gets lunch with the Republican—Senate or House—committee chairman of their choice.

I think that is wrong. I do not know how we can stop this kind of open sale of access to ourselves for large amounts of money if we are going to increase hard limits, hard money contributions to the same extent as we see on these boards, when soft money was being used at this level of contribution to tempt people to make contributions in exchange for that access.

Another invitation to a Senatorial Campaign Committee event: This one promised that large contributors would be offered ''plenty of opportunities to share [their] personal ideas and vision with'' some of the top leaders and Senators. And then this invitation read the following: Failure to attend means ''you could lose a unique chance to be included in current legislative policy debates—debates that will affect your family and your business for many years to come.''

So for a large amount of money—in the view of most Americans, an exceedingly large amount of money—people are told they can have access to people who will affect their family and their business for many years to come, and explicitly that if you do not purchase that access, for a large amount of money, you could lose a unique chance to participate in a debate which ''will affect your family and your business for many years to come.''

No American should think that because he or she cannot contribute a huge sum of money they are then going to be unable to participate in a debate which affects family and business for many years to come.

Another one: This one says: ''Trust members can expect a close working relationship with all [of the party's] Senators, top Administration officials and national leaders.''

The greater these contribution limits are, the worse, it seems to me, the appearance is of impropriety, which is what we are trying to stop.

Mr. President, I ask unanimous consent that I be yielded 1 additional minute.

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

Mr. LEVIN. Mr. President, the Supreme Court has held very explicitly, in Buckley v. Valeo, that large contribution limits can create the appearance of impropriety and that Congress has the right to stop that appearance of wrongdoing, that appearance of corruption, as the Court put it, which can be created by the solicitation of large amounts of money by people in power from constituents who have business before them. The amounts of money which we are talking about in this amendment are simply too large.

We should not be tempted. It is easier to raise money in these large amounts—we all know that—but we should not be tempted. If we are so tempted, we would be on the one hand closing the soft money loophole but on the other hand creating the same problem by lifting hard money limits to such a level that the same inappropriate appearance is created by the solicitation of contributions of this size.

I commend our friends and colleagues, Senators THOMPSON and COLLINS. They have been staunch supporters of reform. It seems awkward being on the other side from them on an amendment in this area, but I think it is a mistake to adopt this amendment. I hope we will reject it.

Mr. ROCKEFELLER. Mr. President, this morning I was unavoidably detained for longer than expected at a doctor's appointment. Because of that appointment I was not able to vote on the motion to table the first division of the Hagel amendment to the McCain-Feingold bill. My vote would not have changed the outcome on this amendment. I would have voted to table.

● Mr. BAUCUS. Mr. President, my responsibilities to the people of the State of Montana require that I be in Montana during the President's visit to my State. However, because campaign finance reform is such an important issue, I would like to submit this statement on how I would have voted on the following had I been present in the Senate today.

On the Hollings constitutional amendment. I voted for this amendment in the 105th Congress, and I would have voted for it again in the 107th. This amendment would ensure that Congress had the ability to combat the influence of money on the voting process.

On the Wellstone amendment, I would have voted for this amendment. I think it is a step in the right direction because it does not single out one group and reduce its ability to communicate with the voters. This amendment will create a more level playing field with regards to issue advertisements.●

MORNING BUSINESS

Mr. THOMPSON. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 10 minutes each.

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

Mr. HARKIN. Mr. President, I applaud today's release of the Surgeon General's report, ''Women and Smoking.'' It provides us with important information and recommendations to support our efforts to reduce smoking among women and prevent girls from starting the deadly habit. The results are disturbing and make it clear that we have a responsibility to combat the epidemic of smoking and tobacco-related diseases among women in the United States and around the world.

What the report makes clear is that we have been witness to an unprecedented tobacco industry marketing campaign targeted towards young women and girls. The consequences of this marketing campaign are staggering. From 1991 to 1999, smoking among high school girls increased from 27 to 34.9 percent. Since 1968, when Philip Morris introduced Virginia Slims, the rate of lung cancer deaths in women has skyrocketed. In fact, lung cancer has surpassed breast cancer as the leading cause of cancer death in the United States, accounting for 25 percent of all cancer deaths among women.

I am pleased that Secretary Thompson was able to join Dr. Satcher this morning to release the Surgeon General's report. I hope his presence signals the Bush administration's willingness to aggressively pursue policies and legislation to combat tobacco use among our children.

In particular, the report demonstrates the need for meaningful regulation of tobacco products by the Food and Drug Administration. Today, tobacco companies are exempt from the most basic health and safety oversight of their products. Consumers know more about what is in their breakfast cereal that what is in their cigarettes. Tobacco companies are not required to test additives for safety or tell consumers what is in their products. Nothing prevents them from making misleading or inaccurate health claims about their products.

This lack of regulation impacts women as tobacco companies aggressively target young girls through marketing campaigns linking smoking to weight loss and women's rights and progress. For example, one of the most famous ads directed at women was Lucky Strike's ''Reach for a Lucky Instead of a Sweet.'' A recent Virginia Slims' ad campaign told women that smoking could help them ''Find Your Voice.'' As the father of two daughters, I find it unacceptable that young girls are relentlessly barraged with slick marketing campaigns encouraging them to take up a deadly—and illegal—habit.

Also, recognizing that many women are concerned about the long term health risks of smoking, tobacco companies have been promoting ''low tar'' or ''light'' cigarettes to women as a ''safer'' option. Big Tobacco is well aware that the health claims in their ads are either misleading or entirely false. But it works. Currently 60 percent of women smokers use light and ultra light cigarettes.

These are just some of the reasons I, along with Senators LINCOLN CHAFEE and BOB GRAHAM, introduced the first bipartisan tobacco legislation in this Congress, the KIDS Deserve Freedom from Tobacco Act. Our bill would grant the FDA full authority to regulate the manufacture, distribution, marketing, and sale of tobacco products to protect our children from the dangers of tobacco use.

The results of the Surgeon General's report demonstrate the need for FDA authority over tobacco products. Today, I call upon Secretary Thompson to make a commitment to the young girls and women of this country: that the Bush administration will make passing legislation giving the FDA strong, meaningful regulatory authority over tobacco products a top priority.

NATIONAL WOMEN'S HISTORY MONTH

Mr. DURBIN. Mr. President, as we celebrate National Women's History month, I pay tribute to the countless contributions made by women, past and present, those heralded and those unknown to most, who have advanced the rights of women and enriched our Nation's history.

The month of March has been designated as National Women's History Month to illuminate the tremendous accomplishments of women throughout history. I salute my colleagues, Senator BARBARA MIKULSKI and Senator ORRIN HATCH for cosponsoring legislation over two decades ago declaring National Women's History Week. The celebration of women's history has since been expanded into a month long tribute to commemorate the many contributions of women.

This year's national theme, ''Celebrating Women of Courage and Vision,'' seeks to spark interest in the many remarkable stories of women's achievements in our schools and communities. We must strive to present history accurately, and in its entirety. History is not a womanless story and it should not be presented as such to our youth. It is imperative that we share the rich stories of women's struggles and achievements with all our children, but especially with our girls. With the benefit of strong female figures as role models, young women will have a fuller vision of what is possible in their lives.

The advancement of women in the last century has been nothing short of remarkable. At the beginning of the last century, women generally did not have the right to vote or own property. They could not hold most occupations, participate in the armed forces, or aspire to political office. But as long ago as 1872, a little known milestone in the fight for women's equality was achieved by the courageous actions of an Illinois woman.

Ellen Martin of Lombard, IL, understood her lack of legal entitlements in the late 1800s, but had the vision, the wits, and the determination to transcend the barriers around her. In the Presidential election of 1872, almost 50 years prior to the passage of the 19th Amendment, Martin and fourteen other Lombard women marched to the polls and demanded their right to vote. At the time, Lombard, Il, was governed by its local charter of incorporation, which inadvertently stated that ''all citizens'' rather than ''all male citizens'' had the right to vote.

Armed with a law book and her spectacles, Martin asserted her ''citizenship'' and demanded a ballot. Allegedly, the election judges were so shocked by the demand that one gentleman actually ''fell backward into a flour barrel.'' Ironically reminiscent of this year's unusual election, the votes of those 15 courageous women were extensively debated in the courts. But eventually, those 15 votes became the first women's votes ever to be counted in Illinois in an American Presidential election.

Ellen Martin refused to be held down by the social and political mores of the day. She had the courage to challenge and conquer the barriers that attempted to restrict her. And for her efforts, she won a small but important victory. Of course, it was not until 1920 that women's fundamental right to vote was expressly protected by the Constitution in the 19th Amendment. I am proud to say that Illinois was the first State in the Union to ratify that long overdue amendment, guaranteeing women a voice in the political arena.

There are many little known milestones, similar to the story of Ellen Martin's courage, which reveal the heroism of women throughout our history. These stories are important and they are powerful, but they can have little impact if they are not shared. Sadly, only 3 percent of our educational materials focus on women's contributions. Legislators in Illinois have recognized the need for the appreciation of the historical contributions of women and have mandated the teaching of women's history in K–12 classes. Only by recognizing the authentic contributions of women will educators be truly faithful to our national heritage.

Today, women play a central role in the Nation's political and economic arenas. I am privileged to work with 13 women Senators who provide powerful examples to young women across the Nation. At the State level, women currently hold 27.6 percent of the statewide executive offices across the country and 22.4 percent of State legislative positions. As Susan B. Anthony pointed out in 1897: ''There never will be complete equality until women themselves help to make laws.'' Women's representation in politics is not yet equal, but their increasing prominence signals a step in the right direction.

Today, women participate in our economy in record numbers, both in the workforce and as business leaders. Women own more than 9 million small businesses across the Nation, representing 38 percent of all small businesses nationwide. In Illinois, women own more than 250,000 firms. With their comprehensive participation, it is beyond dispute that women are vital to sustaining and improving our Nation's economy.

However, despite their strong presence in the workforce, women continue to earn less than men in this country. For every dollar a man earns, women on average earn only 73 cents. In Illinois, the wage gap is even larger: For every dollar earned by a man a woman earns only 69 cents. This wage gap persists despite the passage of the Equal Pay Act over three decades ago. Although the gap continues to shrink, the progress is painfully slow, shrinking by a rate of less than a half a penny a year. In order to facilitate the closure of this gap, I urge my colleagues to consider Senator DASCHLE's Paycheck Fairness Act, S. 77, of which I am a cosponsor. That bill would strengthen the enforcement mechanisms of the Equal Pay Act as well as recognize employer efforts to pay wages to women that reflect the real value of their contributions. The wage disparities between men and women have endured for far too long. We must approach the problem pro-actively and demand results.

The dedication of March as Women's History Month provides an excellent

opportunity to celebrate the many contributions of women that have shaped our history as well as the powerful influence that women continue to exert not only as business leaders and politicians, but also as mothers, teachers, neighbors and vital members of the community. But as we ''Celebrate Women of Courage and Vision,'' let us not forget the battles that lie ahead for women as they continue to struggle for full equality. As Alice Paul, a female attorney in the early 1900s, eloquently noted: ''Most reforms, most problems are complicated. But to me there is nothing complicated about ordinary equality.'' Let us allow the simple principle of equality to guide us, as we strive to make history in further advancing the rights of women.

SMALL BUSINESS ENERGY EMERGENCY RELIEF ACT

Mr. KOHL. Mr. President, yesterday the Senate approved S. 295, the Small Business Energy Emergency Relief Act of 2001. This bill will provide needed assistance to small businesses and farmers that have suffered direct and substantial economic injury caused by significant increases in the prices of heating oil, propane, kerosene, or natural gas.

Specifically, I would like to thank the Chairman and Ranking Member of the Small Business Committee, Senator KIT BOND and Senator JOHN KERRY, for their willingness to include an amendment sponsored by Senator HARKIN and me. This amendment will help farmers offset the surging costs of fuel. Farmers in my state and throughout the country have been negatively impacted as a result of high energy prices on farm income, due not only to the costs for fuel farmers need to run their equipment but also the increases in costs for fertilizer, which is made from natural gas.

Earlier this year, the spot price for natural gas had increased 400 percent from the year before. The Department of Energy is predicting that natural gas rates this winter will be at least double last year's levels. The most recognizable impact of this price spike has been on heating costs. However, many in the agriculture community are concerned with the impact of these spiraling costs on agricultural producers, since natural gas is the major component of nitrogen.

I am pleased that the Chairman and Ranking Member of the Small Business Committee agreed to include the Farm Energy Relief Act to allow the Secretary of Agriculture to declare a disaster area in counties where a sharp and significant increase in the price of fuel and fertilizer has caused farmers economic injury and created the need for financial assistance. That determination would allow farmers to be eligible for USDA's emergency disaster loans for losses arising from energy price spikes. I believe this amendment will provide much-needed relief to many of our producers who are also facing depressed prices for their commodities.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, March 26, 2001, the Federal debt stood at $5,733,895,076,837.79, Five trillion, seven hundred thirty-three billion, eight hundred ninety-five million, seventy-six thousand, eight hundred thirty-seven dollars and seventy-nine cents.

Five years ago, March 26, 1996, the Federal debt stood at $5,066,588,000,000, Five trillion, sixty-six billion, five hundred eighty-eight million.

Ten years ago, March 26, 1991, the Federal debt stood at $3,452,738,000,000, Three trillion, four hundred fifty-two billion, seven hundred thirty-eight million.

Fifteen years ago, March 26, 1986, the Federal debt stood at $1,982,440,000,000, One trillion, nine hundred eighty-two billion, four hundred forty million.

Twenty-five years ago, March 26, 1976, the Federal debt stood at $600,274,000,000, Six hundred billion, two hundred seventy-four million, which reflects a debt increase of more than $5 trillion, $5,133,621,076,837.79, Five trillion, one hundred thirty-three billion, six hundred twenty-one million, seventy-six thousand, eight hundred thirty-seven dollars and seventy-nine cents, during the past 25 years.

ADDITIONAL STATEMENTS

LIEUTENANT COLONEL MICHAEL DAVID

● Mr. CHAFEE. Mr. President, it is my great privilege to pay tribute to a Rhode Islander, Lieutenant Colonel Michael David, who will soon complete 23 years of distinguished service to our Nation.

As friends and colleagues gather to honor Lieutenant Colonel David's retirement from the U.S. Air Force, I would also like to extend to him my heartiest congratulations. Indeed, the State of Rhode Island is very proud and fortunate to have had a native of Warwick, RI represent us so well. I join with all Rhode Islanders in expressing thanks to Lieutenant Colonel David for the wonderful job he has done.

A graduate of the U.S. Air Force Academy, Lieutenant Colonel David has shared his expertise as he trained service men and women to fly the T–38 and C–141 aircraft at Air Force bases across our land; he has served as a T–38 Instructor Pilot, a C–141 Instructor and Evaluator Pilot. In addition, he has flown and led many world-wide airlift and formation airdrop missions. At present, he is charged with aiding the Pentagon's top brass in leading the Armed Forces into the 21st century, equipping our military to meet the challenges of the 21st century.

Along the way, Lieutenant Colonel David has been awarded numerous decorations including: Meritorious Service Medal, 2nd OLC, Aerial Achievement Medal, Air Force Commendation Medal, Air Force Achievement Medal, Combat Readiness Medal, Armed Forces Expeditionary Medal, National Defense Service Medal, Southwest Asia Service Medal, Small Arms Expert Pistol Ribbon, Air Force Legacy Service Award, Air Force Training Ribbon, Joint Meritorious Unit Award and the Air Force Outstanding Unit Award. Lieutenant Colonel David currently has the Defense Superior Service Medal pending approval by the Chairman, Joint Chiefs of Staff.

That is an impressive list! Out hats are off to Lieutenant Colonel David for these tremendous accomplishments.

Yet, we all know it is the military family that also deserves the recognition and congratulations for the years of travel, leaving family and friends, and for their tireless energy and support of the United States Armed Forces. For their outstanding dedication, I wish to commend and congratulate Lieutenant Colonel David's wife, the former Bernadette Louise Brennan, of Providence, and his two daughters, Ashley Nicole David and Stephanie Michelle David.

In closing, I am pleased to offer my very best wishes to Lieutenant Colonel David for happiness and fulfillment in his new endeavors. His contributions certainly will be remembered for generations to come.●

IN HONOR OF COMMUNITY FOOD RESOURCE CENTER

● Mr. LEAHY. Mr. President, it is my honor and pleasure to inform my fellow Senators that this year marks the 21st anniversary of Community Food Resource Center, a New York City organization that has been a leader in the fight for improved nutrition and economic well-being for all Americans.

CFRC's first project in 1980 was a school breakfast campaign. Since then, CFRC has been instrumental in shaping and promoting child nutrition programs. Because of CFRC's efforts, for example, New York City became the first major city to implement universal school meals on a large scale.

I became familiar with CFRC because of my work on the Senate Agriculture, Nutrition, and Forestry Committee. I have come to admire and respect the organization and its dedicated staff, and I feel honored to have had the chance to work with them. Whatever the issue, I can always count on CFRC to focus on the needs of those whose voices are rarely heard in the Capitol.

I would like to highlight just a few of CFRC's many innovative programs. Its Community Kitchen of West Harlem provides meals to more than 600 people nightly. Its CookShop program encourages schoolchildren to eat more fruits and vegetables. Its senior dinner programs use school cafeterias after hours

to provide nutritious meals, social activities and an intergenerational program.

CFRC is also a leading advocate for government policies assisting low-income individuals and families. At a time when Food Stamp participation is declining nationwide, CFRC's Food Force project sends outreach workers with laptop computers to community-based sites to pre-screen thousands of needy New Yorkers. With TANF reauthorization approaching, CFRC's Welfare Made A Difference National Campaign is challenging the stereotypes that led to passage of the 1996 welfare law.

CFRC is not only committed to making a difference, it is also effective. Each year, tens of thousands of New Yorkers benefit from CFRC's programs, and its advocacy has made a difference to millions of Americans. I hope that 21 years from now, this country no longer needs groups like CFRC. But if there are still those among us who are poor or hungry, I hope that CFRC is still here keeping their needs in the national conscience.●

GREEK INDEPENDENCE DAY

● Mr. DURBIN. Mr. President, the annual celebration of Greek Independence Day that took place on Sunday, March 25 commemorated the independence of Greece after 400 years of oppression under the Ottoman Empire. The pages of our history books are filled with contributions that the Greeks have made to society. Our system of government, our literature, philosophy, religion, and mathematics all have their roots in Greek tradition. With the founding of the Olympic Games, the Greek people taught us that there is more to be gained through peaceful competition than armed conflict.

Perhaps the greatest contribution that the Greek people have made is a simple yet powerful idea that first conceived over 2,000 years ago. It is the idea that citizens possessed the power to determine the course of a nation. The Athenian republic was the world's first democratic state, a fact respected by all free states today.

The bonds that join the United States and Greece extend back to the founding of our country. When drafting our Constitution, our forefathers recognized the idealism and spirit of ancient Greece. Inspired by our own struggle for independence, Greece followed forty-five years later with its own struggle for independence. By celebrating this day, we pay tribute to those Greek men and women who have made the ultimate sacrifice in defense of the common cause of freedom. The United States has been able to proudly call Greece an ally in every major international conflict of the last century.

Those Americans that claim Greek heritage can be proud of the contributions made by their ancestors. The many Greek sons and daughters who have come to the United States have served honorably in all walks of American life. Greek culture continues to flourish in American cities, thus contributing to the rich ethnic diversity of our country. It is with great honor that I commemorate the celebration of Greek independence. I look forward to the continuing cooperation and lasting friendship between the United States and Greece.●

DR. JOHN R. ARMSTRONG AND THE JOHN R. ARMSTRONG PERFORMING ARTS CENTER

● Mr. LEVIN. Mr. President, I rise to congratulate the L'Anse Creuse Public Schools and their Superintendent, Dr. John R. Armstrong, for the opening and dedication of their beautiful new 999 seat auditorium. The L'Anse Creuse Public Schools have appropriately chosen to name this state of the art facility the John R. Armstrong Performing Arts Center in recognition for all Dr. Armstrong has done to support the arts, not only as the current Superintendent of the L'Anse Creuse Public Schools in Harrison Township, Michigan, but also as a teacher and principal.

Dr. John R. Armstrong has served his community, state, and country in countless ways. Since graduating from Bowling Green University thirty-four years ago, he has been a dedicated teacher and administrator in the L'Anse Creuse Public Schools. However, Doctor Armstrong's passion for education and youth has led him to take an active role not just in the school system, but in his community. He has held leadership positions in many civic organizations and institutions that seek to advance educational causes such as Director of the Kellogg Math/Science Grant Program at Selfridge Air National Guard Base. In addition, Dr. Armstrong has been a board member of the Mt. Clemens YMCA, the Mt. Clemens Art Center, the Macomb Literacy Project and the Traffic Safety Association of Macomb County.

Dr. Armstrong has worked extensively to increase funding for his school district. He has presided over several capital campaigns and bond proposals that have allowed this growing school district to provide an environment in which learning can flourish. While Dr. Armstrong has been superintendent, student achievement has soared, as evidenced by the fact that student's in his school district have improved their test scores on the Michigan Education Assessment Program, the PSAT, SAT and ACT at a rate that has exceeded the county, state and national averages.

Just as importantly, Dr. Armstrong has worked to promote life-long learning opportunities that realize that education should not be confined within classroom walls. To that end, he has fostered cross-cultural exchanges, a cooperative art and design program with General Motors and a dialogue on issues between students and senior citizens. In addition to supporting life-long learning for others, Dr. Armstrong has led by example. Since coming to the L'Anse Creuse School District, he has earned several teacher certificates, a master's degree and a doctorate in education.

The L'Anse Creuse School District can take pride in the opening of their new auditorium, and Dr. Armstrong can take pride in his long and honorable service to the students of not only the school district but of all Michigan. I hope my colleagues will join me in saluting both the L'anse Creuse School District and Dr. John R. Armstrong for their contributions to their community and the State of Michigan.●

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session the Presiding Officer laid before the Senate a message from the President of the United States submitting a nomination which was referred to the Committee on Foreign Relations.

(The nomination received today is printed at the end of the Senate proceedings.)

REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING COVERING CALENDAR YEAR 2000 MESSAGE FROM THE PRESIDENT—PM 14

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation.

To the Congress of the United States:

Pursuant to section 19(3) of the Public Telecommunications Act of 1992 (Public Law 102–356), I transmit herewith the report of the Corporation for Public Broadcasting covering calendar year 2000.

GEORGE W. BUSH.

THE WHITE HOUSE, *March 27, 2001.*

REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO THE NATIONAL UNION FOR THE TOTAL INDEPENDENCE OF ANGOLA—MESSAGE FROM THE PRESIDENT—PM 15

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to the National Union for the Total Independence of Angola (UNITA) that was declared in Executive Order 12865 of September 26, 1993.

GEORGE W. BUSH.
THE WHITE HOUSE, *March 27, 2001.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1165. A communication from the Chairman and Chief Executive Officer, Farm Credit Administration, transmitting, pursuant to law, the report of a rule entitled ''Organization; Funding and Fiscal Affairs, Loan Policies and Operations, and Funding Operations; Stock Issuances'' (RIN3052–AB91) received on March 22, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1166. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Changes in Flood Elevation Determinations'' (Docket No. FEMA–B–7409) received on March 16, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–1167. A communication from the Assistant Secretary for Budget and Programs, Office of the Secretary of Transportation, transmitting, pursuant to law, the report on the Fair Act Commercial Activities Inventory for 2000; to the Committee on Governmental Affairs.

EC–1168. A communication from the Assistant Director for Legislative Affairs, Equal Employment Opportunity Commission, transmitting, pursuant to law, the Commission's report under the Government in the Sunshine Act for calendar year 2000; to the Committee on Governmental Affairs.

EC–1169. A communication from the Executive Director of the Committee for Purchase from People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report of additions to the procurement list received on February 16, 2001; to the Committee on Governmental Affairs.

EC–1170. A communication from the Executive Director of the District of Columbia Financial Responsibility and Management Assistance Authority, transmitting, pursuant to law, a report relative to the District of Columbia for Fiscal Year 2000; to the Committee on Governmental Affairs.

EC–1171. A communication from the Director of Regulations Policy and Management, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Medical Devices; Reclassification of the Shoulder Joint Metal/Polymer/Metal Nonconstrained or Semi-Constrained Porous-Coated Uncemented Prosthesis'' (Docket No. 97P–0354) received on March 16, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–1172. A communication from the Director of Regulations Policy and Management, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Clinical Chemistry and Clinical Toxicology Devices; Classification of B-Type Natriuretic Peptide Test System'' (Docket No. 00P–1675) received on March 16, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–1173. A communication from the Acting Assistant Secretary of Health Affairs, Department of Defense, transmitting, pursuant to law, a delay of the report on the plan to provide chiropractic health care services and benefits for member of the Uniformed Services; to the Committee on Armed Services.

EC–1174. A communication from the Secretary of Defense, transmitting, a delay of the annual report concerning cost savings resulting from workforce reductions for Fiscal Year 2000; to the Committee on Armed Services.

EC–1175. A communication from the Principal Deputy Under Secretary of Defense, Acquisition and Technology, Department of Defense, transmitting, pursuant to law, a report entitled ''Use of Employees of Non-Federal Entities to Provide Services to the Department of Defense''; to the Committee on Armed Services.

EC–1176. A communication from the Principal Deputy Under Secretary of Defense, Acquisition and Technology, Department of Defense, transmitting, pursuant to law, the report on restructuring costs associated with business combinations for calendar year 2000; to the Committee on Armed Services.

EC–1177. A communication from the Deputy Assistant Secretary of Budget and Finance, Department of the Interior, transmitting, pursuant to law, the annual report concerning the Outer Continental Shelf Lease Sales: Evaluation of Bidding Results for Fiscal Year 2000; to the Committee on Energy and Natural Resources.

EC–1178. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans and Part 70 Operating Permits Program; State of Missouri'' (FRL6956–9) received on March 16, 2001; to the Committee on Environment and Public Works.

EC–1179. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''National Emission Standards for Hazardous Air Pollutants for Ferroalloys Production: Ferromanganese and Silicomanganes'' (FRL6955–8) received on March 16, 2001; to the Committee on Environment and Public Works.

EC–1180. A communication from the Deputy Executive Secretary of the Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Interim Final Rules for Nondiscrimination in Health Coverage in the Group Market'' (RIN0938–AI08) received on March 14, 2001; to the Committee on Finance.

EC–1181. A communication from the Deputy Executive Secretary of the Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Medicare Program; Expanded Coverage for Outpatient Diabetes Self-Management Training and Diabetes Outcome Measurement'' (RIN0938–AI96) received on March 14, 2001; to the Committee on Finance.

EC–1182. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report of the Visiting Committee on Advanced Technology of the National Institute of Standards and Technology (NIST) for 2000; to the Committee on Commerce, Science, and Transportation.

EC–1183. A communication from the Acting Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the annual report on Northeast Multispecies Harvest Capacity and Impact of Northeast Fishing Capacity Reduction for Fiscal Year 1999; to the Committee on Commerce, Science, and Transportation.

EC–1184. A communication from the Acting Assistant Administrator of the National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Coastal Zone Management Act Federal Consistency Regulations'' (RIN0648–AM88) received on February 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1185. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska-Pollock Closure in the Statistical Area 610, Gulf of Alaska'' received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1186. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Zone Off Alaska-Pollock Closure in the Statistical Area 630 Outside the Shelikof Strait, Gulf of Alaska'' received on March 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1187. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Zone Off Alaska-Pollock Closure in the West Yakutat District, Gulf of Alaska'' received on March 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1188. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Pacific Halibut Fisheries; Catch Sharing Plans'' (RIN0648–AO80) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1189. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Changes in Flood Elevation Determinations'' (Docket No. FEMA–B–7409) received on March 19, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–1190. A communication from the Acting Assistant Secretary for Communications and Information, Department of Commerce, transmitting, pursuant to law, a report relating to the development of electronic commerce and associated technology; to the Committee on the Judiciary.

EC–1191. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Coniothyrium Minitans Strain CON/M/91–08; Exemption from the Requirement of a Tolerance'' (FRL6772–1) received on March 23, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1192. A communication from the Deputy Executive Secretary to the Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Medicaid Program; Change in Application of Federal Financial Participation Limits: Delay of Effective Date'' (RIN0938–AK22) received on March 19, 2001; to the Committee on Finance.

EC–1193. A communication from the Deputy Executive Secretary to the Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Medicare Program; Payment for Nursing and Allied Health Education: Delay of Effective Date'' (RIN0938–AE79) received on March 19, 2001; to the Committee on Finance.

EC–1194. A communication from the Chief of the Regulations Unit, United States Customs Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Amended Procedure for Refunds of Harbor Maintenance Fees Paid on Exports of Merchandise'' (RIN1515–AC82) received on March 23, 2001; to the Committee on Finance.

EC–1195. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report from the Office of Surface Mining for 2000; to the Committee on Energy and Natural Resources.

EC–1196. A communication from the Assistant General Counsel for Regulatory Law, Office of Policy, Department of Energy, transmitting, pursuant to law, the report of a rule entitled ''Department of Energy Cooperative Research and Development Agreements'' (DOE O 483.1 and DOE M 483.1) received on March 23, 2001; to the Committee on Energy and Natural Resources.

EC–1197. A communication from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting, pursuant to law, the report of a rule entitled ''Aviation'' (DOE O 440.2) received on March 23, 2001; to the Committee on Energy and Natural Resources.

EC–1198. A communication from the Acting Deputy Assistant Administrator, Bureau for Legislative and Public Affairs, United States Agency for International Development, transmitting, pursuant to law, a report concerning Egypt's economic achievements and challenges from 1999 through 2000; to the Committee on Foreign Relations.

EC–1199. A communication from the Acting Assistant Secretary of Legislative Affairs, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or services under a contract in the amount of $50,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–1200. A communication from the Acting Assistant Secretary of Legislative Affairs, Department of State, transmitting, the annual report concerning the United States Government Assistance to and Cooperative Activities with the New Independent States of the Former Soviet Union for Fiscal Year 2000; to the Committee on Foreign Relations.

EC–1201. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, the report of the texts and background statements of international agreements, other than treaties; to the Committee on Foreign Relations.

EC–1202. A communication from the Principal Deputy Under Secretary of Defense, Acquisition and Technology, transmitting, pursuant to law, the report on the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001; to the Committee on Armed Services.

EC–1203. A communication from the Principal Deputy Under Secretary of Defense, Acquisition and Technology, transmitting, pursuant to law, the annual report on Contingent Liabilities Under Chapter 443 Aviation Insurance Program; to the Committee on Armed Services.

EC–1204. A communication from the Principal Deputy Under Secretary of Defense, Acquisition and Technology, transmitting, pursuant to law, a report concerning the science and technology program for Fiscal Year 2001; to the Committee on Armed Services.

EC–1205. A communication from the Acting Assistant Secretary of Defense, Reserve Affairs, transmitting, pursuant to law, a report on the Angel Gate Academy Program; to the Committee on Armed Services.

EC–1206. A communication from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting, pursuant to law, the report of a rule entitled ''Facility Safety'' (DOE O 420.1) received on March 23, 2001; to the Committee on Armed Services.

EC–1207. A communication from the Director of Policy Directives and Instructions Branch, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, the report of a rule entitled ''Adjustment of Status to That Person for Permanent Residence; Temporary Removal of Certain Restrictions of Eligibility'' (RIN 1115–AF91) received on March 26, 2001; to the Committee on the Judiciary.

EC–1208. A communication from the Deputy Assistant Secretary of Indian Affairs, Division of Transportation, Department of the Interior , transmitting, pursuant to law, the report of a rule entitled ''Distribution of Fiscal Year 2001 Indian Reservation Road Funds'' (RIN1076–AE13) received on March 26, 2001; to the Committee on Indian Affairs.

EC–1209. A communication from the Acting Assistant Secretary of Legislative Affairs, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed Technical Assistance Agreement with Israel; to the Committee on Foreign Relations.

EC–1210. A communication from the Acting Assistant Secretary of Legislative Affairs, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or services under a contract in the amount of $50,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–1211. A communication from the Acting Assistant Secretary of Legislative Affairs, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed Manufacturing License Agreement with the United Kingdom; to the Committee on Foreign Relations.

EC–1212. A communication from the Acting Assistant Secretary of Legislative Affairs, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or services under a contract in the amount of $50,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–1213. A communication from the Acting Assistant Secretary of Legislative Affairs, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or services under a contract in the amount of $50,000,000 or more to Canada; to the Committee on Foreign Relations.

EC–1214. A communication from the Acting Assistant Secretary of Legislative Affairs, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or services under a contract in the amount of $50,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–1215. A communication from the Acting Assistant Secretary of Legislative Affairs, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or services under a contract in the amount of $50,000,000 or more to Belgium; to the Committee on Foreign Relations.

EC–1216. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Farmland Industries, Inc. v. Commissioner'' received on March 26, 2001; to the Committee on Finance.

EC–1217. A communication from the Program Manager of the Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''The Registration Period for the USAS–12, Striker-12, and Streetweeper Shotguns Will Close on May 1, 2001'' (ATF Rul. 2001–1) received on March 26, 2001; to the Committee on Finance.

EC–1218. A communication from the Chief of the Regulations Branch, United States Customs Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Assessment of Liquidated Damages Regarding Imported Merchandise That Is Not Admissible Under the Food, Drug and Cosmetic Act'' (RIN1515–AC45) received on March 23, 2001; to the Committee on Finance.

EC–1219. A communication from the General Counsel, Office of Management and Budget, transmitting, pursuant to law, a report relative to the vacancy of the position of Administrator, Office of Information and Regulatory Affairs, Office of Management and Budget, the designation of an Acting Administrator, and the nomination of Jahn Graham to be Administrator; to the Committee on Governmental Affairs.

EC–1220. A communication from the General Counsel, Office of Management and Budget, transmitting, pursuant to law, a report relative to the confirmation of Sean O'Keefe to be Deputy Director of the Office of Management and Budget; to the Committee on Governmental Affairs.

EC–1221. A communication from the General Counsel, Office of Management and Budget, transmitting, pursuant to law, a report relative to the confirmation of Mitchell Daniels to be the Director of the Office of Management and Budget; to the Committee on Governmental Affairs.

EC–1222. A communication from the General Counsel, Office of Management and Budget, transmitting, pursuant to law, a report relative to the vacancy of the position of Deputy Director for Management, Office of Management and Budget; to the Committee on Governmental Affairs.

EC–1223. A communication from the General Counsel, Office of Management and Budget, transmitting, pursuant to law, a report relative to the vacancy of the position of Controller, Office of Management and Budget, Office of Federal Financial Management; to the Committee on Governmental Affairs.

EC–1224. A communication from the Secretary of Transportation, transmitting, pursuant to law, the report of the Office of Inspector General for the period April 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC–1225. A communication from the Chief Financial Officer, Export-Import Bank of the United States, transmitting, pursuant to law, the annual report of the Office of Inspector General for Fiscal Year 2000; to the Committee on Governmental Affairs.

EC–1226. A communication from the Executive Director of the Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report of additions to the procurement list received on March 14, 2001; to the Committee on Governmental Affairs.

EC–1227. A communication from the District of Columbia Auditor, transmitting, a report entitled ''Analysis of the First Quarter Cash Collections Against the Revised Fiscal Year 2001 Revenue Estimate''; to the Committee on Governmental Affairs.

EC–1228. A communication from the Managing Director of the National Transportation Safety Board, transmitting, pursuant

to law, the report under the Federal Activities Reform Act of 1998 for 1999; to the Committee on Governmental Affairs.

EC–1229. A communication from the Acting Administrator and Chief Executive Officer of the Bonneville Power Administration, Department of Energy, transmitting, pursuant to law, the annual report on the system of internal accounting controls and financial controls for 2000; to the Committee on Governmental Affairs.

EC–1230. A communication from the Chairman of the Federal Maritime Commission, transmitting, pursuant to law, the Annual Program Performance Report for Fiscal Year 2000; to the Committee on Governmental Affairs.

EC–1231. A communication from the Acting Director of the Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled ''Corrections of Retirement Coverage Errors Under the Federal Erroneous Retirement Coverage Corrections Act'' (RIN3206–AJ38) received on March 19, 2001; to the Committee on Governmental Affairs.

EC–1232. A communication from the Deputy Under Secretary of Defense, Science and Technology, Office of the Director of Defense Research and Engineering, transmitting, pursuant to law, the Annual Report of the Strategic Environmental Research and Development Program for Fiscal Year 2000; to the Committee on Armed Services.

EC–1233. A communication from the Principal Deputy Under Secretary of Defense, Acquisition and Technology, transmitting, pursuant to law, the Annual Report on Reimbursement of Contractor Environmental Response Action Costs for Fiscal Year 2000; to the Committee on Environment and Public Works.

EC–1234. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, the Monthly Status Report on Licensing Activities and Regulatory Duties dated January 2001; to the Committee on Environment and Public Works.

EC–1235. A communication from the Acting Secretary of the Army, Department of Defense, transmitting, pursuant to law, the implementation of a project for shoreline protection and ecosystem restoration for the Delaware Bay Coastline at Reeds Beach and Pierces Point, New Jersey; to the Committee on Environment and Public Works.

EC–1236. A communication from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting, pursuant to law, the report of a rule entitled ''Startup and Restart of Nuclear Facilities'' (DOE O 425.1B) received on March 23, 2001; to the Committee on Environment and Public Works.

EC–1237. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Connecticut; Approval of Several NO_X Emission Trading Orders as Single Source SIP Revisions'' (FRL6942–6) received on March 23, 2001; to the Committee on Environment and Public Works.

EC–1238. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''New Stationary Sources; Supplemental Delegation of Authority to the State of South Carolina'' (FRL6956–1) received on March 23, 2001; to the Committee on Environment and Public Works.

EC–1239. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Revision to the California State Implementation Plan, Bay Area Air Quality Management District'' (FRL6954–9) received on March 26, 2001; to the Committee on Environment and Public Works.

EC–1240. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, a report entitled ''EPA Permit Guidance Document, Transportation Equipment Cleaning Point Source Category''; to the Committee on Environment and Public Works.

EC–1241. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, a report entitled ''Financial Management Requirements for U.S. Environmental Protection Agency Region 2 Assistance Agreement Recipients''; to the Committee on Environment and Public Works.

EC–1242. A communication from the General Counsel of the Consumer Product Safety Commission, transmitting, pursuant to law, the report of a rule entitled ''Dive Stick Final Rule'' (RIN3041–AB82) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1243. A communication from the Deputy Assistant Administrator of the National Ocean Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Coastal Ocean Program: Funding Announcement for the Global Ocean Ecosystems Dynamics Project'' (RIN0648–ZA77) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1244. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Atlantic Highly Migratory Species Fisheries; Commercial Shark Management Measures: Emergency Rule; Request for Comments'' (RIN0648–AO85) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1245. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska-Closes A Season Pollock Fishing by Mothership Component Processing in the Stellar Sea Lion Conservation Area of the Bering Sea and Aleutian Islands Management Area'' received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1246. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Financial Assistance for Research and Development Projects to Strengthen and Develop the U.S. Fishing Industry: Notice of Solicitation for Applications'' (RIN0648–ZA09) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1247. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations (La Crosse, Wisconsin)'' (Docket No. 00–236) received on March 23, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1248. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations (Orono, Maine)'' (Docket No. 00–243) received on March 23, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1249. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations (Weston, West Virginia)'' (Docket No. 00–242) received on March 23, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1250. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations (New Orleans, Louisiana)'' (Docket No. 00–188) received on March 23, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1251. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations (Lead, South Dakota)'' (Docket No. 00–235) received on March 23, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1252. A communication from the Chief of the Office of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Regatta Regulations: (Including 3 Regulations)'' ((RIN2115–AE46)(2001–0004)) received on March 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1253. A communication from the Chief of the Office of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations (Including 3 Regulations)'' ((RIN2115–AE47)(2001–0024)) received on March 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1254. A communication from the Chief of the Office of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety/Security Zone Regulations (Including 49 Regulations)'' ((RIN2115–AA97)(2001–0005)) received on March 26, 2001; to the Committee on Commerce, Science, and Transportation.

EXECUTIVE REPORT OF COMMITTEE

The following executive report of committee was submitted:

By Mr. HELMS for the Committee on Foreign Relations.

Grant S. Green, Jr., of Virginia, to be an Under Secretary of State (Management).

(The above nomination was reported with the recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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. HAGEL (for himself, Mr. BINGAMAN, Mr. LUGAR, and Mr. LIEBERMAN):

S. 621. A bill to authorize the American Friends of the Czech Republic to establish a memorial to honor Tomas G. Masaryk in the District of Columbia; to the Committee on Rules and Administration.

By Mr. DURBIN (for himself, Mr. BROWNBACK, Mr. GRAHAM, and Mr. BINGAMAN):

S. 622. A bill to amend titles V, XVIII, and XIX of the Social Security Act to promote tobacco cessation under the medicare program, the medicaid program, and maternal and child health services block grant program; to the Committee on Finance.

By Mr. ROCKEFELLER (for himself, Mr. DASCHLE, Mr. KENNEDY, and Mr. SARBANES):

S. 623. A bill to amend title XVIII of the Social Security Act and the Employee Retirement Income Security Act of 1974 to improve access to health insurance and Medicare benefits for individuals ages 55 to 65, to amend the Internal Revenue Code of 1986 to allow a 50 percent credit against income tax for payment of such premiums and of premiums for certain COBRA continuation coverage, and for other purposes; to the Committee on Finance.

By Mr. GREGG (for himself and Mrs. HUTCHISON):

S. 624. A bill to amend the Fair Labor Standards Act of 1938 to provide to private sector employees the same opportunities for time-and-a-half compensatory time off and biweekly work programs as Federal employees currently enjoy to help balance the demands and needs of work and family, to clarify the provisions relating to exemptions of certain professionals from minimum wage and overtime requirements of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. KENNEDY (for himself, Mr. SPECTER, Mr. DASCHLE, Mr. SMITH of Oregon, Mr. LEAHY, Ms. COLLINS, Mr. LIEBERMAN, Ms. SNOWE, Mr. WYDEN, Mr. JEFFORDS, Mr. SCHUMER, Mr. CHAFEE, Mr. AKAKA, Mr. ENSIGN , Mr. BAYH, Mr. BIDEN, Mr. BINGAMAN, Mrs. BOXER, Mr. BREAUX, Ms. CANTWELL, Mrs. CARNAHAN, Mr. CARPER, Mr. CLELAND, Mrs. CLINTON, Mr. CORZINE, Mr. DAYTON, Mr. DODD, Mr. DORGAN, Mr. DURBIN, Mr. EDWARDS, Mrs. FEINSTEIN, Mr. GRAHAM, Mr. HARKIN, Mr. INOUYE, Mr. JOHNSON, Mr. KERRY, Ms. LANDRIEU, Mr. LEVIN, Mrs. LINCOLN, Ms. MIKULSKI, Mr. MILLER, Mrs. MURRAY, Mr. NELSON of Nebraska, Mr. NELSON of Florida, Mr. REED, Mr. REID, Mr. ROCKEFELLER, Mr. SARBANES, Ms. STABENOW, Mr. TORRICELLI, and Mr. WELLSTONE):

S. 625. A bill to provide Federal assistance to States and local jurisdictions to prosecute hate crimes, and for other purposes; to the Committee on the Judiciary.

By Mr. JEFFORDS (for himself and Mr. BAUCUS):

S. 626. A bill to amend the Internal Revenue Code of 1986 to permanently extend the work opportunity credit and the welfare-to-work credit, and for other purposes; to the Committee on Finance.

By Mr. GRASSLEY (for himself and Mr. GRAHAM):

S. 627. A bill to amend the Internal Revenue Code of 1986 to allow individuals a deduction for qualified long-term care insurance premiums, use of such insurance under cafeteria plans and flexible spending arrangements, and a credit for individuals with long-term care needs; to the Committee on Finance.

By Mr. LIEBERMAN (for himself and Mr. DASCHLE):

S. 628. A bill to amend the Internal Revenue Code of 1986 to provide a rebate of a portion of the Federal budget surplus in 2001; to the Committee on Finance.

By Mr. DASCHLE (for himself, Mr. CONRAD, Mr. LIEBERMAN, Mr. DORGAN, Mr. DURBIN, Mr. ROCKEFELLER, Mr. REID, and Mr. JOHNSON):

S. 629. A bill to amend the Internal Revenue Code of 1986 to provide a refund of individual taxes in 2001 and to establish a 10 percent rate bracket beginning in 2001, and for other purposes; to the Committee on Finance.

By Mr. BURNS (for himself, Mr. WYDEN, Mr. LIEBERMAN, Ms. LANDRIEU, Mr. TORRICELLI, Mr. BREAUX, and Mr. MURKOWSKI):

S. 630. A bill to prohibit senders of unsolicited commercial electronic mail from disguising the source of their messages, to give consumers the choice to cease receiving a sender's unsolicited commercial electronic mail messages, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. VOINOVICH:

S. 631. A bill to provide for pension reform, and for other purposes; to the Committee on Finance.

By Mr. NELSON of Florida:

S. 632. A bill to reinstate a final rule promulgated by the Administrator of the Environmental Protection Agency, and for other purposes; to the Committee on Environment and Public Works.

By Mrs. HUTCHISON (for herself and Mr. ROCKEFELLER):

S. 633. A bill to provide for the review and management of airport congestion, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Ms. COLLINS:

S. 634. A bill to amend section 2007 of the Social Security Act to provide grant funding for additional Enterprise Communities, and for other purposes; to the Committee on Finance.

By Mr. DODD:

S. 635. A bill to reinstate a standard for arsenic in drinking water; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. LEVIN (for himself and Ms. STABENOW):

S. Con. Res. 29. A concurrent resolution congratulating the city of Detroit and its residents on the occasion of the tercentennial of its founding; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 170

At the request of Mr. REID, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 177

At the request of Mr. AKAKA, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 177, a bill to amend the provisions of title 19, United States Code, relating to the manner in which pay policies and schedules and fringe benefit programs for postmasters are established.

S. 205

At the request of Mrs. HUTCHISON, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 205, a bill to amend the Internal Revenue Code of 1986 to waive the income inclusion on a distribution from an individual retirement account to the extent that the distribution is contributed for charitable purposes.

S. 258

At the request of Ms. SNOWE, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 258, a bill to amend title XVIII of the Social Security Act to provide for coverage under the medicare program of annual screening pap smear and screening pelvic exams.

S. 264

At the request of Ms. SNOWE, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 264, a bill to amend title XVIII of the Social Security Act to expand coverage of bone mass measurements under part B of the medicare program to all individuals at clinical risk for osteoporosis.

S. 278

At the request of Mr. JOHNSON, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 278, a bill to restore health care coverage to retired members of the uniformed services.

S. 291

At the request of Mr. THOMPSON, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 291, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for State and local sales taxes in lieu of State and local income taxes and to allow the State and local income tax deduction against the alternative minimum tax.

S. 338

At the request of Mr. REID, the name of the Senator from Delaware (Mr. CARPER) was added as a cosponsor of S. 338, a bill to protect amateur athletics and combat illegal sports gambling.

At the request of Mr. ENSIGN, the names of the Senator from Oregon (Mr. SMITH) and the Senator from Utah (Mr. HATCH) were added as cosponsors of S. 338, supra.

S. 344

At the request of Mr. CAMPBELL, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 344, a bill to amend the

Transportation Equity Act for the 21st Century to make certain amendments with respect to Indian tribes.

S. 362

At the request of Mr. DORGAN, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 362, a bill to amend the Internal Revenue Code of 1986 to provide an exclusion for gain from the sale of farmland which is similar to the exclusion from gain on the sale of a principal residence.

S. 363

At the request of Mr. DORGAN, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 363, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for 100 percent of the health insurance costs of self-employed individuals.

S. 364

At the request of Mr. DORGAN, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 364, a bill to amend the Internal Revenue Code of 1986 to expand the applicability of section 179 which permits the expensing of certain depreciable assets.

S. 403

At the request of Mr. COCHRAN, the names of the Senator from South Carolina (Mr. THURMOND) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. 403, a bill to improve the National Writing Project.

S. 409

At the request of Mrs. HUTCHISON, the names of the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Maine (Ms. COLLINS) were added as cosponsors of S. 409, a bill to amend title 38, United States Code, to clarify the standards for compensation for Persian Gulf veterans suffering from certain undiagnosed illnesses, and for other purposes.

S. 413

At the request of Mr. COCHRAN, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 413, a bill to amend part F of title X of the Elementary and Secondary Education Act of 1965 to improve and refocus civic education, and for other purposes.

S. 452

At the request of Mr. MURKOWSKI, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 452, a bill to amend title XVIII of the Social Security Act to ensure that the Secretary of Health and Human Services provides appropriate guidance to physicians, providers of services, and ambulance providers that are attempting to properly submit claims under the medicare program to ensure that the Secretary does not target inadvertent billing errors.

S. 458

At the request of Mr. SCHUMER, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 458, a bill to amend the Internal Revenue Code of 1986 to make higher education more affordable, and for other purposes.

S. 463

At the request of Mrs. FEINSTEIN, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 463, a bill to provide for increased access to HIV/AIDS-related treatments and services in developing foreign countries.

S. 466

At the request of Mr. HAGEL, the names of the Senator from Virginia (Mr. WARNER), the Senator from Louisiana (Mr. BREAUX), the Senator from Illinois (Mr. DURBIN), and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of S. 466, a bill to amend the Individuals with Disabilities Education Act to fully fund 40 percent of the average per pupil expenditure for programs under part B of such Act.

S. 472

At the request of Mr. DOMENICI, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 472, a bill to ensure that nuclear energy continues to contribute to the supply of electricity in the United States.

S. 501

At the request of Mr. GRAHAM, the name of the Senator from Missouri (Mrs. CARNAHAN) was added as a cosponsor of S. 501, a bill to amend titles IV and XX of the Social Security Act to restore funding for the Social Services Block Grant, to restore the ability of States to transfer up to 10 percent of TANF funds to carry out activities under such block grant, and to require an annual report on such activities by the Secretary of Health and Human Services.

S. 534

At the request of Mr. CAMPBELL, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 534, a bill to establish a Federal interagency task force for the purpose of coordinating actions to prevent the outbreak of bovine spongiform encephalopathy (commonly known as ''mad cow disease'') and foot-and-mouth disease in the United States.

S. 548

At the request of Mr. HARKIN, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 548, a bill to amend title XVIII of the Social Security Act to provide enhanced reimbursement for, and expanded capacity to, mammography services under the medicare program, and for other purposes.

S. 563

At the request of Mr. SANTORUM, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 563, a bill to amend the Social Security Act to require Social Security Administration publications to highlight critical information relating to the future financing shortfalls of the social security program, to require the Commissioner of Social Security to provide Congress with an annual report on the social security program, and for other purposes.

S. 565

At the request of Mr. DODD, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 565, a bill to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes.

S. 567

At the request of Mr. SESSIONS, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 567, a bill to amend the Internal Revenue Code of 1986 to provide capital gain treatment under section 631(b) of such Code for outright sales of timber by landowners.

S. 599

At the request of Mr. ROBERTS, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 599, a bill to amend the Omnibus Trade and Competitiveness Act of 1988 to establish permanent trade negotiating and trade agreement implementing authority.

S. 611

At the request of Ms. MIKULSKI, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 611, a bill to amend title II of the Social Security Act to provide that the reduction in social security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds $1,200, adjusted for inflation.

S. 619

At the request of Mrs. LINCOLN, her name was added as a cosponsor of S. 619, a bill to establish a grant program that provides incentives for States to enact mandatory minimum sentences for certain firearms offenses, and for other purposes.

S. CON. RES. 14

At the request of Mr. CAMPBELL, the name of the Senator from Michigan (Ms. STABENOW), was added as a cosponsor of S. Con. Res. 14, a concurrent resolution recognizing the social problem

of child abuse and neglect, and supporting efforts to enhance public awareness of it.

S. J. RES. 10

At the request of Mr. KENNEDY, the names of the Senator from Iowa (Mr. HARKIN), the Senator from Michigan (Ms. STABENOW), and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of S. J. Res. 10, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men.

S. RES. 44

At the request of Mr. COCHRAN, the names of the Senator from Idaho (Mr. CRAPO), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. Res. 44, a resolution designating each of March 2001, and March 2002, as ''Arts Education Month''.

S. RES. 63

At the request of Mr. CAMPBELL, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. Res. 63, a resolution commemorating and acknowledging the dedication and sacrifice made by the men and women who have lost their lives while serving as law enforcement officers.

AMENDMENT NO. 115

At the request of Mr. DOMENICI, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of amendment No. 115 proposed to S. 27, a bill to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DURBIN (for himself, Mr. BROWNBACK, Mr. GRAHAM, and Mr. BINGAMAN):

S. 622. A bill to amend titles V, XVIII, and XIX of the Social Security Act to promote tobacco cessation under the medicare program, the medicaid program, and maternal and child health services block grant program; to the Committee on Finance.

Mr. DURBIN. Mr. President, I rise today to introduce legislation that expands treatment to millions of Americans suffering from a deadly addiction: tobacco. I am pleased to have Senators BROWNBACK, BINGAMAN, and GRAHAM of Florida join me in this effort. The Medicare, Medicaid and MCH Smoking Cessation Promotion Act of 2001 will help make smoking cessation therapy accessible to recipients of Medicare, Medicaid, and the Maternal and Child Health, MCH, Program.

We have long known that cigarette smoking is the largest preventable cause of death, accounting for 20 percent of all deaths in this country. It is well documented that smoking causes virtually all cases of lung cancer and a substantial portion of coronary heart disease, peripheral vascular disease, chronic obstructive lung disease, and cancers of other sites. And the harmful effects of smoking do not end with the smoker. Women who use tobacco during pregnancy are more likely to have adverse birth outcomes, including babies with low birth weight, which is linked with an increased risk of infant death and a variety of infant health disorders.

Still, despite enormous health risks, 48 million adults in the United States smoke cigarettes, approximately 22.7 percent of American adults. The rates are higher for our youth, 36.4 percent report daily smoking. In Illinois, the adult smoking rate is about 24.2 percent. Perhaps most distressing and surprising, data indicate that about 13 percent of mothers in the United States smoke during pregnancy.

Today, the Surgeon General released a new report that documents the health effects for women who smoke. Women now represent 39 percent of all smoking related deaths in the United States each year, more than double the percentage in 1965.

More than 21 percent of women in my state of Illinois smoke. Lung cancer is the leading cancer killer among women surpassing breast cancer in 1987, and smoking causes 87 percent of lung cancer cases. In fact, lung cancer death rates among women increased by more than 400 percent between 1960 and 1990. And smoking among girls is on the rise as well. From 1991 to 1999, smoking among high school girls increased from 27 to 34.9 percent.

There is no doubt that smoking rates among women and girls are linked to targeted tobacco advertising. The Centers for Disease Control and Prevention's National Health Interview Survey showed an abrupt increase in smoking inititation among girls around 1967, about the same time that Philip Morris and other tobacco companies launched advertisements for brands specifically targeted at women and girls. Six years after the introduction of Virginia Slims and other such brands, the rate of smoking initiation of 12-year-old girls increased by 110 percent.

The report released today echoes this concern, highlighting the targeting of women in tobacco marketing. Between 1995 and 1998, expenditures in the United States for cigarette advertising and promotion increased from $4.90 billion to $6.73 billion. In 1999, these promotional expenditures leaped another 22 percent, to a new high of $8.24 billion.

As a result, we are not only paying a heavy health toll, but an economic price as well. The total cost of smoking in 1993 in the U.S. was about $102 billion, with over $50 billion in health care expenditures directly linked to smoking. The Centers for Disease Control and Prevention, CDC, reports that approximately 43 percent of these costs were paid by government funds, primarily Medicaid and Medicare. Smoking costs Medicaid alone more than $12.9 billion per year. According to the Chicago chapter of the American Lung Association, my state of Illinois spends $2.9 billion each year in public and private funds to combat smoking-related diseases.

Today, however, we also know how to help smokers quit. Advancements in treating tobacco use and nicotine addiction have helped millions kick the habit. While more than 40 million adults continue to smoke, nearly as many persons are former smokers living longer, healthier lives. In large part, this is because new tools are available. Effective pharmacotherapy and counseling regimens have been tested and proven effective. The Surgeon General's 2000 Report, Reducing Tobacco Use, concluded that ''pharmacologic treatment of nicotine addiction, combined with behavioral support, will enable 10 to 25 percent of users to remain abstinent at one year of posttreatment.''

Studies have shown that reducing adult smoking through tobacco use treatment pays immediate dividends, both in terms of health improvements and cost savings. Creating a new nonsmoker reduces anticipated medical costs associated with acute myocardial infarction and stroke by $47 in the first year and by $853 during the next seven years in 1995 dollars. And within four to five years after tobacco cessation, quitters use fewer health care services than continued smokers. In fact, in one study the cost savings from reduced use paid for a moderately priced effective smoking cessation intervention in just three to four years.

The health benefits tobacco quitters enjoy are undisputed. They live longer. After 15 years, the risk of premature death for ex-smokers returns to nearly the level of persons who have never smoked. Male smokers who quit between just the ages of 35 and 39 add an average of five years to their lives; women can add three years. Even older Americans over age 65 can extend their life expectancy by giving up cigarettes.

Former smokers are also healthier. They are less likely to die of chronic lung diseases. After ten smoke-free years, their risk of lung cancer drops to as much as one-half that of those who continue to smoke. After five to fifteen years the risk of stroke and heart disease for ex-smokers returns to the level of those who have never smoked. They have fewer days of illness, reduced rates of bronchitis and pneumonia, and fewer health complaints.

New Public Health Service Guidelines released last summer conclude that tobacco dependence treatments are both clinically effective and cost-effective relative to other medical and disease prevention interventions. The guidelines urge health care insurers and purchasers to include counseling and FDA-approved pharmacotherapeutic treatments as a covered benefit.

Unfortunately, the federal government, a major purchaser of health care

through Medicare and Medicaid, does not currently adhere to its own published guidelines. It is high time that government-sponsored health programs catch up with science. That is why we are introducing legislation to improve smoking cessation benefits in government-sponsored health programs.

The Medicare, Medicaid and MCH Smoking Cessation Promotion Act of 2000 improves access to and coverage of smoking cessation treatment therapies in four primary ways.

First, our bill adds a smoking cessation counseling benefit to Medicare. By 2020, 17 percent of the U.S. population will be 65 years of age or older. It is estimated that Medicare will pay $800 billion to treat tobacco-related diseases over the next twenty years. In a study of adults 65 years of age or older who received advice to quit, behavioral counseling and pharmocotherapy, 24.8 percent reported having stopped smoking six months following the intervention. The total economic benefits of quitting after age 65 are notable. Due to a reduction in the risk of lung cancer, coronary heart disease and emphysema, studies have found that heavy smokers over age 65 who quit can avoid up to $4,592 in lifelong illness-related costs.

Second, our measure provides coverage for both prescription and nonprescription smoking cessation drugs in the Medicaid program. The bill eliminates the provision in current federal law that allows states to exclude FDA-approved smoking cessation therapies from coverage under Medicaid. Ironically, State Medicaid programs are required to cover Viagra, but not to treat tobacco addiction. Despite the fact that the States are now receiving the full benefit of their federal lawsuit against the tobacco industry, less than half the States provide coverage for smoking cessation in their Medicaid program. On average, states spend approximately 14.4 percent of their Medicaid budgets on medical care related to smoking.

Third, our legislation clarifies that the maternity benefit for pregnant women in Medicaid covers smoking cessation counseling and services. Smoking during pregnancy causes about 5–6 percent of perinatal deaths, 17–26 percent of low-birth-weight births, and 7–10 percent of preterm deliveries, and increases the risk of miscarriage and fetal growth retardation. It may also increase the risk of sudden infant death syndrome, SIDS. And a recent study published in the American Journal of Respiratory and Critical Care Medicine shows that children whose mothers smoke during pregnancy are almost twice as likely to develop asthma as those whose mothers did not. The Surgeon General recommends that pregnant women and parents with children living at home be counseled on the potentially harmful effects of smoking on fetal and child health. A new study shows that, over seven years, reducing smoking prevalence by just one percentage point would prevent 57,200 low birth weight births and save $572 million in direct medical costs.

Fourth, our bill ensures that the Maternal and Child Health Program recognizes that medications used to promote smoking cessation and the inclusion of anti-tobacco messages in health promotion are considered part of quality maternal and child health services. In addition to the well-documented benefits of smoking cessation for maternity care, the Surgeon General's report adds, ''Tobacco use is a pediatric concern. In the United States, more than 6,000 children and adolescents try their first cigarette each day. More than 3,000 children and adolescents become daily smokers each day, resulting in approximately 1.23 million new smokers under the age of 18 each year.'' The goal of the MCH program is to improve the health of all mothers and children. This goal cannot be reached without addressing the tobacco epidemic.

This legislation has been endorsed by ENACT, a coalition of more than 60 national health organizations including the Campaign for Tobacco Free Kids, the American Cancer Society, the American Heart Association, the American College of Chest Physicians, the Association of Maternal and Child Health Programs, and the American Public Health Association.

I hope my colleagues will join me not only in cosponsoring this legislation but also in working with me to see that its provisions are adopted before the year is out. As the Surgeon General has said, ''Although our knowledge about tobacco control remains imperfect, we know more than enough to act now.''

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 622

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 ''Medicare, Medicaid, and MCH Tobacco Cessation Promotion Act of 2001''.

SEC. 2. MEDICARE COVERAGE OF COUNSELING FOR CESSATION OF TOBACCO USE.

(a) COVERAGE.—Section 1861(s)(2) of the Social Security Act (42 U.S.C. 1395x(s)(2)), as amended by section 105(a) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (as enacted into law by section 1(a)(6) of Public Law 106–554), is amended—

(1) in subparagraph (U), by striking ''and'' at the end;

(2) in subparagraph (V), by inserting ''and'' at the end; and

(3) by adding at the end the following new subparagraph:

''(W) counseling for cessation of tobacco use (as defined in subsection (ww));''.

(b) SERVICES DESCRIBED.—Section 1861 of the Social Security Act (42 U.S.C. 1395x), as amended by section 105(b) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (as enacted into law by section 1(a)(6) of Public Law 106–554), is amended by adding at the end the following new subsection:

''Counseling for Cessation of Tobacco Use

''(ww) The term 'counseling for cessation of tobacco use' means the following:

''(1)(A) Counseling for cessation of tobacco use for individuals who have a history of tobacco use.

''(B) For purposes of subparagraph (A), the term 'counseling for cessation of tobacco use' means diagnostic, therapy, and counseling services for cessation of tobacco use which are furnished—

''(i) by or under the supervision of a physician; or

''(ii) by any other health care professional who is legally authorized to furnish such services under State law (or the State regulatory mechanism provided by State law) of the State in which the services are furnished,

as would otherwise be covered if furnished by a physician or as an incident to a physician's professional service.

''(C) The term 'counseling for cessation of tobacco use' does not include coverage for drugs or biologicals that are not otherwise covered under this title.''.

(c) PAYMENT AND ELIMINATION OF COST-SHARING FOR COUNSELING FOR CESSATION OF TOBACCO USE.—

(1) PAYMENT AND ELIMINATION OF COINSURANCE.—Section 1833(a)(1) of the Social Security Act (42 U.S.C. 1395l(a)(1)), as amended by section 223(c) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (as enacted into law by section 1(a)(6) of Public Law 106–554), is amended—

(A) by striking ''and'' before ''(U)''; and

(B) by inserting before the semicolon at the end the following: '', and (V) with respect to counseling for cessation of tobacco use (as defined in section 1861(ww)), the amount paid shall be 100 percent of the lesser of the actual charge for the service or the amount determined by a fee schedule established by the Secretary for each service''.

(2) ELIMINATION OF COINSURANCE IN OUTPATIENT HOSPITAL SETTINGS.—The third sentence of section 1866(a)(2)(A) of the Social Security Act (42 U.S.C. 1395cc(a)(2)(A)) is amended by inserting after ''1861(s)(10)(A)'' the following: '', with respect to counseling for cessation of tobacco use (as defined in section 1861(ww)),''.

(3) ELIMINATION OF DEDUCTIBLE.—The first sentence of section 1833(b) of the Social Security Act (42 U.S.C. 13951(b)) is amended—

(A) by striking ''and'' before ''(6)''; and

(B) by inserting before the period the following: '', and (7) such deductible shall not apply with respect to counseling for cessation of tobacco use (as defined in section 1861(ww))''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to services furnished on or after the date that is 1 year after the date of enactment of this Act.

SEC. 3. PROMOTING CESSATION OF TOBACCO USE UNDER THE MEDICAID PROGRAM.

(a) DROPPING EXCEPTION FROM MEDICAID PRESCRIPTION DRUG COVERAGE FOR TOBACCO CESSATION MEDICATIONS.—Section 1927(d)(2) of the Social Security Act (42 U.S.C. 1396r–8(d)(2)) is amended—

(1) by striking subparagraph (E);

(2) by redesignating subparagraphs (F) through (J) as subparagraphs (E) through (I), respectively; and

(3) in subparagraph (F) (as redesignated by paragraph (2)), by inserting before the period at the end the following: ''except agents approved by the Food and Drug Administration for purposes of promoting, and when used to promote, tobacco cessation''.

(b) REQUIRING COVERAGE OF TOBACCO CESSATION COUNSELING SERVICES FOR PREGNANT WOMEN.—Section 1902(e)(5) of the Social Security Act (42 U.S.C. 1396a(e)(5)) is amended by adding at the end the following new sentence: ''Such medical assistance shall include counseling for cessation of tobacco use (as defined in section 1861(ww)).''.

(c) REMOVAL OF COST-SHARING FOR TOBACCO CESSATION COUNSELING SERVICES FOR PREGNANT WOMEN.—Section 1916 of the Social Security Act (42 U.S.C. 1396o) is amended, in each of subsections (a)(2)(B) and (b)(2)(B), by inserting '', and counseling for cessation of tobacco use (as defined in section 1861(ww))'' after ''complicate the pregnancy''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to services furnished on or after the date that is 1 year after the date of enactment of this Act.

SEC. 4. PROMOTING CESSATION OF TOBACCO USE UNDER THE MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT PROGRAM.

(a) QUALITY MATERNAL AND CHILD HEALTH SERVICES INCLUDES TOBACCO CESSATION COUNSELING AND MEDICATIONS.—Section 501 of the Social Security Act (42 U.S.C. 701) is amended by adding at the end the following new subsection:

''(c) For purposes of this title, the term 'maternal and child health services' includes counseling for cessation of tobacco use (as defined in section 1861(ww)), any drug or biological used to promote tobacco cessation, and any health promotion counseling that includes an antitobacco use message.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date that is 1 year after the date of enactment of this Act.

By Mr. ROCKEFELLER (for himself, Mr. DASCHLE, Mr. KENNEDY, and Mr. SARBANES):

S. 623. A bill to amend title XVIII of the Social Security Act and the Employee Retirement Income Security Act of 1974 to improve access to health insurance and Medicare benefits for individuals ages 55 to 65, to amend the Internal Revenue Code of 1986 to allow a 50 percent credit against income tax for payment of such premiums and of premiums for certain COBRA continuation coverage, and for other purposes; to the Committee on Finance.

Mr. ROCKEFELLER. Mr. President, the problem of the uninsured continues to plague our Nation, and it is particularly severe for older Americans who are facing the loss of health coverage but who are not yet eligible for Medicare. Today, over 40 million Americans are without health insurance.

Adults between the ages of 55 to 65 are the fastest growing group of uninsured. Individuals 55 and older who have been laid off or retire early are particularly vulnerable to loss of health insurance. They have a difficult time buying health insurance on their own because they tend to have more chronic health problems that can result in either the denial of coverage, limited coverage, or very expensive policies.

This is the age group where early detection and access to preventative care become crucial. For example, only 16 percent of uninsured women report having had a mammogram in the past year, compared to 42 percent of insured women. Because regular preventative care is not received, the uninsured are more likely to be diagnosed at a more advanced stage of cancer, over 40 percent more likely to be diagnosed with late stage breast and prostate cancer, and more than twice as likely to be diagnosed with late stage melanoma than the insured.

The uninsured are more likely than those with insurance to be hospitalized for conditions that could have been avoided, such as pneumonia and uncontrolled diabetes. Delaying or not receiving treatment can lead to more serious illness and avoidable health problems, which has a direct impact on the health care needs of this segment of the population as they become old enough for Medicare coverage.

Lack of insurance and gaps in coverage affect more than just those without insurance. There is a cost to society, as well. When an uninsured person goes to a public hospital or clinic, and emergency room, or a private physician for care and cannot pay the full cost, some of the bill is passed on to those who do pay, through higher insurance premiums and in the form of taxes supporting our public insurance programs. One way or another, we all pay indirectly for having a large and growing uninsured population.

With the aging of the baby boom generation, this particularly vulnerable age group is expected to increase significantly. In 1999, there were 23.1 million Americans in this age group. This is expected to increase to 35 million Americans by the year 2020. Unless we effect positive change to address the barriers facing the growing number of uninsured in this age group, this problem will only get worse.

I join Senators KENNEDY, DASCHLE, and SARBANES, and Representatives. STARK, BROWN, GEPHARDT, RANGEL, DINGELL, and a number of their colleagues today to introduce an improved version of the Medicare Early Access Act. Our legislation will create an opportunity for people between ages 55 and 64 to purchase Medicare coverage, which is really the only affordable option for this group, because of their age and the likelihood of chronic and/or preexisting conditions.

The Medicare Early Access and Tax Credit Act would reduce the number of uninsured Americans by more than 500,000. This bill provides new insurance coverage options through a Medicare buy-in for people aged 55 through 64 or through a special COBRA continuation program for workers aged 55 through 64 whose employers reneged on the promise of retiree health coverage.

This legislation improves upon the existing Medicare Early Access Act by adding a new 50 percent federal tax credit to the program to make it more affordable for people age 55 and over to obtain health insurance coverage. By including a tax credit, we are making this option available to a broader range of people.

A survey released last session by the Commonwealth Fund finds that one in five people from age 50–64 reported a period of time when they were without health insurance coverage since turning age 50. Access to employer insurance is reduced as people approach age sixty-five and retire. Consequently, older Americans rely most heavily on individual insurance, which is expensive and limited for people with serious health problems. Because average health expenses increase sharply with age, people closest to age sixty-five face the greatest risk of being uninsured and being charged the highest premiums in the individual market. Clearly, we need to take real steps to address the needs of this population.

The Commonwealth survey also found that, when asked what source they would trust more to provide health insurance for adults ages 50 to 64, Medicare outranked employer-sponsored coverage and direct purchase of private individual health insurance. Half of uninsured adults ages 50–64 said they would trust Medicare the most as a source of coverage.

The Medicare Early Access and Tax Credit Act provides an insurance option for people who are unable to purchase health insurance in the private market either because of pre-existing conditions, age related premium increases, or both.

The Medicare Early Access and Tax Credit Act is not the solution to solving America's health insurance coverage problems. But, it is a simple and obvious step to take to open new doors to a vulnerable segment of our population who are lacking affordable coverage elsewhere, and who need the opportunity to buy in to Medicare. I urge my colleagues to join us in making health insurance a reality for people in their later years of life, who are not yet eligible for the safety net of Medicare.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 623

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Medicare Early Access and Tax Credit Act of 2001''.

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

TITLE I—ACCESS TO MEDICARE BENEFITS FOR INDIVIDUALS 62-TO-65 YEARS OF AGE

Sec. 101. Access to Medicare benefits for individuals 62-to-65 years of age.

''PART D—PURCHASE OF MEDICARE BENEFITS BY CERTAIN INDIVIDUALS AGE 62-TO-65 YEARS OF AGE

''Sec. 1859. Program benefits; eligibility.
''Sec. 1859A. Enrollment process; coverage.
''Sec. 1859B. Premiums.
''Sec. 1859C. Payment of premiums.
''Sec. 1859D. Medicare Early Access Trust Fund.

''Sec. 1859E. Oversight and accountability.
''Sec. 1859F. Administration and miscellaneous.
TITLE II—ACCESS TO MEDICARE BENEFITS FOR DISPLACED WORKERS 55-TO-62 YEARS OF AGE
Sec. 201. Access to Medicare benefits for displaced workers 55-to-62 years of age.
TITLE III—COBRA PROTECTION FOR EARLY RETIREES
Subtitle A—Amendments to the Employee Retirement Income Security Act of 1974
Sec. 301. COBRA continuation benefits for certain retired workers who lose retiree health coverage.
Subtitle B—Amendments to the Public Health Service Act
Sec. 311. COBRA continuation benefits for certain retired workers who lose retiree health coverage.
Subtitle C—Amendments to the Internal Revenue Code of 1986
Sec. 321. COBRA continuation benefits for certain retired workers who lose retiree health coverage.
TITLE IV—50 PERCENT CREDIT AGAINST INCOME TAX FOR MEDICARE BUY-IN PREMIUMS AND FOR CERTAIN COBRA CONTINUATION COVERAGE PREMIUMS
Sec. 401. 50 percent income tax credit for medicare buy-in premiums and for certain COBRA continuation coverage premiums.

TITLE I—ACCESS TO MEDICARE BENEFITS FOR INDIVIDUALS 62-TO-65 YEARS OF AGE

SEC. 101. ACCESS TO MEDICARE BENEFITS FOR INDIVIDUALS 62-TO-65 YEARS OF AGE.

(a) IN GENERAL.—Title XVIII of the Social Security Act is amended—

(1) by redesignating section 1859 and part D as section 1858 and part E, respectively; and

(2) by inserting after such section the following new part:

''PART D—PURCHASE OF MEDICARE BENEFITS BY CERTAIN INDIVIDUALS AGE 62-TO-65 YEARS OF AGE

''SEC. 1859. PROGRAM BENEFITS; ELIGIBILITY.

''(a) ENTITLEMENT TO MEDICARE BENEFITS FOR ENROLLED INDIVIDUALS.—

''(1) IN GENERAL.—An individual enrolled under this part is entitled to the same benefits under this title as an individual entitled to benefits under part A and enrolled under part B.

''(2) DEFINITIONS.—For purposes of this part:

''(A) FEDERAL OR STATE COBRA CONTINUATION PROVISION.—The term 'Federal or State COBRA continuation provision' has the meaning given the term 'COBRA continuation provision' in section 2791(d)(4) of the Public Health Service Act and includes a comparable State program, as determined by the Secretary.

''(B) FEDERAL HEALTH INSURANCE PROGRAM DEFINED.—The term 'Federal health insurance program' means any of the following:

''(i) MEDICARE.—Part A or part B of this title (other than by reason of this part).

''(ii) MEDICAID.—A State plan under title XIX.

''(iii) FEHBP.—The Federal employees health benefit program under chapter 89 of title 5, United States Code.

''(iv) TRICARE.—The TRICARE program (as defined in section 1072(7) of title 10, United States Code).

''(v) ACTIVE DUTY MILITARY.—Health benefits under title 10, United States Code, to an individual as a member of the uniformed services of the United States.

''(C) GROUP HEALTH PLAN.—The term 'group health plan' has the meaning given such term in section 2791(a)(1) of the Public Health Service Act.

''(b) ELIGIBILITY OF INDIVIDUALS AGE 62-TO-65 YEARS OF AGE.—

''(1) IN GENERAL.—Subject to paragraph (2), an individual who meets the following requirements with respect to a month is eligible to enroll under this part with respect to such month:

''(A) AGE.—As of the last day of the month, the individual has attained 62 years of age, but has not attained 65 years of age.

''(B) MEDICARE ELIGIBILITY (BUT FOR AGE).—The individual would be eligible for benefits under part A or part B for the month if the individual were 65 years of age.

''(C) NOT ELIGIBLE FOR COVERAGE UNDER GROUP HEALTH PLANS OR FEDERAL HEALTH INSURANCE PROGRAMS.—The individual is not eligible for benefits or coverage under a Federal health insurance program (as defined in subsection (a)(2)(B)) or under a group health plan (other than such eligibility merely through a Federal or State COBRA continuation provision) as of the last day of the month involved.

''(2) LIMITATION ON ELIGIBILITY IF TERMINATED ENROLLMENT.—If an individual described in paragraph (1) enrolls under this part and coverage of the individual is terminated under section 1859A(d) (other than because of age), the individual is not again eligible to enroll under this subsection unless the following requirements are met:

''(A) NEW COVERAGE UNDER GROUP HEALTH PLAN OR FEDERAL HEALTH INSURANCE PROGRAM.—After the date of termination of coverage under such section, the individual obtains coverage under a group health plan or under a Federal health insurance program.

''(B) SUBSEQUENT LOSS OF NEW COVERAGE.—The individual subsequently loses eligibility for the coverage described in subparagraph (A) and exhausts any eligibility the individual may subsequently have for coverage under a Federal or State COBRA continuation provision.

''(3) CHANGE IN HEALTH PLAN ELIGIBILITY DOES NOT AFFECT COVERAGE.—In the case of an individual who is eligible for and enrolls under this part under this subsection, the individual's continued entitlement to benefits under this part shall not be affected by the individual's subsequent eligibility for benefits or coverage described in paragraph (1)(C), or entitlement to such benefits or coverage.

''SEC. 1859A. ENROLLMENT PROCESS; COVERAGE.

''(a) IN GENERAL.—An individual may enroll in the program established under this part only in such manner and form as may be prescribed by regulations, and only during an enrollment period prescribed by the Secretary consistent with the provisions of this section. Such regulations shall provide a process under which—

''(1) individuals eligible to enroll as of a month are permitted to pre-enroll during a prior month within an enrollment period described in subsection (b); and

''(2) each individual seeking to enroll under section 1859(b) is notified, before enrolling, of the deferred monthly premium amount the individual will be liable for under section 1859C(b) upon attaining 65 years of age as determined under section 1859B(c)(3).

''(b) ENROLLMENT PERIODS.—

''(1) INDIVIDUALS 62-TO-65 YEARS OF AGE.—In the case of individuals eligible to enroll under this part under section 1859(b)—

''(A) INITIAL ENROLLMENT PERIOD.—If the individual is eligible to enroll under such section for January 2002, the enrollment period shall begin on November 1, 2001, and shall end on February 28, 2002. Any such enrollment before January 1, 2002, is conditioned upon compliance with the conditions of eligibility for January 2002.

''(B) SUBSEQUENT PERIODS.—If the individual is eligible to enroll under such section for a month after January 2002, the enrollment period shall begin on the first day of the second month before the month in which the individual first is eligible to so enroll and shall end four months later. Any such enrollment before the first day of the third month of such enrollment period is conditioned upon compliance with the conditions of eligibility for such third month.

''(2) AUTHORITY TO CORRECT FOR GOVERNMENT ERRORS.—The provisions of section 1837(h) apply with respect to enrollment under this part in the same manner as they apply to enrollment under part B.

''(c) DATE COVERAGE BEGINS.—

''(1) IN GENERAL.—The period during which an individual is entitled to benefits under this part shall begin as follows, but in no case earlier than January 1, 2002:

''(A) In the case of an individual who enrolls (including pre-enrolls) before the month in which the individual satisfies eligibility for enrollment under section 1859, the first day of such month of eligibility.

''(B) In the case of an individual who enrolls during or after the month in which the individual first satisfies eligibility for enrollment under such section, the first day of the following month.

''(2) AUTHORITY TO PROVIDE FOR PARTIAL MONTHS OF COVERAGE.—Under regulations, the Secretary may, in the Secretary's discretion, provide for coverage periods that include portions of a month in order to avoid lapses of coverage.

''(3) LIMITATION ON PAYMENTS.—No payments may be made under this title with respect to the expenses of an individual enrolled under this part unless such expenses were incurred by such individual during a period which, with respect to the individual, is a coverage period under this section.

''(d) TERMINATION OF COVERAGE.—

''(1) IN GENERAL.—An individual's coverage period under this part shall continue until the individual's enrollment has been terminated at the earliest of the following:

''(A) GENERAL PROVISIONS.—

''(i) NOTICE.—The individual files notice (in a form and manner prescribed by the Secretary) that the individual no longer wishes to participate in the insurance program under this part.

''(ii) NONPAYMENT OF PREMIUMS.—The individual fails to make payment of premiums required for enrollment under this part.

''(iii) MEDICARE ELIGIBILITY.—The individual becomes entitled to benefits under part A or enrolled under part B (other than by reason of this part).

''(B) TERMINATION BASED ON AGE.—The individual attains 65 years of age.

''(2) EFFECTIVE DATE OF TERMINATION.—

''(A) NOTICE.—The termination of a coverage period under paragraph (1)(A)(i) shall take effect at the close of the month following for which the notice is filed.

''(B) NONPAYMENT OF PREMIUM.—The termination of a coverage period under paragraph (1)(A)(ii) shall take effect on a date determined under regulations, which may be determined so as to provide a grace period in which overdue premiums may be paid and coverage continued. The grace period determined under the preceding sentence shall not exceed 60 days; except that it may be extended for an additional 30 days in any case where the Secretary determines that there was good cause for failure to pay the overdue premiums within such 60-day period.

''(C) AGE OR MEDICARE ELIGIBILITY.—The termination of a coverage period under paragraph (1)(A)(iii) or (1)(B) shall take effect as of the first day of the month in which the individual attains 65 years of age or becomes entitled to benefits under part A or enrolled for benefits under part B (other than by reason of this part).

''SEC. 1859B. PREMIUMS.

''(a) AMOUNT OF MONTHLY PREMIUMS.—

''(1) BASE MONTHLY PREMIUMS.—The Secretary shall, during September of each year (beginning with 1998), determine the following premium rates which shall apply with respect to coverage provided under this title for any month in the succeeding year:

''(A) BASE MONTHLY PREMIUM FOR INDIVIDUALS 62 YEARS OF AGE OR OLDER.—A base monthly premium for individuals 62 years of age or older, equal to 1/12 of the base annual premium rate computed under subsection (b) for each premium area.

''(2) DEFERRED MONTHLY PREMIUMS FOR INDIVIDUALS 62 YEARS OF AGE OR OLDER.—The Secretary shall, during September of each year (beginning with 2001), determine under subsection (c) the amount of deferred monthly premiums that shall apply with respect to individuals who first obtain coverage under this part under section 1859(b) in the succeeding year.

''(3) ESTABLISHMENT OF PREMIUM AREAS.—For purposes of this part, the term 'premium area' means such an area as the Secretary shall specify to carry out this part. The Secretary from time to time may change the boundaries of such premium areas. The Secretary shall seek to minimize the number of such areas specified under this paragraph.

''(b) BASE ANNUAL PREMIUM FOR INDIVIDUALS 62 YEARS OF AGE OR OLDER.—

''(1) NATIONAL, PER CAPITA AVERAGE.—The Secretary shall estimate the average, annual per capita amount that would be payable under this title with respect to individuals residing in the United States who meet the requirement of section 1859(b)(1)(A) as if all such individuals were eligible for (and enrolled) under this title during the entire year (and assuming that section 1862(b)(2)(A)(i) did not apply).

''(2) GEOGRAPHIC ADJUSTMENT.—The Secretary shall adjust the amount determined under paragraph (1) for each premium area (specified under subsection (a)(3)) in order to take into account such factors as the Secretary deems appropriate and shall limit the maximum premium under this paragraph in a premium area to assure participation in all areas throughout the United States.

''(3) BASE ANNUAL PREMIUM.—The base annual premium under this subsection for months in a year for individuals 62 years of age or older residing in a premium area is equal to the average, annual per capita amount estimated under paragraph (1) for the year, adjusted for such area under paragraph (2).

''(c) DEFERRED PREMIUM RATE FOR INDIVIDUALS 62 YEARS OF AGE OR OLDER.—The deferred premium rate for individuals with a group of individuals who obtain coverage under section 1859(b) in a year shall be computed by the Secretary as follows:

''(1) ESTIMATION OF NATIONAL, PER CAPITA ANNUAL AVERAGE EXPENDITURES FOR ENROLLMENT GROUP.—The Secretary shall estimate the average, per capita annual amount that will be paid under this part for individuals in such group during the period of enrollment under section 1859(b). In making such estimate for coverage beginning in a year before 2005, the Secretary may base such estimate on the average, per capita amount that would be payable if the program had been in operation over a previous period of at least 4 years.

''(2) DIFFERENCE BETWEEN ESTIMATED EXPENDITURES AND ESTIMATED PREMIUMS.—Based on the characteristics of individuals in such group, the Secretary shall estimate during the period of coverage of the group under this part under section 1859(b) the amount by which—

''(A) the amount estimated under paragraph (1); exceeds

''(B) the average, annual per capita amount of premiums that will be payable for months during the year under section 1859C(a) for individuals in such group (including premiums that would be payable if there were no terminations in enrollment under clause (i) or (ii) of section 1859A(d)(1)(A)).

''(3) ACTUARIAL COMPUTATION OF DEFERRED MONTHLY PREMIUM RATES.—The Secretary shall determine deferred monthly premium rates for individuals in such group in a manner so that—

''(A) the estimated actuarial value of such premiums payable under section 1859C(b), is equal to

''(B) the estimated actuarial present value of the differences described in paragraph (2). Such rate shall be computed for each individual in the group in a manner so that the rate is based on the number of months between the first month of coverage based on enrollment under section 1859(b) and the month in which the individual attains 65 years of age.

''(4) DETERMINANTS OF ACTUARIAL PRESENT VALUES.—The actuarial present values described in paragraph (3) shall reflect—

''(A) the estimated probabilities of survival at ages 62 through 84 for individuals enrolled during the year; and

''(B) the estimated effective average interest rates that would be earned on investments held in the trust funds under this title during the period in question.

''SEC. 1859C. PAYMENT OF PREMIUMS.

''(a) PAYMENT OF BASE MONTHLY PREMIUM.—

''(1) IN GENERAL.—The Secretary shall provide for payment and collection of the base monthly premium, determined under section 1859B(a)(1) for the age (and age cohort, if applicable) of the individual involved and the premium area in which the individual principally resides, in the same manner as for payment of monthly premiums under section 1840, except that, for purposes of applying this section, any reference in such section to the Federal Supplementary Medical Insurance Trust Fund is deemed a reference to the Trust Fund established under section 1859D.

''(2) PERIOD OF PAYMENT.—In the case of an individual who participates in the program established by this title, the base monthly premium shall be payable for the period commencing with the first month of the individual's coverage period and ending with the month in which the individual's coverage under this title terminates.

''(b) PAYMENT OF DEFERRED PREMIUM FOR INDIVIDUALS COVERED AFTER ATTAINING AGE 62.—

''(1) RATE OF PAYMENT.—

''(A) IN GENERAL.—In the case of an individual who is covered under this part for a month pursuant to an enrollment under section 1859(b), subject to subparagraph (B), the individual is liable for payment of a deferred premium in each month during the period described in paragraph (2) in an amount equal to the full deferred monthly premium rate determined for the individual under section 1859B(c).

''(B) SPECIAL RULES FOR THOSE WHO DISENROLL EARLY.—

''(i) IN GENERAL.—If such an individual's enrollment under such section is terminated under clause (i) or (ii) of section 1859A(d)(1)(A), subject to clause (ii), the amount of the deferred premium otherwise established under this paragraph shall be pro-rated to reflect the number of months of coverage under this part under such enrollment compared to the maximum number of months of coverage that the individual would have had if the enrollment were not so terminated.

''(ii) ROUNDING TO 12-MONTH MINIMUM COVERAGE PERIODS.—In applying clause (i), the number of months of coverage (if not a multiple of 12) shall be rounded to the next highest multiple of 12 months, except that in no case shall this clause result in a number of months of coverage exceeding the maximum number of months of coverage that the individual would have had if the enrollment were not so terminated.

''(2) PERIOD OF PAYMENT.—The period described in this paragraph for an individual is the period beginning with the first month in which the individual has attained 65 years of age and ending with the month before the month in which the individual attains 85 years of age.

''(3) COLLECTION.—In the case of an individual who is liable for a premium under this subsection, the amount of the premium shall be collected in the same manner as the premium for enrollment under such part is collected under section 1840, except that any reference in such section to the Federal Supplementary Medical Insurance Trust Fund is deemed to be a reference to the Medicare Early Access Trust Fund established under section 1859D.

''(c) APPLICATION OF CERTAIN PROVISIONS.—The provisions of section 1840 (other than subsection (h)) shall apply to premiums collected under this section in the same manner as they apply to premiums collected under part B, except that any reference in such section to the Federal Supplementary Medical Insurance Trust Fund is deemed a reference to the Trust Fund established under section 1859D.

''SEC. 1859D. MEDICARE EARLY ACCESS TRUST FUND.

''(a) ESTABLISHMENT OF TRUST FUND.—

''(1) IN GENERAL.—There is hereby created on the books of the Treasury of the United States a trust fund to be known as the 'Medicare Early Access Trust Fund' (in this section referred to as the 'Trust Fund'). The Trust Fund shall consist of such gifts and bequests as may be made as provided in section 201(i)(1) and such amounts as may be deposited in, or appropriated to, such fund as provided in this title.

''(2) PREMIUMS.—Premiums collected under section 1859B shall be transferred to the Trust Fund.

''(b) INCORPORATION OF PROVISIONS.—

''(1) IN GENERAL.—Subject to paragraph (2), subsections (b) through (i) of section 1841 shall apply with respect to the Trust Fund and this title in the same manner as they apply with respect to the Federal Supplementary Medical Insurance Trust Fund and part B, respectively.

''(2) MISCELLANEOUS REFERENCES.—In applying provisions of section 1841 under paragraph (1)—

''(A) any reference in such section to 'this part' is construed to refer to this part D;

''(B) any reference in section 1841(h) to section 1840(d) and in section 1841(i) to sections 1840(b)(1) and 1842(g) are deemed references to comparable authority exercised under this part; and

''(C) payments may be made under section 1841(g) to the Trust Funds under sections 1817 and 1841 as reimbursement to such funds for payments they made for benefits provided under this part.

''SEC. 1859E. OVERSIGHT AND ACCOUNTABILITY.

''(a) THROUGH ANNUAL REPORTS OF TRUSTEES.—The Board of Trustees of the Medicare Early Access Trust Fund under section 1859D(b)(1) shall report on an annual basis to Congress concerning the status of the Trust Fund and the need for adjustments in the program under this part to maintain financial solvency of the program under this part.

''(b) PERIODIC GAO REPORTS.—The Comptroller General of the United States shall periodically submit to Congress reports on the adequacy of the financing of coverage provided under this part. The Comptroller General shall include in such report such recommendations for adjustments in such financing and coverage as the Comptroller General deems appropriate in order to maintain financial solvency of the program under this part.

''SEC. 1859F. ADMINISTRATION AND MISCELLANEOUS.

''(a) TREATMENT FOR PURPOSES OF TITLE.—Except as otherwise provided in this part—

''(1) individuals enrolled under this part shall be treated for purposes of this title as though the individual were entitled to benefits under part A and enrolled under part B; and

''(2) benefits described in section 1859 shall be payable under this title to such individuals in the same manner as if such individuals were so entitled and enrolled.

''(b) NOT TREATED AS MEDICARE PROGRAM FOR PURPOSES OF MEDICAID PROGRAM.—For purposes of applying title XIX (including the provision of medicare cost-sharing assistance under such title), an individual who is enrolled under this part shall not be treated as being entitled to benefits under this title.

''(c) NOT TREATED AS MEDICARE PROGRAM FOR PURPOSES OF COBRA CONTINUATION PROVISIONS.—In applying a COBRA continuation provision (as defined in section 2791(d)(4) of the Public Health Service Act), any reference to an entitlement to benefits under this title shall not be construed to include entitlement to benefits under this title pursuant to the operation of this part.''.

(b) CONFORMING AMENDMENTS TO SOCIAL SECURITY ACT PROVISIONS.—

(1) Section 201(i)(1) of the Social Security Act (42 U.S.C. 401(i)(1)) is amended by striking ''or the Federal Supplementary Medical Insurance Trust Fund'' and inserting ''the Federal Supplementary Medical Insurance Trust Fund, and the Medicare Early Access Trust Fund''.

(2) Section 201(g)(1)(A) of such Act (42 U.S.C. 401(g)(1)(A)) is amended by striking ''and the Federal Supplementary Medical Insurance Trust Fund established by title XVIII'' and inserting '', the Federal Supplementary Medical Insurance Trust Fund, and the Medicare Early Access Trust Fund established by title XVIII''.

(3) Section 1820(i) of such Act (42 U.S.C. 1395i–4(i)) is amended by striking ''part D'' and inserting ''part E''.

(4) Part C of title XVIII of such Act is amended—

(A) in section 1851(a)(2)(B) (42 U.S.C. 1395w–21(a)(2)(B)), by striking ''1859(b)(3)'' and inserting ''1858(b)(3)'';

(B) in section 1851(a)(2)(C) (42 U.S.C. 1395w–21(a)(2)(C)), by striking ''1859(b)(2)'' and inserting ''1858(b)(2)'';

(C) in section 1852(a)(1) (42 U.S.C. 1395w–22(a)(1)), by striking ''1859(b)(3)'' and inserting ''1858(b)(3)'';

(D) in section 1852(a)(3)(B)(ii) (42 U.S.C. 1395w–22(a)(3)(B)(ii)), by striking ''1859(b)(2)(B)'' and inserting ''1858(b)(2)(B)'';

(E) in section 1853(a)(1)(A) (42 U.S.C. 1395w–23(a)(1)(A)), by striking ''1859(e)(4)'' and inserting ''1858(e)(4)''; and

(F) in section 1853(a)(3)(D) (42 U.S.C. 1395w–23(a)(3)(D)), by striking ''1859(e)(4)'' and inserting ''1858(e)(4)''.

(5) Section 1853(c) of such Act (42 U.S.C. 1395w–23(c)) is amended—

(A) in paragraph (1), by striking ''or (7)'' and inserting '', (7), or (8)'', and

(B) by adding at the end the following:

''(8) ADJUSTMENT FOR EARLY ACCESS.—In applying this subsection with respect to individuals entitled to benefits under part D, the Secretary shall provide for an appropriate adjustment in the Medicare+Choice capitation rate as may be appropriate to reflect differences between the population served under such part and the population under parts A and B.''.

(c) OTHER CONFORMING AMENDMENTS.—

(1) Section 138(b)(4) of the Internal Revenue Code of 1986 is amended by striking ''1859(b)(3)'' and inserting ''1858(b)(3)''.

(2)(A) Section 602(2)(D)(ii) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1162(2)) is amended by inserting ''(not including an individual who is so entitled pursuant to enrollment under section 1859A)'' after ''Social Security Act''.

(B) Section 2202(2)(D)(ii) of the Public Health Service Act (42 U.S.C. 300bb–2(2)(D)(ii)) is amended by inserting ''(not including an individual who is so entitled pursuant to enrollment under section 1859A)'' after ''Social Security Act''.

(C) Section 4980B(f)(2)(B)(i)(V) of the Internal Revenue Code of 1986 is amended by inserting ''(not including an individual who is so entitled pursuant to enrollment under section 1859A)'' after ''Social Security Act''.

TITLE II—ACCESS TO MEDICARE BENEFITS FOR DISPLACED WORKERS 55-TO-62 YEARS OF AGE

SEC. 201. ACCESS TO MEDICARE BENEFITS FOR DISPLACED WORKERS 55-TO-62 YEARS OF AGE.

(a) ELIGIBILITY.—Section 1859 of the Social Security Act, as inserted by section 101(a)(2), is amended by adding at the end the following new subsection:

''(c) DISPLACED WORKERS AND SPOUSES.—

''(1) DISPLACED WORKERS.—Subject to paragraph (3), an individual who meets the following requirements with respect to a month is eligible to enroll under this part with respect to such month:

''(A) AGE.—As of the last day of the month, the individual has attained 55 years of age, but has not attained 62 years of age.

''(B) MEDICARE ELIGIBILITY (BUT FOR AGE).—The individual would be eligible for benefits under part A or part B for the month if the individual were 65 years of age.

''(C) LOSS OF EMPLOYMENT-BASED COVERAGE.—

''(i) ELIGIBLE FOR UNEMPLOYMENT COMPENSATION.—The individual meets the requirements relating to period of covered employment and conditions of separation from employment to be eligible for unemployment compensation (as defined in section 85(b) of the Internal Revenue Code of 1986), based on a separation from employment occurring on or after July 1, 2001. The previous sentence shall not be construed as requiring the individual to be receiving such unemployment compensation.

''(ii) LOSS OF EMPLOYMENT-BASED COVERAGE.—Immediately before the time of such separation of employment, the individual was covered under a group health plan on the basis of such employment, and, because of such loss, is no longer eligible for coverage under such plan (including such eligibility based on the application of a Federal or State COBRA continuation provision) as of the last day of the month involved.

''(iii) PREVIOUS CREDITABLE COVERAGE FOR AT LEAST 1 YEAR.—As of the date on which the individual loses coverage described in clause (ii), the aggregate of the periods of creditable coverage (as determined under section 2701(c) of the Public Health Service Act) is 12 months or longer.

''(D) EXHAUSTION OF AVAILABLE COBRA CONTINUATION BENEFITS.—

''(i) IN GENERAL.—In the case of an individual described in clause (ii) for a month described in clause (iii)—

''(I) the individual (or spouse) elected coverage described in clause (ii); and

''(II) the individual (or spouse) has continued such coverage for all months described in clause (iii) in which the individual (or spouse) is eligible for such coverage.

''(ii) INDIVIDUALS TO WHOM COBRA CONTINUATION COVERAGE MADE AVAILABLE.—An individual described in this clause is an individual—

''(I) who was offered coverage under a Federal or State COBRA continuation provision at the time of loss of coverage eligibility described in subparagraph (C)(ii); or

''(II) whose spouse was offered such coverage in a manner that permitted coverage of the individual at such time.

''(iii) MONTHS OF POSSIBLE COBRA CONTINUATION COVERAGE.—A month described in this clause is a month for which an individual described in clause (ii) could have had coverage described in such clause as of the last day of the month if the individual (or the spouse of the individual, as the case may be) had elected such coverage on a timely basis.

''(E) NOT ELIGIBLE FOR COVERAGE UNDER FEDERAL HEALTH INSURANCE PROGRAM OR GROUP HEALTH PLANS.—The individual is not eligible for benefits or coverage under a Federal health insurance program or under a group health plan (whether on the basis of the individual's employment or employment of the individual's spouse) as of the last day of the month involved.

''(2) SPOUSE OF DISPLACED WORKER.—Subject to paragraph (3), an individual who meets the following requirements with respect to a month is eligible to enroll under this part with respect to such month:

''(A) AGE.—As of the last day of the month, the individual has not attained 62 years of age.

''(B) MARRIED TO DISPLACED WORKER.—The individual is the spouse of an individual at the time the individual enrolls under this part under paragraph (1) and loses coverage described in paragraph (1)(C)(ii) because the individual's spouse lost such coverage.

''(C) MEDICARE ELIGIBILITY (BUT FOR AGE); EXHAUSTION OF ANY COBRA CONTINUATION COVERAGE; AND NOT ELIGIBLE FOR COVERAGE UNDER FEDERAL HEALTH INSURANCE PROGRAM OR GROUP HEALTH PLAN.—The individual meets the requirements of subparagraphs (B), (D), and (E) of paragraph (1).

''(3) CHANGE IN HEALTH PLAN ELIGIBILITY AFFECTS CONTINUED ELIGIBILITY.—For provision that terminates enrollment under this section in the case of an individual who becomes eligible for coverage under a group health plan or under a Federal health insurance program, see section 1859A(d)(1)(C).

''(4) REENROLLMENT PERMITTED.—Nothing in this subsection shall be construed as preventing an individual who, after enrolling under this subsection, terminates such enrollment from subsequently reenrolling under this subsection if the individual is eligible to enroll under this subsection at that time.''.

(b) ENROLLMENT.—Section 1859A of such Act, as so inserted, is amended—

(1) in subsection (a), by striking ''and'' at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting ''; and'', and by adding at the end the following new paragraph:

''(3) individuals whose coverage under this part would terminate because of subsection

(d)(1)(B)(ii) are provided notice and an opportunity to continue enrollment in accordance with section 1859E(c)(1).'';

(2) in subsection (b), by inserting after Notwithstanding any other provision of law, (1) the following:

''(2) DISPLACED WORKERS AND SPOUSES.—In the case of individuals eligible to enroll under this part under section 1859(c), the following rules apply:

''(A) INITIAL ENROLLMENT PERIOD.—If the individual is first eligible to enroll under such section for January 2002, the enrollment period shall begin on November 1, 2001, and shall end on February 28, 2002. Any such enrollment before January 1, 2002, is conditioned upon compliance with the conditions of eligibility for January 2002.

''(B) SUBSEQUENT PERIODS.—If the individual is eligible to enroll under such section for a month after January 2002, the enrollment period based on such eligibility shall begin on the first day of the second month before the month in which the individual first is eligible to so enroll (or reenroll) and shall end four months later.'';

(3) in subsection (d)(1), by amending subparagraph (B) to read as follows:

''(B) TERMINATION BASED ON AGE.—

''(i) AT AGE 65.—Subject to clause (ii), the individual attains 65 years of age.

''(ii) AT AGE 62 FOR DISPLACED WORKERS AND SPOUSES.—In the case of an individual enrolled under this part pursuant to section 1859(c), subject to subsection (a)(1), the individual attains 62 years of age.'';

(4) in subsection (d)(1), by adding at the end the following new subparagraph:

''(C) OBTAINING ACCESS TO EMPLOYMENT-BASED COVERAGE OR FEDERAL HEALTH INSURANCE PROGRAM FOR INDIVIDUALS UNDER 62 YEARS OF AGE.—In the case of an individual who has not attained 62 years of age, the individual is covered (or eligible for coverage) as a participant or beneficiary under a group health plan or under a Federal health insurance program.'';

(5) in subsection (d)(2), by amending subparagraph (C) to read as follows:

''(C) AGE OR MEDICARE ELIGIBILITY.—

''(i) IN GENERAL.—The termination of a coverage period under paragraph (1)(A)(iii) or (1)(B)(i) shall take effect as of the first day of the month in which the individual attains 65 years of age or becomes entitled to benefits under part A or enrolled for benefits under part B.

''(ii) DISPLACED WORKERS.—The termination of a coverage period under paragraph (1)(B)(ii) shall take effect as of the first day of the month in which the individual attains 62 years of age, unless the individual has enrolled under this part pursuant to section 1859(b) and section 1859E(c)(1).''; and

(6) in subsection (d)(2), by adding at the end the following new subparagraph:

''(D) ACCESS TO COVERAGE.—The termination of a coverage period under paragraph (1)(C) shall take effect on the date on which the individual is eligible to begin a period of creditable coverage (as defined in section 2701(c) of the Public Health Service Act) under a group health plan or under a Federal health insurance program.''.

(c) PREMIUMS.—Section 1859B of such Act, as so inserted, is amended—

(1) in subsection (a)(1), by adding at the end the following:

''(B) BASE MONTHLY PREMIUM FOR INDIVIDUALS UNDER 62 YEARS OF AGE.—A base monthly premium for individuals under 62 years of age, equal to 1/12 of the base annual premium rate computed under subsection (d)(3) for each premium area and age cohort.''; and

(2) by adding at the end the following new subsection:

''(d) BASE MONTHLY PREMIUM FOR INDIVIDUALS UNDER 62 YEARS OF AGE.—

''(1) NATIONAL, PER CAPITA AVERAGE FOR AGE GROUPS.—

''(A) ESTIMATE OF AMOUNT.—The Secretary shall estimate the average, annual per capita amount that would be payable under this title with respect to individuals residing in the United States who meet the requirement of section 1859(c)(1)(A) within each of the age cohorts established under subparagraph (B) as if all such individuals within such cohort were eligible for (and enrolled) under this title during the entire year (and assuming that section 1862(b)(2)(A)(i) did not apply).

''(B) AGE COHORTS.—For purposes of subparagraph (A), the Secretary shall establish separate age cohorts in 5 year age increments for individuals who have not attained 60 years of ages and a separate cohort for individuals who have attained 60 years of age.

''(2) GEOGRAPHIC ADJUSTMENT.—The Secretary shall adjust the amount determined under paragraph (1)(A) for each premium area (specified under subsection (a)(3)) in the same manner and to the same extent as the Secretary provides for adjustments under subsection (b)(2).

''(3) BASE ANNUAL PREMIUM.—The base annual premium under this subsection for months in a year for individuals in an age cohort under paragraph (1)(B) in a premium area is equal to 165 percent of the average, annual per capita amount estimated under paragraph (1) for the age cohort and year, adjusted for such area under paragraph (2).

''(4) PRO-RATION OF PREMIUMS TO REFLECT COVERAGE DURING A PART OF A MONTH.—If the Secretary provides for coverage of portions of a month under section 1859A(c)(2), the Secretary shall pro-rate the premiums attributable to such coverage under this section to reflect the portion of the month so covered.''.

(d) ADMINISTRATIVE PROVISIONS.—Section 1859F of such Act, as so inserted, is amended by adding at the end the following:

''(d) ADDITIONAL ADMINISTRATIVE PROVISIONS.—

''(1) PROCESS FOR CONTINUED ENROLLMENT OF DISPLACED WORKERS WHO ATTAIN 62 YEARS OF AGE.—The Secretary shall provide a process for the continuation of enrollment of individuals whose enrollment under section 1859(c) would be terminated upon attaining 62 years of age. Under such process such individuals shall be provided appropriate and timely notice before the date of such termination and of the requirement to enroll under this part pursuant to section 1859(b) in order to continue entitlement to benefits under this title after attaining 62 years of age.

''(2) ARRANGEMENTS WITH STATES FOR DETERMINATIONS RELATING TO UNEMPLOYMENT COMPENSATION ELIGIBILITY.—The Secretary may provide for appropriate arrangements with States for the determination of whether individuals in the State meet or would meet the requirements of section 1859(c)(1)(C)(i).''.

(e) CONFORMING AMENDMENT TO HEADING TO PART.—The heading of part D of title XVIII of the Social Security Act, as so inserted, is amended by striking ''62'' and inserting ''55''.

TITLE III—COBRA PROTECTION FOR EARLY RETIREES

Subtitle A—Amendments to the Employee Retirement Income Security Act of 1974

SEC. 301. COBRA CONTINUATION BENEFITS FOR CERTAIN RETIRED WORKERS WHO LOSE RETIREE HEALTH COVERAGE.

(a) ESTABLISHMENT OF NEW QUALIFYING EVENT.—

(1) IN GENERAL.—Section 603 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1163) is amended by inserting after paragraph (6) the following new paragraph:

''(7) The termination or substantial reduction in benefits (as defined in section 607(7)) of group health plan coverage as a result of plan changes or termination in the case of a covered employee who is a qualified retiree.''.

(2) QUALIFIED RETIREE; QUALIFIED BENEFICIARY; AND SUBSTANTIAL REDUCTION DEFINED.—Section 607 of such Act (29 U.S.C. 1167) is amended—

(A) in paragraph (3)—

(i) in subparagraph (A), by inserting ''except as otherwise provided in this paragraph,'' after ''means,''; and

(ii) by adding at the end the following new subparagraph:

''(D) SPECIAL RULE FOR QUALIFYING RETIREES AND DEPENDENTS.—In the case of a qualifying event described in section 603(7), the term 'qualified beneficiary' means a qualified retiree and any other individual who, on the day before such qualifying event, is a beneficiary under the plan on the basis of the individual's relationship to such qualified retiree.''; and

(B) by adding at the end the following new paragraphs:

''(6) QUALIFIED RETIREE.—The term 'qualified retiree' means, with respect to a qualifying event described in section 603(7), a covered employee who, at the time of the event—

''(A) has attained 55 years of age; and

''(B) was receiving group health coverage under the plan by reason of the retirement of the covered employee.

''(7) SUBSTANTIAL REDUCTION.—The term 'substantial reduction'—

''(A) means, as determined under regulations of the Secretary and with respect to a qualified beneficiary, a reduction in the average actuarial value of benefits under the plan (through reduction or elimination of benefits, an increase in premiums, deductibles, copayments, and coinsurance, or any combination thereof), since the date of commencement of coverage of the beneficiary by reason of the retirement of the covered employee (or, if later, January 6, 2001), in an amount equal to at least 50 percent of the total average actuarial value of the benefits under the plan as of such date (taking into account an appropriate adjustment to permit comparison of values over time); and

''(B) includes an increase in premiums required to an amount that exceeds the premium level described in the fourth sentence of section 602(3).''.

(b) DURATION OF COVERAGE THROUGH AGE 65.—Section 602(2)(A) of such Act (29 U.S.C. 1162(2)(A)) is amended—

(1) in clause (ii), by inserting ''or 603(7)'' after ''603(6)'';

(2) in clause (iv), by striking ''or 603(6)'' and inserting '', 603(6), or 603(7)'';

(3) by redesignating clause (iv) as clause (vi);

(4) by redesignating clause (v) as clause (iv) and by moving such clause to immediately follow clause (iii); and

(5) by inserting after such clause (iv) the following new clause:

''(v) SPECIAL RULE FOR CERTAIN DEPENDENTS IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—In the case of a qualifying event described in section 603(7), in the case of a qualified beneficiary described in section 607(3)(D) who is not the qualified retiree or spouse of such retiree, the later of—

''(I) the date that is 36 months after the earlier of the date the qualified retiree becomes entitled to benefits under title XVIII of the Social Security Act, or the date of the death of the qualified retiree; or

''(II) the date that is 36 months after the date of the qualifying event.''.

(c) TYPE OF COVERAGE IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—Section 602(1) of such Act (29 U.S.C. 1162(1)) is amended—

(1) by striking ''The coverage'' and inserting the following:

''(A) IN GENERAL.—Except as provided in subparagraph (B), the coverage''; and

(2) by adding at the end the following:

''(B) CERTAIN RETIREES.—In the case of a qualifying event described in section 603(7), in applying the first sentence of subparagraph (A) and the fourth sentence of paragraph (3), the coverage offered that is the most prevalent coverage option (as determined under regulations of the Secretary) continued under the group health plan (or, if none, under the most prevalent other plan offered by the same plan sponsor) shall be treated as the coverage described in such sentence, or (at the option of the plan and qualified beneficiary) such other coverage option as may be offered and elected by the qualified beneficiary involved.''.

(d) INCREASED LEVEL OF PREMIUMS PERMITTED.—Section 602(3) of such Act (29 U.S.C. 1162(3)) is amended by adding at the end the following new sentence: ''In the case of an individual provided continuation coverage by reason of a qualifying event described in section 603(7), any reference in subparagraph (A) of this paragraph to '102 percent of the applicable premium' is deemed a reference to '125 percent of the applicable premium for employed individuals (and their dependents, if applicable) for the coverage option referred to in paragraph (1)(B)'.''.

(e) NOTICE.—Section 606(a) of such Act (29 U.S.C. 1166) is amended—

(1) in paragraph (4)(A), by striking ''or (6)'' and inserting ''(6), or (7)''; and

(2) by adding at the end the following:

''The notice under paragraph (4) in the case of a qualifying event described in section 603(7) shall be provided at least 90 days before the date of the qualifying event.''.

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section (other than subsection (e)(2)) shall apply to qualifying events occurring on or after January 6, 2001. In the case of a qualifying event occurring on or after such date and before the date of the enactment of this Act, such event shall be deemed (for purposes of such amendments) to have occurred on the date of the enactment of this Act.

(2) ADVANCE NOTICE OF TERMINATIONS AND REDUCTIONS.—The amendment made by subsection (e)(2) shall apply to qualifying events occurring after the date of the enactment of this Act, except that in no case shall notice be required under such amendment before such date.

Subtitle B—Amendments to the Public Health Service Act

SEC. 311. COBRA CONTINUATION BENEFITS FOR CERTAIN RETIRED WORKERS WHO LOSE RETIREE HEALTH COVERAGE.

(a) ESTABLISHMENT OF NEW QUALIFYING EVENT.—

(1) IN GENERAL.—Section 2203 of the Public Health Service Act (42 U.S.C. 300bb–3) is amended by inserting after paragraph (5) the following new paragraph:

''(6) The termination or substantial reduction in benefits (as defined in section 2208(6)) of group health plan coverage as a result of plan changes or termination in the case of a covered employee who is a qualified retiree.''.

(2) QUALIFIED RETIREE; QUALIFIED BENEFICIARY; AND SUBSTANTIAL REDUCTION DEFINED.—Section 2208 of such Act (42 U.S.C. 300bb–8) is amended—

(A) in paragraph (3)—

(i) in subparagraph (A), by inserting ''except as otherwise provided in this paragraph,'' after ''means,''; and

(ii) by adding at the end the following new subparagraph:

''(C) SPECIAL RULE FOR QUALIFYING RETIREES AND DEPENDENTS.—In the case of a qualifying event described in section 2203(6), the term 'qualified beneficiary' means a qualified retiree and any other individual who, on the day before such qualifying event, is a beneficiary under the plan on the basis of the individual's relationship to such qualified retiree.''; and

(B) by adding at the end the following new paragraphs:

''(5) QUALIFIED RETIREE.—The term 'qualified retiree' means, with respect to a qualifying event described in section 2203(6), a covered employee who, at the time of the event—

''(A) has attained 55 years of age; and

''(B) was receiving group health coverage under the plan by reason of the retirement of the covered employee.

''(6) SUBSTANTIAL REDUCTION.—The term 'substantial reduction'—

''(A) means, as determined under regulations of the Secretary of Labor and with respect to a qualified beneficiary, a reduction in the average actuarial value of benefits under the plan (through reduction or elimination of benefits, an increase in premiums, deductibles, copayments, and coinsurance, or any combination thereof), since the date of commencement of coverage of the beneficiary by reason of the retirement of the covered employee (or, if later, January 6, 2001), in an amount equal to at least 50 percent of the total average actuarial value of the benefits under the plan as of such date (taking into account an appropriate adjustment to permit comparison of values over time); and

''(B) includes an increase in premiums required to an amount that exceeds the premium level described in the fourth sentence of section 2202(3).''.

(b) DURATION OF COVERAGE THROUGH AGE 65.—Section 2202(2)(A) of such Act (42 U.S.C. 300bb–2(2)(A)) is amended—

(1) by redesignating clause (iii) as clause (iv); and

(2) by inserting after clause (ii) the following new clause:

''(iii) SPECIAL RULE FOR CERTAIN DEPENDENTS IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—In the case of a qualifying event described in section 2203(6), in the case of a qualified beneficiary described in section 2208(3)(C) who is not the qualified retiree or spouse of such retiree, the later of—

''(I) the date that is 36 months after the earlier of the date the qualified retiree becomes entitled to benefits under title XVIII of the Social Security Act, or the date of the death of the qualified retiree; or

''(II) the date that is 36 months after the date of the qualifying event.''.

(c) TYPE OF COVERAGE IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—Section 2202(1) of such Act (42 U.S.C. 300bb–2(1)) is amended—

(1) by striking ''The coverage'' and inserting the following:

''(A) IN GENERAL.—Except as provided in subparagraph (B), the coverage''; and

(2) by adding at the end the following:

''(B) CERTAIN RETIREES.—In the case of a qualifying event described in section 2203(6), in applying the first sentence of subparagraph (A) and the fourth sentence of paragraph (3), the coverage offered that is the most prevalent coverage option (as determined under regulations of the Secretary of Labor) continued under the group health plan (or, if none, under the most prevalent other plan offered by the same plan sponsor) shall be treated as the coverage described in such sentence, or (at the option of the plan and qualified beneficiary) such other coverage option as may be offered and elected by the qualified beneficiary involved.''.

(d) INCREASED LEVEL OF PREMIUMS PERMITTED.—Section 2202(3) of such Act (42 U.S.C. 300bb–2(3)) is amended by adding at the end the following new sentence: ''In the case of an individual provided continuation coverage by reason of a qualifying event described in section 2203(6), any reference in subparagraph (A) of this paragraph to '102 percent of the applicable premium' is deemed a reference to '125 percent of the applicable premium for employed individuals (and their dependents, if applicable) for the coverage option referred to in paragraph (1)(B)'.''.

(e) NOTICE.—Section 2206(a) of such Act (42 U.S.C. 300bb–6(a)) is amended—

(1) in paragraph (4)(A), by striking ''or (4)'' and inserting ''(4), or (6)''; and

(2) by adding at the end the following:

''The notice under paragraph (4) in the case of a qualifying event described in section 2203(6) shall be provided at least 90 days before the date of the qualifying event.''.

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section (other than subsection (e)(2)) shall apply to qualifying events occurring on or after January 6, 2001. In the case of a qualifying event occurring on or after such date and before the date of the enactment of this Act, such event shall be deemed (for purposes of such amendments) to have occurred on the date of the enactment of this Act.

(2) ADVANCE NOTICE OF TERMINATIONS AND REDUCTIONS.—The amendment made by subsection (e)(2) shall apply to qualifying events occurring after the date of the enactment of this Act, except that in no case shall notice be required under such amendment before such date.

Subtitle C—Amendments to the Internal Revenue Code of 1986

SEC. 321. COBRA CONTINUATION BENEFITS FOR CERTAIN RETIRED WORKERS WHO LOSE RETIREE HEALTH COVERAGE.

(a) ESTABLISHMENT OF NEW QUALIFYING EVENT.—

(1) IN GENERAL.—Section 4980B(f)(3) of the Internal Revenue Code of 1986 is amended by inserting after subparagraph (F) the following new subparagraph:

''(G) The termination or substantial reduction in benefits (as defined in subsection (g)(6)) of group health plan coverage as a result of plan changes or termination in the case of a covered employee who is a qualified retiree.''.

(2) QUALIFIED RETIREE; QUALIFIED BENEFICIARY; AND SUBSTANTIAL REDUCTION DEFINED.—Section 4980B(g) of such Code is amended—

(A) in paragraph (1)—

(i) in subparagraph (A), by inserting ''except as otherwise provided in this paragraph,'' after ''means,''; and

(ii) by adding at the end the following new subparagraph:

''(E) SPECIAL RULE FOR QUALIFYING RETIREES AND DEPENDENTS.—In the case of a qualifying event described in subsection (f)(3)(G), the term 'qualified beneficiary' means a qualified retiree and any other individual who, on the day before such qualifying event, is a beneficiary under the plan on the basis of the individual's relationship to such qualified retiree.''; and

(B) by adding at the end the following new paragraphs:

''(5) QUALIFIED RETIREE.—The term 'qualified retiree' means, with respect to a qualifying event described in subsection (f)(3)(G), a covered employee who, at the time of the event—

''(A) has attained 55 years of age; and

''(B) was receiving group health coverage under the plan by reason of the retirement of the covered employee.

''(6) SUBSTANTIAL REDUCTION.—The term 'substantial reduction'—

''(A) means, as determined under regulations of the Secretary of Labor and with respect to a qualified beneficiary, a reduction in the average actuarial value of benefits under the plan (through reduction or elimination of benefits, an increase in premiums, deductibles, copayments, and coinsurance, or any combination thereof), since the date of commencement of coverage of the beneficiary by reason of the retirement of the covered employee (or, if later, January 6, 2001), in an amount equal to at least 50 percent of the total average actuarial value of the benefits under the plan as of such date (taking into account an appropriate adjustment to permit comparison of values over time); and

''(B) includes an increase in premiums required to an amount that exceeds the premium level described in the fourth sentence of subsection (f)(2)(C).''.

(b) DURATION OF COVERAGE THROUGH AGE 65.—Section 4980B(f)(2)(B)(i) of such Code is amended—

(1) in subclause (II), by inserting ''or (3)(G)'' after ''(3)(F)'';

(2) in subclause (IV), by striking ''or (3)(F)'' and inserting '', (3)(F), or (3)(G)'';

(3) by redesignating subclause (IV) as subclause (VI);

(4) by redesignating subclause (V) as subclause (IV) and by moving such clause to immediately follow subclause (III); and

(5) by inserting after such subclause (IV) the following new subclause:

''(V) SPECIAL RULE FOR CERTAIN DEPENDENTS IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—In the case of a qualifying event described in paragraph (3)(G), in the case of a qualified beneficiary described in subsection (g)(1)(E) who is not the qualified retiree or spouse of such retiree, the later of—

''(a) the date that is 36 months after the earlier of the date the qualified retiree becomes entitled to benefits under title XVIII of the Social Security Act, or the date of the death of the qualified retiree; or

''(b) the date that is 36 months after the date of the qualifying event.''.

(c) TYPE OF COVERAGE IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—Section 4980B(f)(2)(A) of such Code is amended—

(1) by striking ''The coverage'' and inserting the following:

''(i) IN GENERAL.—Except as provided in clause (ii), the coverage''; and

(2) by adding at the end the following:

''(ii) CERTAIN RETIREES.—In the case of a qualifying event described in paragraph (3)(G), in applying the first sentence of clause (i) and the fourth sentence of subparagraph (C), the coverage offered that is the most prevalent coverage option (as determined under regulations of the Secretary of Labor) continued under the group health plan (or, if none, under the most prevalent other plan offered by the same plan sponsor) shall be treated as the coverage described in such sentence, or (at the option of the plan and qualified beneficiary) such other coverage option as may be offered and elected by the qualified beneficiary involved.''.

(d) INCREASED LEVEL OF PREMIUMS PERMITTED.—Section 4980B(f)(2)(C) of such Code is amended by adding at the end the following new sentence: ''In the case of an individual provided continuation coverage by reason of a qualifying event described in paragraph (3)(G), any reference in clause (i) of this subparagraph to '102 percent of the applicable premium' is deemed a reference to '125 percent of the applicable premium for employed individuals (and their dependents, if applicable) for the coverage option referred to in subparagraph (A)(ii)'.''.

(e) NOTICE.—Section 4980B(f)(6) of such Code is amended—

(1) in subparagraph (D)(i), by striking ''or (F)'' and inserting ''(F), or (G)''; and

(2) by adding at the end the following:

''The notice under subparagraph (D)(i) in the case of a qualifying event described in paragraph (3)(G) shall be provided at least 90 days before the date of the qualifying event.''.

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section (other than subsection (e)(2)) shall apply to qualifying events occurring on or after January 6, 2001. In the case of a qualifying event occurring on or after such date and before the date of the enactment of this Act, such event shall be deemed (for purposes of such amendments) to have occurred on the date of the enactment of this Act.

(2) ADVANCE NOTICE OF TERMINATIONS AND REDUCTIONS.—The amendment made by subsection (e)(2) shall apply to qualifying events occurring after the date of the enactment of this Act, except that in no case shall notice be required under such amendment before such date.

TITLE IV—50 PERCENT CREDIT AGAINST INCOME TAX FOR MEDICARE BUY-IN PREMIUMS AND FOR CERTAIN COBRA CONTINUATION COVERAGE PREMIUMS

SEC. 401. 50 PERCENT INCOME TAX CREDIT FOR MEDICARE BUY-IN PREMIUMS AND FOR CERTAIN COBRA CONTINUATION COVERAGE PREMIUMS.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25A the following new section:

''SEC. 25B. MEDICARE BUY-IN PREMIUMS AND CERTAIN COBRA CONTINUATION COVERAGE PREMIUMS.

''(a) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 50 percent of the amount paid during such year as—

''(1) qualified continuation health coverage premiums, and

''(2) medicare buy-in coverage premiums.

''(b) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED CONTINUATION HEALTH COVERAGE PREMIUMS.—The term 'qualified continuation health coverage premiums' means, for any period, premiums paid for continuation coverage (as defined in section 4980B(f)) under a group health plan for such period but only if failure to offer such coverage to the taxpayer for such period would constitute a failure by such health plan to meet the requirements of section 4980B(f) and only if the continuation coverage is provided because of a qualifying event described in section 4980B(f)(3)(G).

''(2) MEDICARE BUY-IN COVERAGE PREMIUMS.—The term 'medicare buy-in coverage premiums' means premiums paid under part D of title XVIII of the Social Security Act.''

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25A the following new item:

''Sec. 25B. Medicare buy-in premiums and certain COBRA continuation coverage premiums.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2002.

By Mr. GREGG (for himself and Mrs. HUTCHISON):

S. 624. A bill to amend the Fair Labor Standards Act of 1938 to provide to private sector employees the same opportunities for time-and-a-half compensatory time off and biweekly work programs as Federal employees currently enjoy to help balance the demands and needs of work and family, to clairfy the provisions relating to exemptions of certain professionals from minimum wage and overtime requirements of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. GREGG. Mr. President, I rise today to introduce legislation that, if enacted, could have a monumental impact on the lives of thousands of working men, women and families in America. Today, with Senator KAY BAILEY HUTCHISON, I am pleased to introduce the Workplace Flexibility Act. The Workplace Flexibility Act has as its primary purpose, giving families and employers greater flexibility in meeting and balancing the demands of work and family.

The demand for family time is significant. In fact, families today are spending close to 40 percent less time with their families and children than in the 1960s. This is an important and even critical issue to many Americans. In fact, survey upon survey has found that the issue of workplace flexibility and family time is the number one issue women want addressed.

The Workplace Flexibility Act is not a total solution, but it is an important part of the solution. It gives working families a choice.

The Workplace Flexibility Act in a nutshell consists of two main provisions. The first allows employees the option of taking time off in lieu of overtime pay. The second gives employees the option of ''flexing'' their schedules over a two week period. In other words, employees would have 10 ''flexible'' hours that they could work in one week in order to take 10 hours off in the next week. Flexible work arrangements have been available to Federal government workers since 1978. In the 1970's, 80's, and 90's federal government workers have had this special privilege. The Federal program was so successful in fact, that the President in 1993 issues an Executive Order extending it to parts of the Federal Government that had not yet had the benefits of the program.

Yet members of the private sector do not have this option. The Workplace Flexibility Act corrects this and extends this option to all businesses covered by the Fair Labor Standards Act.

So, who are these workers who are currently covered by the FLSA but do not have the ability to exercise workplace flexibility? They are some of the hardest working Americans. Sixty percent of these workers have only a high school education. Eighty percent of them make less than $28,000. A great

percentage of them are single mothers with children. They are working hard to meet their family's economic needs as well as their emotional needs. And while government can't mandate love and nurture, it can get out of the way and eliminate barriers to opportunities for love and nurture. That is what the Workplace Flexibility Act does.

In the subsequent weeks and months we will undoubtedly hear from some that what working families really need is more money. They need their overtime pay. That may well be true for some families, and this bill does not affect them in any way. But for other families, for families who want to choose to take time off with pay to attend a child's school play or PTA meeting, the issue is time, not money. The point is this—the family should have the right to choose. Washington should not decide for them which priority is important for their family.

I am one who believes in the working men and women of America and in their ability to know what is best for their families. It is time for Congress to give families what they want, and not what Congress thinks they need. It's time to give working families what every Federal employee has already, workplace flexibility.

I ask unanimous consent that the text of the bill and a bill summary be printed in the RECORD.

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

S. 624

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 ''Workplace Flexibility Act''.

SEC. 2. WORKPLACE FLEXIBILITY OPTIONS.

(a) COMPENSATORY TIME OFF.—Section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) is amended by adding at the end the following:

''(r)(1)(A) Except as provided in subparagraph (B), no employee may be required under this subsection to receive compensatory time off in lieu of monetary overtime compensation. The acceptance of compensatory time off in lieu of monetary overtime compensation may not be a condition of employment or of working overtime.

''(B) In a case in which a valid collective bargaining agreement exists between an employer and the labor organization that has been certified or recognized as the representative of the employees of the employer under applicable law, an employee may only be required under this subsection to receive compensatory time off in lieu of monetary overtime compensation in accordance with the agreement.

''(2)(A) An employee may receive, in accordance with this subsection and in lieu of monetary overtime compensation, compensatory time off at a rate not less than one and one-half hours for each hour of employment for which monetary overtime compensation is required by this section.

''(B) In this subsection:

''(i) The term 'employee' means an individual—

''(I) who is an employee (as defined in section 3);

''(II) who is not an employee of a public agency; and

''(III) to whom subsection (a) applies.

''(ii) The term 'employer' does not include a public agency.

''(3) An employer may provide compensatory time off to employees under paragraph (2)(A) only pursuant to the following:

''(A) The compensatory time off may be provided only in accordance with—

''(i) applicable provisions of a collective bargaining agreement between the employer and the labor organization that has been certified or recognized as the representative of the employees under applicable law; or

''(ii) in the case of an employee who is not represented by a labor organization described in clause (i), a written agreement arrived at between the employer and employee before the performance of the work involved if the agreement or understanding was entered into knowingly and voluntarily by such employee and was not a condition of employment.

''(B) The compensatory time off may only be provided to an employee described in subparagraph (A)(ii) if such employee has affirmed, in a written statement that is made, kept, and preserved in accordance with section 11(c), that the employee has chosen to receive compensatory time off in lieu of monetary overtime compensation.

''(C) No employee may receive, or agree to receive, the compensatory time off unless the employee has been employed for at least 12 months by the employer, and for at least 1,250 hours of service with the employer during the previous 12-month period.

''(D) An employee shall be eligible to accrue compensatory time off if such employee has not accrued compensatory time off in excess of the limit applicable to the employee prescribed by paragraph (4).

''(4)(A) An employee may accrue not more than 160 hours of compensatory time off.

''(B) Not later than January 31 of each calendar year, the employer of the employee shall provide monetary compensation for any unused compensatory time off accrued during the preceding calendar year that was not used prior to December 31 of the preceding calendar year at the rate prescribed by paragraph (8). An employer may designate and communicate to the employees of the employer a 12-month period other than the calendar year, in which case the compensation shall be provided not later than 31 days after the end of the 12-month period.

''(C) The employer may provide monetary compensation for an employee's unused compensatory time off in excess of 80 hours at any time after providing the employee with at least 30 days' written notice. The compensation shall be provided at the rate prescribed by paragraph (8).

''(5)(A) An employer that has adopted a policy offering compensatory time off to employees may discontinue the policy for employees described in paragraph (3)(A)(ii) after providing 30 days' written notice to the employees who are subject to an agreement or understanding described in paragraph (3)(A)(ii).

''(B) An employee may withdraw an agreement or understanding described in paragraph (3)(A)(ii) at any time, by submitting a written notice of withdrawal to the employer of the employee. An employee may also request in writing that monetary compensation be provided, at any time, for all compensatory time off accrued that has not been used. Within 30 days after receiving the written request, the employer shall provide the employee the monetary compensation due in accordance with paragraph (8).

''(6)(A)(i) An employer that provides compensatory time off under paragraph (2) to an employee shall not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any employee for the purpose of—

''(I) interfering with the rights of the employee under this subsection to request or not request compensatory time off in lieu of payment of monetary overtime compensation for overtime hours;

''(II) interfering with the rights of the employee to use accrued compensatory time off in accordance with paragraph (9); or

''(III) requiring the employee to use the compensatory time off.

''(ii) In clause (i), the term 'intimidate, threaten, or coerce' has the meaning given the term in section 13A(c)(2).

''(B) An agreement or understanding that is entered into by an employee and employer under paragraph (3)(A)(ii) shall permit the employee to elect, for an applicable workweek—

''(i) the payment of monetary overtime compensation for the workweek; or

''(ii) the accrual of compensatory time off in lieu of the payment of monetary overtime compensation for the workweek.''.

(b) REMEDIES AND SANCTIONS.—Section 16 of the Fair Labor Standards Act of 1938 (29 U.S.C. 216) is amended by adding at the end the following:

''(f)(1) In addition to any amount that an employer is liable under subsection (b) for a violation of a provision of section 7, an employer that violates section 7(r)(6)(A) shall be liable to the employee affected in an amount equal to—

''(A) the product of—

''(i) the rate of compensation (determined in accordance with section 7(r)(8)(A)); and

''(ii)(I) the number of hours of compensatory time off involved in the violation that was initially accrued by the employee; minus

''(II) the number of such hours used by the employee; and

''(B) as liquidated damages, the product of—

''(i) such rate of compensation; and

''(ii) the number of hours of compensatory time off involved in the violation that was initially accrued by the employee.

''(2) The employer shall be subject to such liability in addition to any other remedy available for such violation under this section or section 17, including a criminal penalty under subsection (a) and a civil penalty under subsection (e).''.

(c) CALCULATIONS AND SPECIAL RULES.—Section 7(r) of the Fair Labor Standards Act of 1938 (29 U.S.C. 207(r)), as added by subsection (a), is further amended by adding at the end the following:

''(7) An employee who has accrued compensatory time off authorized to be provided under paragraph (2) shall, upon the voluntary or involuntary termination of employment, be paid for the unused compensatory time off in accordance with paragraph (8).

''(8)(A) If compensation is to be paid to an employee for accrued compensatory time off, the compensation shall be paid at a rate of compensation not less than—

''(i) the regular rate received by such employee when the compensatory time off was earned; or

''(ii) the final regular rate received by such employee;

whichever is higher.

''(B) Any payment owed to an employee under this subsection for unused compensatory time off shall be considered unpaid monetary overtime compensation.

''(9) An employee—

''(A) who has accrued compensatory time off authorized to be provided under paragraph (2); and

''(B) who has requested the use of the accrued compensatory time off;

shall be permitted by the employer of the employee to use the accrued compensatory

time off within a reasonable period after making the request if the use of the accrued compensatory time off does not unduly disrupt the operations of the employer.

''(10) The terms 'monetary overtime compensation' and 'compensatory time off' shall have the meanings given the terms 'overtime compensation' and 'compensatory time', respectively, by subsection (o)(7).''.

(d) NOTICE TO EMPLOYEES.—Not later than 30 days after the date of enactment of this Act, the Secretary of Labor shall revise the materials the Secretary provides, under regulations contained in section 516.4 of title 29, Code of Federal Regulations, to employers for purposes of a notice explaining the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.) to employees so that the notice reflects the amendments made to the Act by this section.

SEC. 3. BIWEEKLY WORK PROGRAMS.

(a) IN GENERAL.—The Fair Labor Standards Act of 1938 is amended by inserting after section 13 (29 U.S.C. 213) the following:

''SEC. 13A. BIWEEKLY WORK PROGRAMS.

''(a) VOLUNTARY PARTICIPATION.—

''(1) IN GENERAL.—Except as provided in paragraph (2), no employee may be required to participate in a program described in this section. Participation in a program described in this section may not be a condition of employment.

''(2) COLLECTIVE BARGAINING AGREEMENT.—In a case in which a valid collective bargaining agreement exists between an employer and the labor organization that has been certified or recognized as the representative of the employees of the employer under applicable law, an employee may only be required to participate in such a program in accordance with the agreement.

''(b) BIWEEKLY WORK PROGRAMS.—

''(1) IN GENERAL.—Notwithstanding section 7, an employer may establish biweekly work programs that allow the use of a biweekly work schedule—

''(A) that consists of a basic work requirement of not more than 80 hours, over a 2-week period; and

''(B) in which more than 40 hours of the work requirement may occur in a week of the period, except that no more than 10 hours may be shifted between the 2 weeks involved.

''(2) CONDITIONS.—An employer may carry out a biweekly work program described in paragraph (1) for employees only pursuant to the following:

''(A) AGREEMENT OR UNDERSTANDING.—The program may be carried out only in accordance with—

''(i) applicable provisions of a collective bargaining agreement between the employer and the labor organization that has been certified or recognized as the representative of the employees under applicable law; or

''(ii) in the case of an employee who is not represented by a labor organization described in clause (i), a written agreement arrived at between the employer and employee before the performance of the work involved if the agreement or understanding was entered into knowingly and voluntarily by such employee and was not a condition of employment.

''(B) STATEMENT.—The program shall apply to an employee described in subparagraph (A)(ii) if such employee has affirmed, in a written statement that is made, kept, and preserved in accordance with section 11(c), that the employee has chosen to participate in the program.

''(C) MINIMUM SERVICE.—No employee may participate, or agree to participate, in the program unless the employee has been employed for at least 12 months by the employer, and for at least 1,250 hours of service with the employer during the previous 12-month period.

''(3) COMPENSATION FOR HOURS IN SCHEDULE.—Notwithstanding section 7, in the case of an employee participating in such a biweekly work program, the employee shall be compensated for each hour in such a biweekly work schedule at a rate not less than the regular rate at which the employee is employed.

''(4) COMPUTATION OF OVERTIME.—All hours worked by the employee in excess of such a biweekly work schedule or in excess of 80 hours in the 2-week period, that are requested in advance by the employer, shall be overtime hours.

''(5) OVERTIME COMPENSATION PROVISION.—The employee shall be compensated for each such overtime hour at a rate not less than one and one-half times the regular rate at which the employee is employed, in accordance with section 7(a)(1), or receive compensatory time off in accordance with section 7(r) for each such overtime hour.

''(6) DISCONTINUANCE OF PROGRAM OR WITHDRAWAL.—

''(A) DISCONTINUANCE OF PROGRAM.—An employer that has established a biweekly work program under paragraph (1) may discontinue the program for employees described in paragraph (2)(A)(ii) after providing 30 days' written notice to the employees who are subject to an agreement or understanding described in paragraph (2)(A)(ii).

''(B) WITHDRAWAL.—An employee may withdraw an agreement or understanding described in paragraph (2)(A)(ii) at the end of any 2-week period described in paragraph (1)(A), by submitting a written notice of withdrawal to the employer of the employee.

''(c) PROHIBITION OF COERCION.—

''(1) IN GENERAL.—An employer shall not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any employee for the purpose of interfering with the rights of the employee under this section to elect or not to elect to work a biweekly work schedule.

''(2) DEFINITION.—In paragraph (1), the term 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation) or effecting or threatening to effect any reprisal (such as deprivation of appointment, promotion, or compensation).

''(d) DEFINITIONS.—In this section:

''(1) BASIC WORK REQUIREMENT.—The term 'basic work requirement' means the number of hours, excluding overtime hours, that an employee is required to work or is required to account for by leave or otherwise.

''(2) COLLECTIVE BARGAINING.—The term 'collective bargaining' means the performance of the mutual obligation of the representative of an employer and the labor organization that has been certified or recognized as the representative of the employees of the employer under applicable law to meet at reasonable times and to consult and bargain in a good-faith effort to reach agreement with respect to the conditions of employment affecting such employees and to execute, if requested by either party, a written document incorporating any collective bargaining agreement reached, but the obligation referred to in this paragraph shall not compel either party to agree to a proposal or to make a concession.

''(3) COLLECTIVE BARGAINING AGREEMENT.—The term 'collective bargaining agreement' means an agreement entered into as a result of collective bargaining.

''(4) EMPLOYEE.—The term 'employee' means an individual—

''(A) who is an employee (as defined in section 3);

''(B) who is not an employee of a public agency; and

''(C) to whom section 7(a) applies.

''(5) EMPLOYER.—The term 'employer' does not include a public agency.

''(6) OVERTIME HOURS.—The term 'overtime hours', when used with respect to biweekly work programs under subsection (b), means all hours worked in excess of the biweekly work schedule involved or in excess of 80 hours in the 2-week period involved, that are requested in advance by an employer.

''(7) REGULAR RATE.—The term 'regular rate' has the meaning given the term in section 7(e).''.

(b) REMEDIES.—

(1) PROHIBITIONS.—Section 15(a)(3) of the Fair Labor Standards Act of 1938 (29 U.S.C. 215(a)(3)) is amended—

(A) by inserting ''(A)'' after ''(3)'';

(B) by adding ''or'' after the semicolon; and

(C) by adding at the end the following:

''(B) to violate any of the provisions of section 13A;''.

(2) REMEDIES AND SANCTIONS.—Section 16 of the Fair Labor Standards Act of 1938 (29 U.S.C. 216), as amended in section 2(b), is further amended—

(A) in subsection (c)—

(i) in the first sentence—

(I) by inserting after ''7 of this Act'' the following: '', or of the appropriate legal or monetary equitable relief owing to any employee or employees under section 13A''; and

(II) by striking ''wages or unpaid overtime compensation and'' and inserting ''wages, unpaid overtime compensation, or legal or monetary equitable relief, as appropriate, and'';

(ii) in the second sentence, by striking ''wages or overtime compensation and'' and inserting ''wages, unpaid overtime compensation, or legal or monetary equitable relief, as appropriate, and''; and

(iii) in the third sentence—

(I) by inserting after ''first sentence of such subsection'' the following: '', or the second sentence of such subsection in the event of a violation of section 13A,''; and

(II) by striking ''wages or unpaid overtime compensation under sections 6 and 7 or'' and inserting ''wages, unpaid overtime compensation, or legal or monetary equitable relief, as appropriate, or'';

(B) in subsection (e)—

(i) in the second sentence, by striking ''section 6 or 7'' and inserting ''section 6, 7, or 13A''; and

(ii) in the fourth sentence, in paragraph (3), by striking ''15(a)(4) or'' and inserting ''15(a)(4), a violation of section 15(a)(3)(B), or''; and

(C) by adding at the end the following:

''(g)(1) In addition to any amount that an employer is liable under the second sentence of subsection (b) for a violation of a provision of section 13A, an employer that violates section 13A(c) shall be liable to the employee affected for an additional sum equal to that amount.

''(2) The employer shall be subject to such liability in addition to any other remedy available for such violation under this section or section 17.''.

(c) NOTICE TO EMPLOYEES.—Not later than 30 days after the date of enactment of this Act, the Secretary of Labor shall revise the materials the Secretary provides, under regulations contained in section 516.4 of title 29, Code of Federal Regulations, to employers for purposes of a notice explaining the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.) to employees so that the notice reflects the amendments made to the Act by this section.

SEC. 4. PROTECTIONS FOR CLAIMS RELATING TO COMPENSATORY TIME OFF IN BANKRUPTCY PROCEEDINGS.

Section 507(a)(3) of title 11, United States Code, is amended—

(1) by striking ''for—'' and inserting the following: ''on the condition that all accrued compensatory time off (as defined in section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207)) shall be deemed to have been earned within 90 days before the date of the filing of the petition or the date of the cessation of the debtor's business, whichever occurs first, for—''; and

(2) in subparagraph (A), by inserting before the semicolon the following: ''or the value of unused, accrued compensatory time off (as defined in section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207))''.

SEC. 5. CONGRESSIONAL COVERAGE.

Section 203 of the Congressional Accountability Act of 1995 (2 U.S.C. 1313) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''and section 12(c)'' and inserting ''section 12(c), and section 13A''; and

(B) by striking paragraph (3);

(2) in subsection (b)—

(A) by striking ''The remedy'' and inserting the following:

''(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the remedy''; and

(B) by adding at the end the following:

''(2) COMPENSATORY TIME.—The remedy for a violation of subsection (a) relating to the requirements of section 7(r) of the Fair Labor Standards Act of 1938 (29 U.S.C. 207(r)) shall be such remedy as would be appropriate if awarded under subsection (b) or (f) of section 16 of such Act (29 U.S.C. 216).

''(3) BIWEEKLY WORK PROGRAMS.—The remedy for a violation of subsection (a) relating to the requirements of section 13A of the Fair Labor Standards Act of 1938 shall be such remedy as would be appropriate if awarded under sections 16 and 17 of such Act (29 U.S.C. 216, 217) for such a violation.''; and

(3) in subsection (c), by striking paragraph (4).

SEC. 6. TERMINATION.

The authority provided by this Act and the amendments made by this Act terminates 5 years after the date of enactment of this Act.

SUMMARY OF THE WORKPLACE FLEXIBILITY ACT

SECTION 2, WORKPLACE FLEXIBILITY OPTIONS: COMP-TIME

Gives employers and employees, who have been employed for at least 12 months by the employer, and for at least 1,250 hours of service with the employer during the previous 12-month period, the option of comp time in lieu of monetary overtime compensation, at the rate of 1½ hours of comp time for each hour of overtime worked.

Where a collective bargaining agreement is in place, an employer would have to work within that context in shaping any comp time program.

Where there is no collective bargaining agreement in place, the employer and the individual employee would be allowed to enter into ''an agreement or understanding'' with respect to comp time. Such an agreement must be completely voluntary and must be arrived at before the performance of the work. The agreement must be affirmed in writing.

The employer is prohibited from directly or indirectly intimidating, threatening, coercing or attempting to intimidate, threaten or coerce any employee into agreeing to the comp time option nor may acceptance of comp time be a condition of employment or of working overtime.

Employees may not accrue more than 160 hours of comp time. If unused, such hours must be cashed out at the end of the preceding calendar year or not later than 31 days after the end of an alternative 12-month period designated by the employer. An employer may, upon 30 days written notice to the employee, cash-out all hours banked in excess of 80. Employees who terminate their employment either voluntarily or involuntarily must be paid for any unused comp time.

An employee may withdraw an agreement or understanding at any time by submitting a written notice of withdrawal to the employer and an employer must, within 30 days after receiving the written request, provide the employee the monetary compensation due.

Comp time may be used, upon request by a worker within a reasonable period after making the request if it does not unduly disrupt the operations of the employer.

SECTION 3, BI-WEEKLY WORK PROGRAMS: FLEX-TIME

Gives employers and employees the option of a 2-week 80 hour work period during which, without incurring an overtime penalty, up to 10 hours could be ''flexed'' between the two week period. Employees could, if agreed upon by their employers, choose to work 2 weeks of 40 hours each, 50 hours in one week and 30 in another, etc. Employers would not be required to pay overtime rates (time-and-a-half) until 80 hours had been worked in 2 calendar weeks. For hours worked in excess of 80 in a 2 week period, a worker would have to be compensated either in cash or in paid comp time, if the employer has agreed to a comp time option, each at not less than a time-and-a-half basis.

Like comp time, this program is completely voluntary and may not affect collective bargaining agreements that are in force.

Congress would be covered by both provisions which sunset after 5 years.

Mrs. HUTCHISON. Mr. President, I rise today to join with my colleague, Senator GREGG from New Hampshire to introduce the Workplace Flexibility Act to give America's families the kinds of choices and options they demand and deserve.

When I speak with hourly wage workers in my home state of Texas, and I ask them how they are coping with the growing and competing demands of work and family, I hear many different answers. I hear stories of parents working days and nights to pay the bills and maybe even get a little bit ahead.

Today we introduce legislation to deal with some of the workplace problems of Americans who are paid by the hour. Every day, millions of people in this country must punch a time clock, and they never seem to have enough time they need to get things done, much less the time they would like to have to spend on home and family. Despite the fact that hourly wage earners have the greatest time and money pressures on them, the federal government gives them the least amount of flexibility in scheduling their work week.

While salaried, or so-called ''exempt'' workers can bargain with their employers to work additional hours in one week in order to take time off later, hourly or ''non-exempt'' workers do not have that privilege. The Federal Fair Labor Standards Act prohibits them from benefitting from the additional scheduling options that salaried workers enjoy and that Congress gave to all federal employees back in 1978.

It is time to end this inequity in our nation's labor laws. It is time to give all American workers the ability to choose work schedules to fit their own home and family needs.

The Workplace Flexibility Act will do just that. The bill restores fairness in workplace scheduling by giving hourly wage earners three new scheduling and overtime options.

First, where an employer requires an employee to work overtime, any hours in excess of 40 in a week, the bill would give that employee the option of choosing paid time-and-a-half off in lieu of time and a half pay. So, for example, an employee who works 10 hours of overtime would have earned 15 hours of paid time off for later use. This is called ''comp time.''

Second, for those employees who do not typically work overtime, which, by the way, encompasses over 90 percent of the women who are now paid by the hour, the bill would allow employees to choose to work more than 40 hours in one week in exchange for the same amount of paid time off in another week. This is called ''flex time.''

Finally, the bill will give employees and employers the option of establishing regular two week schedules to allow an employee to work additional hours in week one in order to take paid time off in week two. For example, many federal employees enjoy working 9-hour days and taking every alternate Friday off, with pay, for a total at the end of two weeks of 80 hours. I think it is only right to give private sector workers the flexibility that these federal employees now enjoy.

Polls show that Americans overwhelmingly support being given these added options. Three fourths of federal employees say comp time and flextime have given them more time to spend with their families and have improved their morale and even their productivity. President Clinton's own polling firm found recently that the same proportion of Americans, 75 percent, favor expanding these options to all private sector employees. It is easy to understand why.

According to the Bureau of Labor Statistics, both mother and father work outside the home in almost two thirds of American households. Moreover, 75 percent of mothers with school age children are now in the workforce,

up dramatically in recent years. While the causes for this are many, including expanded work opportunities for women and a heavy tax burden on working families, the results are clear: fewer hours are spent by mothers and fathers with their children and with each other. This shrinking window of family time is weakening the essential family bond that is the bedrock of our strength as a nation.

Not only will our bill make it easier for parents to spend more quality time at home or engaged in personal or community activities, it will do so without a hit to the monthly bottom line. Since comp time and flex time are paid, workers will receive the same amount of money as they would if they did not have these options. The only difference is that this legislation will allow workers the flexibility of taking a day, a week, or even a month off once they have accumulated time in their bank.

Let me make one point very clear: the Workplace Flexibility Act expands, but does not replace the existing law requiring overtime pay for overtime work. For those employees required to work overtime, they will always have the option of receiving overtime pay at the standard time-and-a-half rate. This bill simply affords the employee additional options, upon the mutual agreement of the employee and employer. An employer who violates this or any other provision of our labor laws would be subject to severe civil fines and possibly even prison. In fact, this bill heightens those protections by providing for quadruple damages against an employer who violates the law.

But rather than foster antagonism between labor and management, these added scheduling options have been proven both in this country and abroad to encourage greater cooperation between employees and their employers. Flexible scheduling has created win-win situations for millions of salaried and federal workers and their employers. For the first time in 50 years, America's blue collar working men and women will be empowered to help determine the course of their work week. And thereby, workers will be given greater control over the most precious asset in their lives and in the lives of their families: time.

I urge my colleagues to respond to the growing need for workplace flexibility by supporting the Workplace Flexibility Act.

By Mr. KENNEDY (for himself, Mr. SPECTER, Mr. DASCHLE, Mr. SMITH of Oregon, Mr. LEAHY, Ms. COLLINS, Mr. LEIBERMAN, Ms. SNOWE, Mr. WYDEN, Mr. JEFFORDS, Mr. SCHUMER, Mr. CHAFEE, Mr. AKAKA, Mr. ENSIGN, Mr. BAYH, Mr. BIDEN, Mr. BINGAMAN, Mrs. BOXER, Mr. BREAUX, Ms. CANTWELL, Mrs. CARNAHAN, Mr. CARPER, Mr. CLELAND, Mrs. CLINTON, Mr. CORZINE, Mr. DAYTON, Mr. DODD, Mr. DORGAN, Mr. DURBIN, Mr. EDWARDS, Mrs. FEINSTEIN, Mr. GRAHAM, Mr. HARKIN, Mr. INOUYE, Mr. JOHNSON, Mr. KERRY, Ms. LANDRIEU, Mr. LEVIN, Mrs. LINCOLN, Ms. MIKULSKI, Mr. MILLER, Mrs. MURRAY, Mr. NELSON of Nebraska, Mr. NELSON of Florida, Mr. REED, Mr. REID, Mr. ROCKEFELLER, Mr. SARBANES, Ms. STABENOW, Mr. TORRICELLI, and Mr. WELLSTONE):

S. 625. A bill to provide Federal assistance to States and local jurisdictions to prosecute hate crimes, and for other purposes; to the Committee on the Judiciary.

Mr. KENNEDY, Mr. President, today's introduction of the bipartisan Local Law Enforcement Act, with 50 original sponsors in the Senate, is the first step toward passing this important legislation this year. This bill has the support of a wide range of law enforcement, religious, and civil rights organizations.

Although America experienced a significant drop in violent crime during the 1990s, the number of hate crimes has continued to grow. In fact, according to FBI statistics, in 1999 there were 7876 reported hate crimes committed in the United States. That's over 20 hate crimes per day, every day.

Hate crimes are a national disgrace, an attack on everything this country stands for. They send a poisonous message that some Americans are second class citizens who deserve to be victimized solely because of their race, their ethnic background, their religion, their sexual orientation, their gender or their disability. These senseless crimes have a destructive and devastating impact not only on individual victims, but entire communities. If America is to live up to its founding ideals of liberty and justice for all, combating hate crimes must be a national priority.

Yet for too long, the Federal government has been forced to stand on the sidelines in the fight against these senseless acts of hate and violence. The bill we are introducing today will change that by giving the Justice Department greater ability to investigate and prosecute these crimes, and to help the states do so as well.

We look forward to bringing this legislation to the Senate floor for a vote in the near future.

Mr. SMITH of Oregon. Mr. President, I rise today to introduce with Senator KENNEDY the Local Law Enforcement Act of 2001, legislation that would add new categories to current hate crimes law. I want to keep my remarks brief, so I speak to you from the heart about hate crimes.

Many of you know I am a Republican, a conservative man of faith from a religious minority. I have known firsthand persecution and discrimination because of my faith. As a member of the Senate Foreign Relations Committee, I have taken great interest in religious freedom and fighting anti-Semitism abroad. I found that all of my colleagues have joined me in that goal in many ways. We have all asked other countries to stop hate, to stop ethnic violence and persecution of minorities. Today, I ask every Senator to take the same stand in our own country.

If it were easy to speak out against hate thousands of miles away, then it must be easy to speak out against hate in your own backyard. Backyards in Wyoming—where Matthew Shepard was brutally beaten and left to die tied to a cattle fence off a lonely road. Backyards in Texas, where James Byrd, Jr. was dragged to death behind a pick-up truck. Backyards in Virginia, where Roanoke native Danny Lee Overstreet was brutally shot down in a hate crime last fall. Backyards in Alabama, where Jack Gaither was bludgeoned to death and set on fire. And backyards in Oregon, my state, where two women, Roxanne Ellis and Michelle Abdill of Medford, were killed in late 1995 because of their sexual orientation.

This hate crimes legislation sends a signal that violence of any kind is unacceptable. I look to my party and look for inclusion—a big tent approach to this issue. I hope that the President can join in this effort, I believe that given the opportunity, the White House can participate in this effort and play a significant role in the outcome. Further, I am committed to making sure that partisan rhetoric stays out of this issue and together we can work on both sides of the aisle to make this legislation public law. I fear any strain of hate or homophobia, any isolationism or xenophobia in politics today, and I believe that all my colleagues share this fear. Taking a stand against hate crimes isn't a liberal or a conservative issue—it's something we should all do.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate, to defend them regardless of their status, be they female, disabled or gay. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. By changing this law we can change hearts and minds as well.

The law is a teacher and we should teach our fellow citizens that all crime is hateful. But we can also teach that some crime is so odious that an extra measure of prosecution is demanded by us, so that it will never again be repeated among us.

Mrs. FEINSTEIN. Mr. President, I join with my colleagues in expressing my strong support for the Local Law Enforcement Act of 2001, legislation of which I am an original cosponsor.

Popularly known as the ''Hate Crimes Prevention Act,'' this legislation would expand current federal protections against hate crimes based on race, religion, and national origin; amend the criminal code to cover hate crimes based on gender, sexual orientation, and disability; authorize grants for State and local programs designed to combat and prevent hate crimes;

and enable the federal government to assist State and local law enforcement in investigating and prosecuting hate crimes.

While past efforts to enact this legislation have received strong bipartisan support, we have not been able to get it to the President's desk for his consideration. We must now work to ensure that this legislation is not simply supported, but actually passed and signed into law by the President.

This important legislation would enhance current hate crimes law and enable the federal government to offer assistance to states and localities in investigating and prosecuting bias-motivated crimes. Even with the strides we have made in combating hate crimes thus far, these crimes are still frequently under-reported and therefore go unprosecuted.

In California, I have seen, first-hand, the devastating impact these crimes have on victims, their families and their communities. Hate crimes divide neighborhoods and breed a sense of mistrust and fear within communities. This is why I have long supported legislation aimed at protecting citizens from crimes based on races, ethnicity, religion, gender, disability, or sexual orientation.

Prior to 1990, while we knew that hate crimes existed, we had no tools to measure the number of instances in which such crimes were committed. In 1990, Congress enacted the Hate Crimes Statistics Act. Because of this law, we are now able to quantify the extent of the problem. What we found was disturbing. For the first time, data was collected and analyzed on the incidence of hate crimes. In 1991, the first year after the Act took effect, 4,588 hate crimes were reported nationwide. In 1998, the last year for which we have statistics, that number rose to 7,755. These statistics provide federal and state law enforcement officials the tools to recognize the problems particular to their communities and have encouraged many to come up with solutions.

In 1993, I sponsored the Hate Crimes Sentencing Enhancement Act in 1993, which was subsequently signed into law as part of the Violent Crime Control and Law Enforcement Act of 1994. This act increased penalties for hate crimes targeting individuals because of their race, color, religion, national origin, gender, disability or sexual orientation.

While current hate crime laws help us better understand the problem and penalize those who would resort to such violent acts, these laws do not extend to the thousands of people who are victimized because of their gender, sexual orientation or disability. Nor are they broad enough to help those who were not engaging in such federally protected activities as attending school, or voting, when they were victimized.

In New Jersey, for example, a mentally disabled man was tortured by eight different people at a party. The man was burned with cigarettes, beaten, choked, and then left alone in the wilderness. Investigators found that this man was tortured only because of his disability. This was the third time this man had been attacked at a party.

Just recently, my staff met with a constituent who is a teacher at a Beverly Hills high school. The teacher expressed concern about the safety of gay students, many of whom had been targeted and attacked by other students on account of their sexual orientation. She felt that teachers like herself did all they could to protect the students while they were on school property. She feared for their safety, however, once the students were off school grounds. Even within the school, the teacher, explained, some officials did little to create an environment of tolerance and mutual respect for the students. As a result, the bias-motivated acts committed against them often went unreported, whether they took place in the school or within their communities.

My constituent's appeal for help on behalf of her young students amplifies the need to send a strong message of mutual tolerance and respect to our youngsters. Nearly two-thirds of these crimes are committed by our nation's youth and young adults. In many ways, reinforcing the strength of our diverse nation must begin with our youth.

As these stories illustrate, the perpetrators of hate crimes have no respect for boundaries. They are neither confined to any one region of the country, nor any one age group. The perpetrators of these crimes target individuals not because of what the victims have, or what they have done, but for who they are. Hate crimes are not like other crimes of violence. Their impact is pervasive.

Opponents of hate crimes legislation argue that these crimes are no different from any other crime; that they should be treated like other crimes of violence. Research by the American Psychological Association, APA, suggest otherwise. According to the APA, hate crime victims and their communities are often left with psychological wounds that run deeper and take significantly longer to heal than the wounds of victims of non-bias related crimes.

Much like victims of non-bias related crimes, victims of hate crimes are likely to exhibit symptoms of depression, post-traumatic stress disorder, anxiety, high levels of anger, and a decreased sense of control. Unlike victims of non-bias related crimes, however, hate crime victims experience psychological after-effects at a much higher level. According to the APA, hate crime victims need ''as much as five years to overcome the emotional distress of the incident,'' compared with ''victims of non-bias crimes who experience a drop off in crime-related psychological problems within two years of the crime.'' The financial costs for mental health and medical treatment following an attack only add to the psychological stress of the victim.

Hate crimes pose a very real threat to the social health of the community. Individuals who live in communities where hate crimes have occurred often experience an increased sense of fear and intimidation. They also tend to feel a heightened sense of vulnerability and are much less likely to report such crimes should they occur again, for fear of retaliation. Hate crimes also breed mistrust within the community. Members of the victimized groups are likely to believe that law enforcement agencies are biased against their group and, that when needed, the law enforcement community will not respond.

In essence, hate crimes have been shown to produce deep psychological wounds in the victim. They engender a sense of disunity and division within the community, which undermines the basic tenets on which this nation was founded. As a country that prides itself on its diversity, our nation cannot continue to withstand these acts of hatred and intolerance. No individual or group should be targeted for violence and no such act of violence should go unpunished.

No American should have to live in fear because of his or her perceived race, sexual orientation, ethnicity or disability. No American should be afraid to walk down the street for fear of a gender-motivated attack. No American should be deterred by intimidation from living in the home of his or her choice. And certainly, no American should be deterred from reporting a hate-based crime because they are afraid that the police lack the will or the resources necessary to protect them.

This legislation is not only overdue, it is necessary for the safety and well being of millions of Americans. It is necessary for our National unity.

Certainly, none of us in this body would condone an act of brutality based on an individual's race, religion, sexual orientation, disability, ethnicity or gender. None of us would be willing to send the message that today, basic civil rights protections do not extend to every American, but only to a few and under certain circumstances.

By introducing this legislation today, we are sending a signal that we are unwilling to turn a blind eye to this epidemic of hate that threatens to envelop our Nation. I urge my colleagues to join in this message by supporting the enactment of ''The Local Law Enforcement Enhancement Act of 2001.''

By Mr. JEFFORDS (for himself and Mr. BAUCUS):

S. 626. A bill to amend the Internal Revenue Code of 1986 to permanently extend the work opportunity credit and the welfare-to-work credit, and for other purposes; to the Committee on Finance.

Mr. JEFFORDS. Mr. President, today I am introducing the Work Opportunity Improvement Act of 2001, which

will permanently extend both the work opportunity tax credit and the welfare-to-work tax credit. The bill will also modify eligibility criteria for the work opportunity tax credit, to strengthen efforts to help fathers of children on welfare find work. Over the past five years, these tax credits have played a crucial role in helping 1.5 million low-skilled, undereducated persons dependent on public assistance enter the work force.

The work opportunity tax credit was first enacted in 1996, to provide employers with financial resources to recruit, hire, and retain individuals who have significant problems finding and keeping a job. The welfare-to-work tax credit, serving a similar purpose, was enacted the next year. Traditionally, employers had been reluctant to hire people coming off the welfare rolls, both because they tended to have less education and experience than other job candidates, and because they tended to have less education and experience than other job candidates, and because welfare dependence was seen as fostering a poor self-image and work habits. These tax credits, however, have demonstrated that employers can be enticed to overcome their resistance to hiring less skilled, economically dependent individuals. No other incentive or training program has been nearly as successful as these tax credits in encouraging employers to change their hiring practices.

Over the past five years, government and employers have developed a partnership that has led to significant changes in hiring practices. Many employers have established outreach and recruitment programs to identify and target individuals whom employers could hire under these tax credit programs. States have made the tax credit programs more employer-friendly by continual improvements in the way the programs are administered. Still, we repeatedly hear both from employers and State job service agencies administering the programs that continued uncertainty about the programs' future impedes expanded participation and improvements in program administration. Making the work opportunity and welfare-to-work tax credits permanent would induce employers to expand their recruitment efforts and encourage States to commit more time and effort to further improve the programs. This, in turn, would mean that more individuals would be helped to make the jump from welfare dependency to work. Because these programs have proven so successful over the past five years, I believe they should be made permanent and am today introducing a bill to achieve this end.

In addition to making these two tax provisions permanent, my bill will address an oversight. Currently, the work opportunity tax credit gives employers an incentive to hire individuals on food stamps between ages 18 and 24. No sound policy reason exists for not extending the tax credit's eligibility criteria to people on food stamps over age 25. Lifting the work opportunity tax credit food stamp age ceiling would mean that many more fathers of children on welfare could be hired under the credit. These individuals often face significant barriers to finding work. Increasing the age ceiling for food stamp recipients is consistent with the tax credit's underlying objectives, as many food stamp households include adults who are not working. Moreover, over 90 percent of those on food stamps live below the poverty line. My bill will include among those eligible for the work opportunity tax credit persons in households receiving food stamps, as long as they are 50 years old or younger. I believe that this will have the effect of making the tax credit available with respect to fathers of children on welfare who aren't otherwise eligible.

I urge my colleagues to support and co-sponsor this bill.

By Mr. GRASSLEY (for himself and Mr. GRAHAM):

S. 627. A bill to amend the Internal Revenue Code of 1986 to allow individuals a deduction for qualified long-term care insurance premiums, use of such insurance under cafeteria plans and flexible spending arrangements, and a credit for individuals with long-term care needs; to the Committee on Finance.

Mr. GRASSLEY. Mr. President, I rise today to introduce the Long-Term Care and Retirement Security Act. This legislation, which I sponsored in the 106th Congress with my distinguished colleague from Florida, Senator BOB GRAHAM, would ease the tremendous cost of long-term care.

The bill that Senator GRAHAM and I are re-introducing today would allow individuals a tax deduction for the cost of long-term care insurance premiums. Increasingly, Americans are interested in private long-term care insurance to pay for nursing home stays, assisted living, home health aides, and other services. However, most people find the policies unaffordable. The younger the person, the lower the insurance premium, yet most people aren't ready to buy a policy until retirement. A deduction would encourage more people to buy long-term care insurance.

Our proposal also would give individuals or their care givers a $3,000 tax credit to help cover their long-term care expenses. This would apply to those who have been certified by a doctor as needing help with at least three activities of daily living, such as needing help with at least three activities of daily living, such as eating, bathing or dressing. This credit would help care givers pay for medical supplies, nursing care and any other expenses of caring for family members with disabilities.

The Van Zee family of Otley, Iowa, typifies many families who would benefit from his legislation. Renee Van Zee at 55 years old has early onset Alzheimer's disease. Three years after her diagnosis, she can't feed, bathe or dress herself. Her daughter, Leanna, and her husband, Albert, are pulling out all the stops to keep Mrs. Van Zee out of a nursing home. They care for her full-time. They've found some services through Medicaid and Medicare and received a donated hospital bed. Even so, caring for Mrs. Van Zee is difficult. She can't be left alone at any time. The family's network of services is piecemeal, like that of many families in similar straits. Those services could change with any change in their circumstances. The family bears considerable out-of-pocket expenses for Mrs. Van Zee's nutritional supplements. The supplements cost $4.96 for a four-pack of cans. Mrs. Van Zee consumes two or three cans a day. It's obvious how this situation affects a family's finances. Working adults quit their jobs to care for a loved one, and take on a host of new expenses at the same time.

The Long-Term Care and Retirement Security Act would help the 22 million family caregivers like the Van Zees. A $3,000 tax credit would help to pay for Mrs. Van Zee's nutritional supplements or hire an extra nurse. The legislation also would help families like the Van Zees buy long-term care insurance. Someone like Mrs. Van Zee could have bought herself insurance years ago, had it been an affordable option for her.

As it did last year, the bill that Senator GRAHAM and I are introducing today has been endorsed by both the AARP and the Health Insurance Association of America. A companion bill sponsored by Representatives NANCY JOHNSON, KAREN THURMAN, and EARL POMEROY is pending in the House of Representatives.

An aging nation has no time to waste in preparing for long-term care, and the need to help people afford long-term care is more pressing than ever. I look forward to working with Senator GRAHAM and our colleagues in the Senate to get our bill passed into law as soon as possible.

By Mr. BURNS (for himself, Mr. WYDEN, Mr. LIEBERMAN, Ms. LANDRIEU, Mr. TORRICELLI, Mr. BREAUX, and Mr. MURKOWSKI):

S. 630. A bill to prohibit senders of unsolicited commercial electronic mail from disguising the source of their messages, to give consumers the choice to cease receiving a sender's unsolicited commercial electronic mail messages, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. BURNS. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 630

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 ''Controlling the Assault of Non-Solicited Pornography

and Marketing Act of 2001'', or the ''CAN SPAM Act of 2001''.

SEC. 2. CONGRESSIONAL FINDINGS AND POLICY.

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

(1) There is a right of free speech on the Internet.

(2) The Internet has increasingly become a critical mode of global communication and now presents unprecedented opportunities for the development and growth of global commerce and an integrated worldwide economy. In order for global commerce on the Internet to reach its full potential, individuals and entities, using the Internet and other online services should be prevented from engaging in activities that prevent other users and Internet service providers from having a reasonably predictable, efficient, and economical online experience.

(3) Unsolicited commercial electronic mail can be a mechanism through which businesses advertise and attract customers in the online environment.

(4) The receipt of unsolicited commercial electronic mail may result in costs to recipients who cannot refuse to accept such mail and who incur costs for the storage of such mail, or for the time spent accessing, reviewing, and discarding such mail, or for both.

(5) Unsolicited commercial electronic mail may impose significant monetary costs on providers of Internet access services, businesses, and educational and nonprofit institutions that carry and receive such mail, as there is a finite volume of mail that such providers, businesses, and institutions can handle without further investment. The sending of such mail is increasingly and negatively affecting the quality of service provided to customers of Internet access service, and shifting costs from the sender of the advertisement to the provider of Internet access service and the recipient.

(6) While some senders of unsolicited commercial electronic mail messages provide simple and reliable way for recipients to reject (or ''opt-out'' of) receipt of unsolicited commercial electronic mail from such senders in the future, other senders provide no such ''opt-out'' mechanism, or refuse to honor the requests of recipients not to receive electronic mail from such senders in the future, or both.

(7) An increasing number of senders of unsolicited commercial electronic mail purposefully disguise the source of such mail so as to prevent recipients from responding to such mail quickly and easily.

(8) An increasing number of senders of unsolicited commercial electronic mail purposefully include misleading information in the message's subject lines in order to induce the recipients to view the messages.

(9) Because recipients of unsolicited commercial electronic mail are unable to avoid the receipt of such mail through reasonable means, such mail may invade the privacy of recipients.

(10) The practice of sending unsolicited commercial electronic mail is sufficiently profitable that senders of such mail will not be unduly burdened by the costs associated with providing an ''opt-out'' mechanism to recipients and ensuring that recipients who exercise such opt-out do not receive further messages from that sender.

(11) In legislating against certain abuses on the Internet, Congress should be very careful to avoid infringing in any way upon constitutionally protected rights, including the rights of assemble, free speech, and privacy.

(b) CONGRESSIONAL DETERMINATION OF PUBLIC POLICY.—On the basis of the findings in subsection (a), the Congress determines that—

(1) there is substantial government interest in regulation of unsolicited commercial electronic mail;

(2) senders of unsolicited commercial electronic mail should not mislead recipients as to the source or content of such mail; and

(3) recipients of unsolicited commercial electronic mail have a right to decline to receive additional unsolicited commercial electronic mail from the same source.

SEC. 3. DEFINITIONS.

In this Act:

(1) AFFIRMATIVE CONSENT.—The term ''affirmative consent'', when used with respect to a commercial electronic mail message, means—

(A) the message falls within the scope of an express and unambiguous invitation or permission granted by the recipient and not subsequently revoked;

(B) the recipient had clear and conspicuous notice, at the time such invitation or permission was granted, of—

(i) the fact that the recipient was granting the invitation or permission;

(ii) the scope of the invitation or permission, including what types of commercial electronic mail messages would be covered by the invitation or permission and what senders or types of senders, if any, other than the party to whom the invitation or permission was communicated would be covered by the invitation or permission; and

(iii) a reasonable and effective mechanism for revoking the invitation or permission; and

(C) the recipient has not, after granting the invitation or permission, submitted a request under section 5(a)(3) not to receive unsolicited commercial electronic mail messages from the sender of the message.

(2) COMMERCIAL ELECTRONIC MAIL MESSAGE.—The term ''commercial electronic mail message'' means any electronic mail message the primary purpose of which is to advertise or promote, for a commercial purpose, a commercial product or service (including content on an Internet website). An electronic mail message shall not be considered to be a commercial electronic mail message solely because such message includes a reference to a commercial entity that serves to identify the sender or a reference or link to an Internet website operated for a commercial purpose.

(3) COMMISSION.—The term ''Commission'' means the Federal Trade Commission.

(4) DOMAIN NAME.—The term ''domain name'' means any alphanumeric designation which is registered with or assigned by any domain name registrar, domain name registry, or other domain name registration authority as part of an electronic address on the Internet.

(5) ELECTRONIC MAIL ADDRESS.—

(A) IN GENERAL.—The term ''electronic mail address'' means a destination (commonly expressed as a string of characters) to which electronic mail can be sent or delivered.

(B) INCLUSION.—In the case of the Internet, the term ''electronic mail address'' may include an electronic mail address consisting of a user name or mailbox (commonly referred to as the ''local part'') and a reference to an Internet domain (commonly referred to as the ''domain part'').

(6) FTC ACT.—The term ''FTC Act'' means the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(7) FUNCTIONING RETURN ELECTRONIC MAIL ADDRESS.—

(A) The term ''functioning return electronic mail address'' means a legitimately obtained electronic mail address, clearly and conspicuously displayed in a commercial electronic mail message, that—

(i) remains capable of receiving messages for no less than 30 days after the transmission of such commercial electronic mail message; and

(ii) that has capacity reasonably calculated, in light of the number of recipients of the commercial electronic mail message, to enable it to receive the full expected quantity of reply messages from such recipients.

(B) An electronic mail address that meets the requirements of subparagraph (A) shall not be excluded from this definition because of a temporary inability to receive electronic mail message due to technical problems, provided steps are taken to correct such technical problems within a reasonable time period.

(8) HEADER INFORMATION.—The term ''header information'' means the source, destination, and routing information attached to the beginning of an electronic mail message, including the originating domain name and originating electronic mail address.

(9) IMPLIED CONSENT.—The term ''implied consent'', when used with respect to a commercial electronic mail message, means—

(A) within the 5-year period ending upon receipt of such message, there has been a business transaction between the sender and the recipient (including a transaction involving the provision, free of charge, of information, goods, or services requested by the recipient); and

(B) the recipient was, at the time of such transaction or thereafter, provided a clear and conspicuous notice of an opportunity not to receive unsolicited commercial electronic mail messages from the sender and has not exercised such opportunity.

(10) INITIATE.—The term ''initiate'', when used with respect to a commercial electronic mail message, means to originate such message, to procure the origination of such message, or to assist in the origination of such message through the provision or selection of addresses to which such message will be sent, but shall not include actions that constitute routine conveyance of such message. For purposes of this Act, more than 1 person may be considered to have initiated the same message.

(11) INTERNET.—The term ''Internet'' has the meaning given that term in the Internet Tax Freedom Act (Pub. L. 105–277, Div. C, Title XI, §1101(e)(3)(c)).

(12) INTERNET ACCESS SERVICE.—The term ''Internet access service'' has the meaning given that term in section 231(e)(4) of the Communications Act of 1934 (47 U.S.C. 231(e)(4)).

(13) PROTECTED COMPUTER.—The term ''protected computer'' has the meaning given that term in section 1030(e)(2) of title 18, United States Code.

(14) RECIPIENT.—The term ''recipient'', when used with respect to a commercial electronic mail message, means the addressees of such message. If an address of a commercial electronic mail message has 1 or more electronic mail addresses in addition to the address to which the message was addressed, the addressees shall be treated as a separate recipient with respect to each such address.

(15) ROUTINE CONVEYANCE.—The term ''routine conveyance'' means the transmission, routing, relaying, handling, or storing, through an automatic technical process, of an electronic mail message for which another person has provided and selected the recipient addresses.

(16) SENDER.—The term ''sender'', when used with respect to a commercial electronic mail message, means a person who initiates such a message and whose product, service, or Internet web site is advertised or promoted by the message, but does not include any person, including a provider of Internet access service, whose role with respect to the message is limited to routine conveyance of the message.

(17) UNSOLICITED COMMERCIAL ELECTRONIC MAIL MESSAGE.—

(A) IN GENERAL.—The term ''unsolicited commercial electronic mail message'' means any commercial electronic mail message that is sent to a recipient—

(i) without prior affirmative consent or implied consent from the recipient; or

(ii) to a recipient who, subsequent to the establishment of affirmative or implied consent under subparagraph (i), has expressed, in a reply submitted pursuant to section 5(a)(3), or in response to any other opportunity the sender may have provided to the recipient, a desire not to receive commercial electronic mail messages from the sender.

(B) EXCLUSION.—Notwithstanding subparagraph (A), the term ''unsolicited commercial electronic mail message'' does not include an electronic mail message sent by or on behalf of one or more lawful owners of copyright, patent, publicity, or trademark rights to an unauthorized user of protected material notifying such user that the use is unauthorized and requesting that the use be terminated or that permission for such use be obtained from the rights holder or holders.

SEC. 4. CRIMINAL PENALTY FOR UNSOLICITED COMMERCIAL ELECTRONIC MAIL CONTAINING FRAUDULENT ROUTING INFORMATION.

(a) IN GENERAL.—Chapter 63 of title 18, United States Code, is amended by adding at the end the following:

''§ 1348. Unsolicited commercial electronic mail containing fraudulent transmission information

''(a) IN GENERAL.—Any person who intentionally initiates the transmission of any unsolicited commercial electronic mail message to a protected computer in the United States with knowledge that such message contains or is accompanied by header information that is materially or intentionally false or misleading shall be fined or imprisoned for not more than 1 year, or both, under this title.

''(b) DEFINITIONS.—Any term used in subsection (a) that is defined in section 3 of the Unsolicited Commercial Electronic Mail Act of 2001 has the meaning giving it in that section.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 63 of title 18, United States Code, is amended by adding at the end the following:

''1348. Unsolicited commercial electronic mail containing fraudulent routing information''.

SEC. 5. OTHER PROTECTIONS AGAINST UNSOLICITED COMMERCIAL ELECTRONIC MAIL.

(a) REQUIREMENTS FOR TRANSMISSION OF MESSAGES.—

(1) PROHIBITION OF FALSE OR MISLEADING TRANSMISSION INFORMATION.—It shall be unlawful for any person to initiate the transmission, to a protected computer, of a commercial electronic mail message that contains, or is accompanied by, header information that is materially or intentionally false or misleading, or not legitimately obtained.

(2) PROHIBITION OF DECEPTIVE SUBJECT HEADINGS.—It shall be unlawful for any person to initiate the transmission, to a protected computer, of a commercial electronic mail message with a subject heading that such person knows is likely to mislead the recipient about a material fact regarding the contents or subject matter of the message.

(3) INCLUSION OF RETURN ADDRESS IN COMMERCIAL ELECTRONIC MAIL.—It shall be unlawful for any person to initiate the transmission of a commercial electronic mail message to a protected computer unless such message contains a functioning return electronic mail address to which a recipient may send a reply to the sender to indicate a desire not to receive further messages from that sender at the electronic mail address at which the message was received.

(4) PROHIBTIION OF TRANSMISSION OF UNSOLICITED COMMERCIAL ELECTRONIC MAIL AFTER OBJECTION.—If a recipient makes a request to a sender, through an electronic mail message sent to an electronic mail address provided by the sender pursuant to paragraph (3), not to receive further electronic mail messages from that sender, it shall be unlawful for the sender, or any person acting on behalf of the sender, to initiate the transmission of an unsolicited commercial electronic mail message to such a recipient within the United States more than 10 days after receipt of such request.

(5) INCLUSION OF IDENTIFIER, OPT-OUT, AND PHYSICAL ADDRESS IN UNSOLICITED COMMERCIAL ELECTRONIC MAIL.—It shall be unlawful for any person to initiate the transmission of any unsolicited commercial electronic mail message to a protected computer unless the message provides, in a manner that is clear and conspicuous to the recipient—

(A) identification that the message is an advertisement or solicitation;

(B) notice of the opportunity under paragraph (3) to decline to receive further unsolicited commercial electronic mail messages from the sender; and

(C) a valid physical postal address of the sender.

(b) NO EFFECT ON POLICIES OF PROVIDERS OF INTERNET ACCESS SERVICE.—Nothing in this Act shall be construed to have any effect on the lawfulness or unlawfulness, under any other provision of law, of the adoption, implementation, or enforcement by a provider of Internet access service of a policy of declining to transmit, route, relay, handle, or store certain types of electronic mail messages.

SEC. 6. ENFORCEMENT.

(a) ENFORCEMENT BY COMMISSION.—

(1) IN GENERAL.—Section 5 of this Act shall be enforced by the Commission under the FTC Act. For purposes of such Commission enforcement, a violation of section 5 of this Act shall be treated as a violation of a rule under section 18 (15 U.S.C. 57a) of the FTC Act regarding unfair or deceptive acts or practices.

(2) SCOPE OF COMMISSION ENFORCEMENT AUTHORITY.—

(A) The Commission shall prevent any person from violating section 5 of this Act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the FTC Act were incorporated into and made a part of this section. Any person who violates section 5 of this Act shall be subject to the penalties and entitled the privileges and immunities provided in the FTC Act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the FTC Act were incorporated into and made a part of this section.

(B) Nothing in this Act shall be construed to give the Commission authority over activities that are otherwise outside the jurisdiction of the FTC Act.

(b) ENFORCEMENT BY CERTAIN OTHER AGENCIES.—

(1) IN GENERAL.—Compliance with section 5 of this Act shall be enforced under—

(A) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), in the case of—

(i) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

(ii) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act (12 U.S.C. 601 et seq. and 611 et seq.), by the Federal Reserve Board; and

(iii) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) and insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation;

(B) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), by the Director of the Office of Thrift Supervision, in the case of a savings association the deposits of which are insured by the Federal Deposit Insurance Corporation;

(C) the Federal Credit Union Act (12 U.S.C. 1751 et seq.) by the National Credit Union Administration Board with respect to any Federal credit union;

(D) part A of subtitle VII of title 49, United States Code, by the Secretary of Transportation with respect to any air carrier or foreign air carrier subject to that part;

(E) the Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.) (except as provided in section 406 of that Act (7 U.S.C. 226, 227)), by the Secretary of Agriculture with respect to any activities subject to that Act;

(F) the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) by the Farm Credit Administration with respect to any Federal land bank, Federal land bank association, Federal intermediate credit bank, or production credit association; and

(G) the Communications Act of 1934 (47 U.S.C. 151 et seq.) by the Federal Communications Commission with respect to any person subject to the provisions of that Act.

(2) EXERCISE OF CERTAIN POWERS.—For the purpose of the exercise by any agency referred to in paragraph (1) of its powers under any Act referred to in that paragraph, a violation of section 5 of this Act is deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any provision of law specifically referred to in paragraph (1), each of the agencies referred to in that paragraph may exercise, for the purpose of enforcing compliance with any requirement imposed under section 5 of this Act, any other authority conferred on it by law.

(c) ENFORCEMENT BY STATES.—

(1) CIVIL ACTION.—In any case in which the attorney general of a State has reason to believe that an interest of the residents of that State has been or is threatened or adversely affected by any person engaging in a practice that violates section 5 of this Act, the State, as parens patriae, may bring a civil action on behalf of the residents of the State in a district court of the United States of appropriate jurisdiction or in any other court of competent jurisdiction—

(A) to enjoin that practice, or

(B) to obtain damages on behalf of residents of the State, in an amount equal to the greater of—

(i) the actual monetary loss suffered by such residents; or

(ii) the amount determined under paragraph (2).

(2) STATUTORY DAMAGES.—For purposes of paragraph (1)(B)(ii), the amount determined under this paragraph is the smaller of—

(A) the amount determined by multiplying the number of willful, knowing, or negligent violations by an amount, in the discretion of the court, of up to $10 (with each separately addressed unlawful message received by such residents treated as a separate violation); or

(B) $500,000.

In determining the per-violation penalty under this paragraph, the court shall take

into account the degree of culpability, any history of prior such conduct, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

(3) TREBLE DAMAGES.—If the court finds that the defendant committed the violation willfully and knowingly, the court may increase the amount recoverable under paragraph (2) up to threefold.

(4) ATTORNEY FEES.—In the case of any successful action under subparagraph (1), the State shall be awarded the costs of the action and reasonable attorney fees as determined by the court.

(5) NOTICE.—

(A) PRE-FILING.—Before filing an action under paragraph (1), an attorney general shall provide to the Commission—

(i) written notice of that action; and

(ii) a copy of the complaint for that action.

(B) CONTEMPORANEOUS.—If an attorney general determines that it is not feasible to provide the notice required by subparagraph (A) before filing the action, the notice and a copy of the complaint shall be provided to the Commission when the action is filed.

(6) INTERVENTION.—If the Commission receives notice under paragraph (4), it—

(A) may intervene in the action that is the subject of the notice; and

(B) shall have the right—

(i) to be heard with respect to any matter that arises in that action; and

(ii) to file a petition for appeal.

(7) CONSTRUCTION.—For purposes of bringing any civil action under paragraph (1), nothing in this Act shall be construed to prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of that State to—

(A) conduct investigations;

(B) administer oaths or affirmations; or

(C) compel the attendance of witnesses or the production of documentary and other evidence.

(8) VENUE; SERVICE OF PROCESS.—

(A) VENUE.—Any action brought under paragraph (1) may be brought in the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28, United States Code.

(B) SERVICE OF PROCESS.—In an action brought under paragraph (1), process may be served in any district in which the defendant—

(i) is an inhabitant; or

(ii) maintains a physical place of business.

(9) LIMITATION ON STATE ACTION WHILE FEDERAL ACTION IS PENDING.—If the Commission or other appropriate Federal agency under subsection (b) has instituted a civil action or an administrative action for violation of this Act, no State attorney general may bring an action under this subsection during the pendency of that action against any defendant named in the complaint of the Commission or the other agency for any violation of this Act alleged in the complaint.

(d) ACTION BY PROVIDER OF INTERNET ACCESS SERVICE.—

(1) ACTION AUTHORIZED.—A provider of Internet access service adversely affected by a violation of section 5 may bring a civil action in any district court of the United States with jurisdiction over the defendant, or in any other court of competent jurisdiction, to—

(A) enjoin further violation by the defendant; or

(B) recover damages in any amount equal to the greater of—

(i) actual monetary loss incurred by the provider of Internet access service as a result of such violation; or

(ii) the amount determined under paragraph (2).

(2) STATUTORY DAMAGES.—For purposes of paragraph (1)(B)(ii), the amount determined under this paragraph is the smaller of—

(A) the amount determined by multiplying the number of willful, knowing, or negligent violations by an amount, in the discretion of the court, of up to $10 (with each separately addressed unlawful message carried over the facilities of the provider of Internet access service treated as a separate violation); or

(B) $500,000.

In determining the per-violation penalty under this paragraph, the court shall take into account the degree of culpability, any history of prior such conduct, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

(3) TREBLE DAMAGES.—If the court finds that the defendant committed the violation willfully and knowingly, the court may increase the amount recoverable under paragraph (2) up to threefold.

(4) ATTORNEY FEES.—In any action brought pursuant to paragraph (1), the court may, in its discretion, require an undertaking for the payment of the costs of such action, and assess reasonable costs, including reasonable attorneys' fees, against any party.

(5) EVIDENTIARY PRESUMPTION.—For purposes of an action alleging a violation of section 5(a)(4) or 5(a)(5), a showing that a recipient has submitted a complaint about a commercial electronic mail message to an electronic mail address maintained and publicized by the provider of Internet access service for the purpose of receiving complaints about unsolicited commercial electronic mail messages shall create a rebuttable presumption that the message in question was unsolicited within the meaning of this Act.

(e) AFFIRMATIVE DEFENSE.—A person shall not be liable for damages under subsection (c)(2) or (d)(2) if—

(1) such person has established and implemented, with due care, reasonable practices and procedures to effectively prevent violations of section 5; and

(2) any violation occurred despite good faith efforts to maintain compliance with such practices and procedures.

SEC. 7. EFFECT ON OTHER LAWS.

(a) FEDERAL LAW.—Nothing in this Act shall be construed to impair the enforcement of section 223 or 231 of the Communications Act of 1934, chapter 71 (relating to obscenity) or 110 (relating to sexual exploitation of children) of title 18, United States Code, or any other Federal criminal statute.

(b) STATE LAW.—No State or local government may impose any civil liability for commercial activities or actions in interstate or foreign commerce in connection with an activity or action described in section 5 of this Act that is inconsistent with or more restrictive than the treatment of such activities or actions under this Act, except that this Act shall not preempt any civil action under—

(1) State trespass, contract, or tort law; or

(2) any provision of Federal, State, or local criminal law or any civil remedy available under such law that relates to acts of computer fraud perpetrated by means of the unauthorized transmission of unsolicited commercial electronic mail messages, provided that the mere sending of unsolicited commercial electronic mail in a manner that complies with this Act shall not constitute an act of computer fraud for purposes of this subparagraph.

SEC. 8. STUDY OF EFFECTS OF UNSOLICITED COMMERCIAL ELECTRONIC MAIL.

Not later than 18 months after the date of the enactment of this Act, the Commission, in consultation with the Department of Justice and other appropriate agencies, shall submit a report to the Congress that provides a detailed analysis of the effectiveness and enforcement of the provisions of this Act and the need (if any) for the Congress to modify such provisions.

SEC. 9. SEPARABILITY.

If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected.

SEC. 10. EFFECTIVE DATE.

The provisions of this Act shall take effect 120 days after the date of the enactment of this Act.

Mr. WYDEN. Mr. President, Internet communications are increasingly important to Americans' daily lives and business. However, as the public's reliance on online and Internet services continues to grow, so do the burdens and frustrations stemming from unwanted junk e-mail.

This type of e-mail is commonly known as ''spam,'' and it isn't hard to see why. Getting spam e-mail in your in-box is a lot like getting its namesake lunchmeat in your lunchbox: You didn't order it, and you really can't tell where the stuff comes from.

Until now, you also have been virtually powerless to stop it. The recipient has no opportunity to refuse to accept the message, and thus is forced to take the time and bear the costs of storing, accessing, reviewing, and deleting such unwanted e-mail. In short, spammers have all the power. A spammer can send a recipient whatever messages it wants, and the recipient has no choice but to deal with them.

Technology is on the side of the spammer. E-mail technology enables spammers to send huge quantities of messages quickly and cheaply. With the stroke of a key, a spammer can let fly a torrent of tens or hundreds of thousands of identical e-mails at minimal cost. Such bulk spam can clog up the network, impairing Internet service for everyone. For example, back in December, an influx of millions of junk e-mails slowed Verizon's network to a crawl, causing delays of several hours for customers trying to send and receive messages.

Spam affects Internet companies as well as end users. Internet service providers are the ones who have to deal directly with the traffic jams caused when bulk spam floods their networks. And when consumers become frustrated by the receipt of spam, the first place they turn to complain will be the Internet companies from whom they purchase service. Left unchecked, spam could have a significant impact on how consumers perceive and use Internet services and e-commerce.

Because of this, Internet service providers have often played a major role in trying to shield their customers from spam. But the bottom line is that existing laws do not provide the tools to deal with the mounting problem of junk e-mail.

That is why I am teaming up again today with my good friend Senator BURNS to introduce the ''Controlling the Assault of Non-Solicited Pornography And Marketing Act,'' the CAN

SPAM Act, for short. This bipartisan legislation says that if you want to send unsolicited marketing e-mail, you've got to play by a set of rules, rules that allow consumers to see where the messages are coming from, and to tell the sender stop. The basic goal is simple: give the consumer more control.

Specifically, our bill would require a sender of any marketing e-mail to include a working return address, so that the recipient can send a reply e-mail demanding not to receive any further messages. A spammer would be prohibited from sending further messages to a consumer that has told it to stop.

The bill also would prohibit spammers from using falsified or deceptive headers or subject lines, so that consumers will be able to tell where their marketing e-mails are coming from.

The bill includes strong enforcement provisions to ensure compliance. Spammers that intentionally disguise their identities would be subject to misdemeanor criminal penalties. The Federal Trade Commission would have authority to impose civil fines. State attorneys general would be able to bring suit on behalf of the citizens of their states. And Internet service providers would be able to bring suit to keep unlawful spam off of their networks. In all cases, particularly high penalties would be available for true ''bad actors''—the shady, high-volume spammers who have no intention of behaving in a lawful and responsible manner.

Our goal here is not to discourage legitimate online communications with consumers. Senator BURNS and I have no intention of interfering with a company's ability to use e-mail to inform customers of warranty information, provide account holders with monthly account statements, and so forth. Rather, we want to go after those unscrupulous individuals who use e-mail to annoy and mislead. I believe this bill strikes that important balance.

Senator BURNS and I have worked with a number of different groups in shaping this legislation, and we believe we have made real progress in addressing some concerns that were raised about the spam bill we proposed last year. We feel that the version of the bill we introduce today is a workable, common-sense approach. I am pleased that Senators LIEBERMAN, LANDRIEU, TORRICELLI, BREAUX, and MURKOWSKI are cosponsoring this bill today, and I look forward to working with them and the rest of my Senate colleagues to see that the bill moves forward as quickly as possible.

By Mr. VOINOVICH:

S. 631. A bill to provide for pension reform, and for other purposes; to the Committee on Finance.

Mr. VOINOVICH. Mr. President, I rise today to introduce legislation that I believe will provide for the financial future of millions of Americans, help boost this nation's savings rate, and bolster long-term economic growth. My bill, the Comprehensive Retirement Security and Pension Reform Act, mirrors H.R. 10, legislation introduced earlier this year by my friend and fellow Ohioan, Representative ROB PORTMAN.

It is estimated that right now, an astounding 75 million American workers have no pension plan. In other words, roughly half of America's workers lack a key mechanism they will need in order to achieve a comfortable retirement. This situation is intolerable and must change.

In my view, we must do more to encourage more citizens to ensure their financial independence in their golden years. That's why I strongly believe we need to enact the Comprehensive Retirement Security and Pension Reform Act. The increased personal savings and investment that would result from expanding pensions would reinvigorate our savings ethic, which has been eroding over recent years. Something needs to be done quickly to encourage more Americans to save and plan for their retirement and I believe the legislation I am introducing today is an important step in the right direction.

Among the important things the bill I am introducing today does is raise the maximum annual contribution to an Individual Retirement Accounts, IRAs, from $2,000 per individual to $5,000. The contribution limits for, IRAs, has remained unchanged since 1981. Since sixty-nine percent of all IRA participants contribute the maximum, the $2,000 limit has been a barrier to encouraging Americans to save for their own retirement. If the original IRA contribution limit in 1975, of $1,500, been indexed for inflation, it would have reached $5,353 in the year 2000. Clearly, today's working men and women want to, and are ready to, invest more for their retirement if Congress would only let them. The time has come to raise the contribution limit.

In addition, the Comprehensive Retirement Security and Pension Reform Act includes provisions to encourage employers to offer pensions, increase participation by eligible employees, raise limits on benefits and contributions, improve asset portability, strengthen legal protections for plan participants, and reduce regulatory burdens on plan sponsors.

When the baby boomers start to retire in a few short years, this country will begin to experience a retirement tsunami unlike anything it has ever experienced. This 20-year event will put great strain on the economy and the federal budget, especially on government programs that provide services to senior citizens. One of the best ways to help prepare for this is to encourage private saving. The Comprehensive Retirement Security and Pension Reform Act is an important step in this direction and I urge my colleagues to join in co-sponsoring this legislation.

By Mr. NELSON of Florida:

S. 632. A bill to reinstate a final rule promulgated by the Administrator of the Environmental Protection Agency, and for other purposes; to the Committee on Environment and Public Works.

Mr. NELSON of Florida. Mr. President, I rise today to express my grave concern about the Bush administration's latest decision to roll back measures designed to safeguard public health. Last Tuesday, the administration announced it would revoke the new, safer arsenic standard for drinking water and revert to the standard we have had in effect since 1942. The administration stated that the lower standard for drinking water should not go into effect because there was ''no consensus on a particular safe level'' of arsenic in drinking water. The administration also claims it would cost industry too much money to comply with the lower standard.

The old standard of 50 parts per billion was established almost 60 years ago—before research linked arsenic to some forms of cancer. A 1999 study by the National Academy of Sciences, a study mandated by Congress for drinking water, concluded that the current arsenic standard for drinking water could result in one additional case of cancer for every 100 people consuming such drinking water. Moreover, the study determined that long-term exposure to low concentrations of arsenic in drinking water can lead to skin, bladder, lung, and prostate cancer. Noncancer effects of ingesting arsenic at these levels can include cardiovascular disease, diabetes and anemia as well as reproductive, developmental, immunological, and neurological effects. In response, the Environmental Protection Agency adopted a rule that set a new standard of 10 parts per billion which the EPA deemed safe for drinking water.

This standard also has been adopted by the European Union and the World Health Organization.

Is cost a sufficient reason for reversal? No. That's because Congress consistently has made clear that it will help states and municipalities with the funds necessary to provide their citizens with safe drinking water.

Even the Governor of Florida recognizes the health risks of arsenic. Arsenic was discovered recently in the soil in playgrounds in Tarpan Springs, Miami and Crystal River. It leached into the soil from pressure-treated wood used for park boardwalks and other outdoor structures. Last week, Gov. Jeb Bush ordered the state's wood-treatment plant to stop using arsenic to treat wood. I commend him for that decision.

If arsenic in the soil is dangerous for children, it only stands to reason that the danger is even greater when it is found in drinking water. The Administration should join the State of Florida in recognizing the danger of arsenic and restore the 10 parts per billion

standard. In the meantime, I am introducing legislation to restore the federal rule containing the new, safer drinking-water standard. The American people deserve clean, safe drinking water. If the Administration won't act, Congress must.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 632

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 ''Arsenic Reduction in Drinking Water Act of 2001''.

SEC. 2. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) PUBLIC WATER SYSTEM.—The term ''public water system'' has the meaning given the term in section 1401 of the Safe Drinking Water Act (42 U.S.C. 300f).

(3) STATE.—The term ''State'' has the meaning given the term in section 1401 of the Safe Drinking Water Act (42 U.S.C. 300f).

SEC. 3. REINSTATEMENT OF FINAL RULE.

On and after the date of enactment of this Act, the final rule promulgated by the Administrator entitled ''Arsenic and Clarifications to Compliance and New Source Contaminants Monitoring'' (66 Fed. Reg. 6976 (January 22, 2001)), and the amendments to parts 9, 141, and 142 of title 40, Code of Federal Regulations, made by that rule, shall have full force and effect.

SEC. 4. ASSISTANCE FOR COMPLIANCE WITH ARSENIC STANDARD.

(a) IN GENERAL.—For each fiscal year for which funds are made available to carry out this section, the Administrator, using data obtained from the most recent available needs survey conducted by the Administrator under section 1452(h) of the Safe Drinking Water Act (42 U.S.C. 300j–12(h)), shall allocate the funds to States for use in carrying out treatment projects to comply with the final rule reinstated by section 3.

(b) RATIO.—The Administrator shall allocate funds to a State under subsection (a) in the ratio that—

(1) the financial need associated with treatment projects for compliance with the final rule reinstated by section 3 for public water systems in the State; bears to

(2) the total financial need associated with treatment projects for compliance with the final rule reinstated by section 3 for all public water systems in all States.

By Mrs. HUTCHISON (for herself and Mr. ROCKEFELLER):

S. 633. A bill to provide for the review and management of airport congestion, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mrs. HUTCHISON. Mr. President, I rise today, with my colleague Senator ROCKEFELLER, to introduce legislation that will bring real relief to the hundreds of millions of passengers that have been suffering through the dramatic increase in the number of flight delays and cancellations in our passenger aviation system.

I know that most of my colleagues are, by necessity, frequent fliers. So you know how bad it is out there and you have heard the statistics. More than twenty-five percent of the scheduled flights last year were delayed or canceled. The length of the average delay has also increased, despite the extra ''fudge time'' built into eighty-three percent of flights by the airlines to compensate for delays they know are going to occur.

Not coincidentally, the number of annual air travelers is also rising. Between 1995 and 1999, the number of air travelers increased nearly sixteen percent, from about 582 million to 674 million. The Federal Aviation Administration estimates that this number will increase to more than 1 billion by the end of this decade. To meet this increased demand, the number of scheduled flights has also increased.

However, there has not been a commensurate increase in the number of new aviation facilities. Only one major airport has opened in the last decade, in Denver, and only a handful of new runways and terminals have been completed to deal with the new demand. Unfortunately, the process for making capital improvements to existing airports is often painfully slow and easily derailed by well-organized groups who use every possible impediment to delay a new runway until it becomes impossibly expensive and difficult to build.

Unless we significantly expand the capacity of our aviation system, we will not be able to meet the growing demand for air travel. Air fares will skyrocket and delays will continue to spread across the system. The loss of American productivity, from millions of hours lost while sitting on an airport tarmac, will be incalculable.

Fixing the problem will call for more infrastructure and better air traffic control facilities. But we must meet the challenge now so these new runways and terminals can be ready before we have a real crisis on our hands.

Until now, most of the focus here in Congress has been on passenger service. The Commerce Committee recently reported a bill, which I cosponsored, to force airlines to live up to their promises to provide improved customer service, especially during delays and cancellations. Passenger service is critical, but the real cause of consumers' frustration is the explosive growth in the number and length of flight delays. This bill gets to the heart of that issue.

The bill instructs the Secretary to develop a procedure to ensure that the approval process for runways, terminals and airports is streamlined. Federal, state, regional and local reviews would take place simultaneously, not one after the other.

In no way would this mean that environmental laws would be ignored or broken. The bill does not limit the grounds on which a lawsuit may be filed. It simply provides the community with a reasonable time line to get an answer. If that answer is ''no,'' then the community is free to explore other transportation options.

The bill also addresses the unfortunate practice of the airlines to overschedule at peak hours. At many airports, these schedules are so densely packed that, even in perfect weather conditions throughout the country, there is no way the airlines could possibly meet them. The result is chronically late flights.

The legislation directs the Secretary to study the options to ease congestion at crowded airports. The legislation also grants the airlines a limited antitrust exemption, so that they may consult with one another, subject to the Secretary's approval, to re-schedule flights from the most congested hours to off-peak times.

We have all experienced flights that push away from the gate only to languish for hours on the tarmac waiting to take off. The current system logs these flights as on-time departures. This legislation would change the definition of ''on-time departure'' to mean that the flight is airborne within 20 minutes of its scheduled departure time.

Our national economic health depends upon the reliability of our aviation system. If we fail to act now, that reliability will be placed in serious jeopardy.

Mr. ROCKEFELLER. Mr. President, I join today with the chairwoman of the Aviation Subcommittee in introducing the Aviation Delay Prevention Act. The bill is intended to start a dialogue about some of the solutions for reducing congestion, specifically ways to expedite airport construction, and provide a mechanism for air carriers to talk about changing flight schedules to reduce delays. This is a tough issue with no easy, simple solutions. Senator HUTCHISON and I know this. I also know that this specific piece of legislation is intended to provide a framework for a debate on how to provide a better air transportation system for travelers. We must, though, continue our efforts to work through every issue in our efforts to enable the FAA, airports and air carriers to provide a more efficient air transportation system.

Senator HUTCHISON and I want to provide our colleagues with constructive and feasible legislative provisions that are well thought out and considered. We will hold a hearing on this bill on Thursday, eliciting testimony from the Department of Transportation, DOT, the Federal Aviation Administration, FAA, airports and airlines, as well as general aviation.

We do know we are facing an aviation system that today is overcrowded and cannot keep up with demand. Tomorrow's demand forecasts are also daunting, with an increase in passenger traffic from about 670 million passengers to more than a billion. As we review the problems of our aviation system, I am constantly thinking and envisioning a system with twice the number of planes, and twice the number of people traveling within the next 10 years. Today, right now, we have airports that cannot accommodate all of

the planes. We have terminals that need to be expanded, and runways that must be built. One thing all of us know is that without adequate runways and terminals, no one is well served.

We see it first hand as we fly around the country, as our planes are delayed, as we talk with constituents at home and here in Washington, that our aviation system is running on empty. Last year, we had to fight and claw our way to getting bills that finally provides sufficient money for the FAA to be able to build new runways and buy new equipment. We must be vigorous in ensuring that the Administration does not make cuts to these key programs, as was initially proposed by the Bush Administration. Knowing that it takes years to build a runway and years to develop new air traffic control systems, we cannot shortchange the system.

Last year, as part of the Wendell H. Ford Aviation Investment and Reform Act, FAIR–21, P.L. 106–181, we set out a road map for a more businesslike Federal Aviation Administration, FAA, creating a corporate-type Board with people from non-aviation related businesses to oversee air traffic control. We created a Chief Operating Officer, COO, to run air traffic, with specific authority to focus on operations, the budget and establishing a goal-oriented ATC. In addition, we made sure that the money was provided to buy new ATC equipment to expand ATC capacity.

With respect to airports, we authorized significant increases in Airport Improvement Program monies, increases of $1.25, $1.35 and $1.45 billion over 1999 funds, $1.95 billion. We also gave airports the ability to increase their passenger facility fees from $3 to $4.50 per person. The money is there to build and expand capacity. But, nothing happens overnight and we all know it.

With the reforms of the FAA and the funding, we are on a path to change. Yet, even with that path, we are not able to keep up with demand, particularly in the short term. Secretary Mineta has already stated he wants to use the reforms of FAIR–21, and not get bogged down in an age-old debate over FAA privatization/corporatization. The Air Transport Association, ATA, has echoed this sentiment. Nonetheless, we must look at ways particularly in the near term, to provide relief to travelers, and in the longer term figure out better ways to build runways, while being cognizant of the need to be environmentally conscious.

Right now we have runway construction underway at Denver, Detroit-Metro, Minneapolis-St. Paul, Houston, and Orlando. Miami is set to begin construction within the next month or two as is St. Louis. Charlotte is awaiting the United-US Airways merger decision before it begins construction since the carriers will help finance the project. At other airports, runway planning is ongoing. Chip Barclay, the President of the American Association of Airport Executives, in testimony before a House Committee recently noted that if we could build 50 more miles of additional runways we could solve our airport capacity problem. Fifty miles. Each of us wants them built more quickly, but changes in the laws may not expedite the current construction. Yet, we can ensure, as this bill does, that the FAA and other Federal, State and local agencies do a better job of coordinating the various environmental and planning reviews necessary before a runway is built. It is a starting point for the discussion, but by no means an end point. We want to expedite construction, without intruding upon the necessary environmental reviews.

AAAE has put out a proposal to expedite runway construction, and we will carefully evaluate it too. I have been developing my own legislation which will build upon the bill we introduced today and want to work with Senator HUTCHISON and other members on that bill. I have learned that this is a complicated problem, with no easy, or quick, solutions. As the legislation we introduce today is considered by the Committee, changes will be made to reflect many concerns and issues. Senator HUTCHISON and I want to work with the entire aviation community in addressing and solving this issue.

By Ms. COLLINS:

S. 634. A bill to amend section 2007 of the Social Security Act to provide grant funding for additional Enterprise Communities, and for other purposes; to the Committee on Finance.

Ms. COLLINS. Mr. President, in 1993, Congress created the Community Empowerment Program to provide communities with real opportunities for growth and revitalization. The program challenged local jurisdictions to develop strategic plans for the future and rewarded the communities that have developed the best plans with a ten-year designation as an Empowerment Zone or Enterprise Community. Once a designation is awarded, communities receive Federal support to assist local efforts to promote economic opportunity and implement strategies designed to help communities obtain their development goals. When it authorized the program, Congress also provided, in one appropriation, the funding necessary to support the communities for the full life of the ten-year designations.

In response to the initial success of the Community Empowerment Program, Congress authorized a second round of the Enterprise Community designations in 1998, creating an additional 20 Enterprise Communities. These designations were awarded to deserving communities shortly thereafter by the Department of Agriculture.

When Congress authorized a second round of Enterprise Communities, it only appropriated funding for the program in Fiscal Year 1999. Consequently, communities have had to rely on funding added in conference to the VA–HUD appropriations bill in each of the subsequent fiscal years.

This last minute approach to funding these communities is not at all conducive to the strategic planning that the Community Empowerment Program is supposed to encourage. We cannot expect local leaders to effectively implement their plans if the Federal support they have been promised is still in question. I believe it is time for Congress to demonstrate its support for the Round II Enterprise Communities by setting aside, as it did in Round I, the funding necessary to sustain this important program.

Today, I am introducing legislation that would ensure that Congress keeps its commitment to the Round II Enterprise Communities by authorizing a one time appropriation to the States through the Social Service Block Grant program to support the remaining years of the designations. My bill, the Enterprise Communities Enhancement Act of 2001, also authorizes the States to make annual grants for each of the seven remaining years of the program of $500,000 for each of the 20 Round II Enterprise Communities. By guaranteeing funding, Congress would demonstrate its support for the work being done by these communities and provide local leaders with the assurance that Federal dollars will be available as they make their plans for the future.

The Enterprise Communities Enhancement Act will also allow for more local control over how the annual funding is used. My bill allows communities to use funds to capitalize local revolving loan accounts should community leaders deem such accounts as an important part of their economic development efforts.

I have long been a strong supporter of Empower Lewiston—the local effort that secured and is implementing the Enterprise Community designation for the city of Lewiston, Maine. Thousands of local people and dozens of organizations worked together for a year to develop a strategic plan for the city as a whole and those neighborhoods most affected by poverty. The plan includes proposals to enhance lifelong learning and employment opportunities, improve the community's housing, and revitalize the city's downtown.

Empower Lewiston has been able to leverage its funding by more than 50 to 1, generating more than $11 million in public and private investment in the community. Included among the projects that have been funded are investments in a local employment firm that created 60 new jobs and in the Seeds of Change program that enhances outreach among community residents. Looking ahead, Empower Lewiston will be developing a community resource center, working to develop safe and affordable housing, and expanding education programs that target the needs of local residents.

Empower Lewiston provides a wonderful example of what the new Enterprise Communities are able to accomplish. By passing the Enterprise Communities Enhancement Act, Congress

can ensure that communities such as Lewiston will have the resources they need to complete their missions and create a brighter future.

SUBMITTED RESOLUTIONS

SENATE CONCURRENT RESOLUTION 29—CONGRATULATING THE CITY OF DETROIT AND ITS RESIDENTS ON THE OCCASION OF THE TERCENTENNIAL OF ITS FOUNDING

Mr. LEVIN (for himself and Ms. STABENOW) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 29

Whereas Detroit is the 10th most populous city in the United States and the most populous city in Michigan;

Whereas Detroit is the oldest major city in the Midwest, and 2001 is the 300th anniversary of Detroit's founding;

Whereas Detroit began as a French community on the Detroit River when Antoine de la Mothe Cadillac founded a strategic garrison and fur trading post on the site in 1701;

Whereas Detroit was named Fort Pontchartrain de' Etroit (meaning ''strait'') at the time of its founding and became known as Detroit because of its position along the Detroit River;

Whereas the Detroit region served as a strategic staging area during the French and Indian War, became a British possession in 1760, and was transferred to the British by the peace treaty of 1763;

Whereas the Ottawa Native American Chieftain Pontiac attempted a historic but unsuccessful campaign to wrest control of the garrison at Detroit from British hands in 1763;

Whereas in the nineteenth century, Detroit was a vocal center of antislavery advocacy and, for more than 40,000 individuals seeking freedom in Canada, an important stop on the Underground Railroad;

Whereas Detroit entrepreneurs, including Henry Ford, perfected the process of mass production and made automobiles affordable for people from all walks of life;

Whereas Detroit is the automotive capital of the Nation and an international leader in automobile manufacturing and trade;

Whereas the contributions of Detroit residents to civilian and military production have astounded the Nation, contributed to United States victory in World War II, and resulted in Detroit being called the Arsenal of Democracy;

Whereas residents of Detroit played a central role in the development of the organized labor movement and contributed to protections for workers' rights;

Whereas Detroit is home to the United Auto Workers Union and many other building and service trades and industrial unions;

Whereas Detroit has a rich sports tradition and has produced many sports legends, including: Ty Cobb, Al Kaline, Willie Horton, Hank Greenberg, Mickey Cochrane, and Sparky Anderson of the Detroit Tigers; Dick ''Night Train'' Lane, Joe Schmidt, Billy Sims, Dutch Clark, and Barry Sanders of the Detroit Lions; Dave Bing, Bob Lanier, Isaiah Thomas, and Joe Dumars of the Detroit Pistons; Gordie Howe, Terry Sawchuk, Ted Lindsay, and Steve Yzerman of the Detroit Red Wings; boxing greats Joe Louis, Sugar Ray Robinson, and Thomas Hearns; and Olympic speed skaters Jeanne Omelenchuk and Sheila Young-Ochowicz;

Whereas the cultural attractions in Detroit include the Detroit Institute of Arts, the Charles H. Wright Museum of African-American History (the largest museum devoted exclusively to African-American art and culture), the Detroit Historical Museum, the Detroit Symphony, the Michigan Opera Theater, the Detroit Science Center, and the Dossin Great Lakes Museum;

Whereas several centers of educational excellence are located in Detroit, including Wayne State University, the University of Detroit Mercy, Marygrove College, Sacred Heart Seminary College, the Center for Creative Studies—College of Art and Design, and the Lewis College of Business (the only institution in Michigan designated as a ''Historically Black College'');

Whereas residents of Detroit played an integral role in developing the distinctly American sounds of jazz, rhythm and blues, rock 'n roll, and techno; and

Whereas Detroit has been the home of Berry Gordy, Jr., who created the musical genre that has been called the Motown Sound, and many great musical artists, including Aretha Franklin, Anita Baker, and the Winans family: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring),

SECTION. 1. CONGRATULATING DETROIT AND ITS RESIDENTS.

The Congress, on the occasion of the tricentennial of the founding of the city of Detroit, salutes Detroit and its residents, and congratulates them for their important contributions to the economic, social, and cultural development of the United States.

SEC. 2. TRANSMITTAL.

The Secretary of the Senate shall transmit copies of this resolution to the Mayor of Detroit and the City Council of Detroit.

AMENDMENTS SUBMITTED AND PROPOSED

SA 148. Mr. KERRY (for himself, Mr. BIDEN, Mr. WELLSTONE, Ms. CANTWELL, and Mr. DODD) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

SA 149. Mr. THOMPSON (for himself, Mr. TORRICELLI, and Mr. NICKLES) proposed an amendment to the bill S. 27, supra.

SA 150. Mr. BOND submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 148. Mr. KERRY (for himself, Mr. BIDEN, Mr. WELLSTONE, Ms. CANTWELL, and Mr. DODD) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. VOLUNTARY SPENDING LIMITS AND PUBLIC FINANCING FOR SENATE CANDIDATES.

(a) IN GENERAL.—The Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

''TITLE V—VOLUNTARY SPENDING LIMITS AND PUBLIC FINANCING OF SENATE ELECTION CAMPAIGNS

''SEC. 501. DEFINITIONS.

''(a) ELIGIBLE SENATE CANDIDATE.—The term 'eligible Senate candidate' means a candidate for the Senate who is certified under section 502 as eligible to receive benefits under this title.

''(b) GENERAL ELECTION PERIOD.—The term 'general election period' means, with respect to a candidate, the period beginning on the day after the date of the primary or primary runoff election for the specific office that the candidate is seeking, whichever is later, and ending on the earlier of—

''(1) the date of the general election; or

''(2) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election.

''SEC. 502. ELIGIBILITY FOR PUBLIC FINANCING.

''(a) IN GENERAL.—A Senate candidate qualifies as an eligible Senate candidate during the general election period if the candidate files with the Commission a declaration, signed by the candidate, that the candidate—

''(1) will comply with the election expenditure limit under section 503; and

''(2) has met the qualifying contribution requirement under subsection (d).

''(b) TIME TO FILE DECLARATION.—A declaration under paragraph (1) shall be filed by a candidate not later than the date that is 30 days before the date of the general election.

''(c) CERTIFICATION OF ELIGIBLE SENATE CANDIDATE.—

''(1) IN GENERAL.—Not later than 5 days after a candidate files a declaration under subsection (b), the Commission shall certify whether or not the candidate is an eligible Senate candidate.

''(2) REVOCATION OF CERTIFICATION.—The Commission may revoke a certification under paragraph (1) if a candidate fails to comply with this title.

''(3) REPAYMENT OF BENEFITS.—If certification is revoked under paragraph (2), the candidate shall repay to the Senate Election Fund an amount equal to the value of benefits received under this title.

''(d) QUALIFYING CONTRIBUTION REQUIREMENT.—

''(1) IN GENERAL.—The qualifying contribution requirement under this subsection is met if the Senate candidate accepts an aggregate number of qualifying contributions equal to or greater than 0.25 percent of the voting age population of the State in which the candidate is running for office.

''(2) QUALIFYING CONTRIBUTIONS.—For purposes of paragraph (1), the term 'qualifying contributions' means a contribution in connection with the general election for which the candidate is seeking funding—

''(A) from an individual who is a resident of the State for which the candidate is seeking office; and

''(B) in an aggregate amount of—

''(i) not less than $20; and

''(ii) not more than $200.

''SEC. 503. GENERAL ELECTION EXPENDITURE LIMIT.

''(a) IN GENERAL.—The aggregate amount of expenditures that may be made by an eligible Senate candidate and the candidate's authorized committee in connection with the general election of the candidate shall not exceed an amount equal to the sum of—

''(1) $1,000,000, plus

''(2) 50 cents multiplied by the voting age population for the State in which the candidate is running for office.

''(b) NOTICE OF FAILURE TO COMPLY.—A candidate who files a declaration under section 502 and subsequently acts in a manner that is inconsistent with such declaration shall, not later than 24 hours after the first such act—

''(1) file with the Commission a notice describing such act; and

''(2) notify all other candidates for the same office by certified mail.

''(c) INCREASE.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the limitation under subsection (a) with respect to any candidate shall be increased by an amount equal to the excess of—

''(A)(i) the expenditures made with respect to the general election of any opponent of the candidate in the same election who is not certified under this section; and

''(ii) the aggregate amount of independent expenditures and disbursements for an electioneering communication (as defined in section 304(d)(3)) made or obligated to be made in support of another candidate in the election or in opposition to the eligible Senate candidate, over

''(B) the expenditure limit with respect to the candidate.

''(2) LIMITATION.—Any increase in the expenditure limit under paragraph (1) shall not exceed an aggregate amount equal to 200 percent of the expenditure limit with respect to the candidate (determined without respect to this subsection).

''(d) INDEX.—

''(1) IN GENERAL.—In the case of any calendar year after 2003—

''(A) each amount under subsection (a) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that the base period shall be calendar year 2003; and

''(B) each amount so increased shall be the amount in effect for the calendar year.

''(2) ROUNDING.—Each amount as increased under paragraph (1), if not a multiple of $100, shall be rounded to the nearest multiple of $100.

''SEC. 504. BENEFITS FOR ELIGIBLE CANDIDATES.

''An eligible Senate candidate shall be entitled to—

''(1) payments available under section 505 for the general election period to make or obligate to make expenditures during the election period; and

''(2) an aggregate amount of increase in payments in response to certain independent expenditures, disbursements for electioneering communications (as defined in section 304(d)(3)), and expenditures of an opponent of the candidate under section 505.

''SEC. 505. PUBLIC FINANCING FOR ELIGIBLE SENATE CANDIDATES.

''(a) AMOUNT OF PAYMENT.—

''(1) IN GENERAL.—An eligible Senate candidate shall be entitled to a payment with respect to a general election in an amount equal to 200 percent of the aggregate amount of contributions received from individuals during the general election period.

''(2) LIMITATION.—The amount taken into account under paragraph (1) with respect to an individual contribution shall not exceed $200.

''(b) MATCHING FUNDS IN RESPONSE TO INDEPENDENT EXPENDITURES; ELECTIONEERING COMMUNICATIONS; AND EXPENDITURES OF OPPONENTS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), if the Commission determines, with respect to a general election period, that—

''(A) an opponent of an eligible Senate candidate has made expenditures; or

''(B) an aggregate amount of independent expenditures and disbursements for electioneering communications (as so defined) has been made or obligated to be made in support of another candidate or against the eligible Senate candidate,

in an aggregate amount in excess of the expenditure limit with respect to the eligible Senate candidate, the Commission shall make available to the eligible Senate candidate, not later than 24 hours after making such determination, an aggregate increase in funds in an amount equal to the aggregate amount of such excess expenditures and disbursements.

''(2) LIMIT ON AMOUNT OF MATCHING FUNDS.—The aggregate amount of any increase under paragraph (1) shall not exceed an amount equal to 200 percent of the expenditure limit with respect to the candidate (determined without regard to this subsection or section 503(c)).

''(3) ELIGIBLE SENATE CANDIDATES OPPOSED BY MORE THAN 1 OPPONENT.—For purposes of paragraph (1), if an eligible Senate candidate is opposed by more than 1 opponent in the same election, the Commission shall take into account only the amount of expenditures described in paragraph (1)(A) of the opponent that expends, in the aggregate, the greatest amount.

''(c) USE OF PAYMENTS.—Payments received by an eligible Senate candidate under subsection (a) shall be used to make expenditures with respect to the general election period of the candidate.

''SEC. 506. ADMINISTRATION OF PUBLIC FINANCING.

''(a) SENATE ELECTION FUND.—

''(1) ESTABLISHMENT.—There is established in the Treasury a fund to be known as the 'Senate Election Fund'.

''(2) DEPOSITS.—The Commission shall deposit amounts appropriated for public financing under this title in the Senate Election Fund.

''(3) FUNDS.—The Commission shall withdraw the payments for an eligible Senate candidate from the Senate Election Fund.

''(b) PAYMENTS TO CANDIDATES.—

''(1) IN GENERAL.—Not later than 5 days after the Commission certifies a Senate candidate as an eligible candidate under section 502(c), the Commission shall pay the eligible Senate candidate the amount of public financing under section 505(a) and any amount of matching funds determined under section 505(b).

''(2) CERTIFICATION.—For purposes of determining the amount under paragraph (1) with respect to a Senate candidate, the candidate shall certify to the Commission the amount of contributions described in section 505(a) and expenditures described in section 505(b).

''(c) INSUFFICIENT FUNDS.—

''(1) WITHHOLDING.—If, at the time a payment is due under subsection (b), the Secretary of the Treasury determines that the monies in the Senate Election Fund are not, or may not be, sufficient to satisfy the full entitlement of all eligible Senate candidates, the Secretary shall withhold from the amount of the payment any amount that the Secretary determines to be necessary to ensure that each eligible Senate candidate will receive the same pro rata share of the candidate's full entitlement.

''(2) SUBSEQUENT PAYMENT.—Amounts withheld under paragraph (1) shall be paid when the Secretary determines that there are sufficient monies in the Senate Election Fund to pay all or a portion of the funds withheld from all eligible Senate candidates, but, if only a portion is to be paid, the portion shall be paid in such a manner that each eligible Senate candidate receives an equal pro rata share.

''SEC. 507. REGULATIONS.

''The Commission shall promulgate such regulations as necessary to carry out the provisions of this title, including reporting requirements to enable the Commission and eligible Senate candidates to determine in a timely manner the allowable increase in expenditure limits under section 503(c) and the matching funds under section 505(b) in response to certain disbursements.

''SEC. 508. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to the Senate Election Fund such sums as are necessary to carry out this title.''.

(b) INCREASE IN POLITICAL PARTY COMMITTEE COORDINATED EXPENDITURES.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking ''(2) and (3)'' and inserting ''(2), (3), and (4)''; and

(2) by adding at the end the following:

''(4) In the case of an eligible Senate candidate (as defined under section 501(a)), the expenditure limit under paragraph (3) shall be the greater of—

''(A) the limit determined under paragraph (3) (without regard to this paragraph); or

''(B) an amount equal to the excess of—

''(i) the expenditure limit under section 503(a) with respect to the candidate (after any increase under section 503(c)), over

''(ii) the amount of contributions accepted by the candidate with respect to the general election period and any amounts received under section 505.''.

(c) EFFECTIVE DATE.—Notwithstanding section 402 and except as otherwise provided in this section, amendments made by this section shall apply with respect to elections occurring after December 31, 2002.

SA 149. Mr. THOMPSON (for himself, Mr. TORRICELLI, and Mr. NICKLES) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

On page 37, between lines 14 and 15, insert the following

SEC. ____. MODIFICATION OF CONTRIBUTION LIMITS.

(a) INCREASE IN INDIVIDUAL LIMITS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (A), by striking ''$1,000'' and inserting ''$2,500'';

(2) in subparagraph (B), by striking ''$20,000'' and inserting ''$40,000''; and

(3) in subparagraph (C), by striking ''$5,000'' and inserting ''$7,500''.

(b) INCREASE IN AGGREGATE INDIVIDUAL LIMIT.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)), as amended by section 102(b), is amended by striking ''$30,000'' and inserting ''$50,000''.

(c) INCREASE IN MULTICANDIDATE LIMITS.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (A), by striking ''$5,000'' and inserting ''$7,500'';

(2) in subparagraph (B), by striking ''$15,000'' and inserting ''$17,500''; and

(3) in subparagraph (C), by striking ''$5,000'' and inserting ''$7,500''.

(d) INCREASE IN SENATORIAL CAMPAIGN COMMITTEE LIMIT.—Section 315(h) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(h)) is amended by striking ''$17,500'' and inserting ''$35,000''.

(e) INDEXING OF INCREASED LIMITS.—

(1) IN GENERAL.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(A) in paragraph (1)—

(i) by striking the second and third sentences;

(ii) by inserting ''(A)'' before ''At the beginning''; and

(iii) by adding at the end the following:

''(B) Except as provided in subparagraph (C), in any calendar year after 2002—

''(i) a limitation established by subsection (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A); and

''(ii) each amount so increased shall remain in effect for the calendar year.

If any amount after adjustment under the preceding sentence is not a multiple of $500, such amount shall be rounded to the next nearest multiple of $500 (or if such amount is a multiple of $250 (and not a multiple of $500), such amount shall be rounded to the next highest multiple of $500).

''(C) In the case of limitations under subsection (a), each amount increased under subparagraph (B) shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.''; and

(B) in paragraph (2)(B), by striking ''means the calendar year 1974'' and inserting ''means—

''(i) for purposes of subsections (b) and (d), calendar year 1974; and

''(ii) for purposes of subsections (a) and (h), calendar year 2001''.

(2) EFFECTIVE DATE.—The amendments made by subsection (e) shall apply to calendar years after 2002.

SA 150. Mr. BOND submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. INCREASE IN PENALTIES IMPOSED FOR VIOLATIONS OF CONDUIT CONTRIBUTION BAN.

(a) INCREASE IN CIVIL MONEY PENALTY FOR KNOWING AND WILLFUL VIOLATIONS.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraph (5)(B), by inserting before the period at the end the following: ''(or, in the case of a violation of section 320, which is not less than 300 percent of the amount involved in the violation and is not more than the greater of $50,000 or 1000 percent of the amount involved in the violation)''; and

(2) in paragraph (6)(C), by inserting before the period at the end the following: ''(or, in the case of a violation of section 320, which is not less than 300 percent of the amount involved in the violation and is not more than the greater of $50,000 or 1000 percent of the amount involved in the violation)''.

(b) INCREASE IN CRIMINAL PENALTY.—

(1) IN GENERAL.—Section 309(d)(1) of such Act (2 U.S.C. 437g(d)(1)) is amended by adding at the end the following new subparagraph:

''(D) Any person who knowingly and willfully commits a violation of section 320 involving an amount aggregating $1,000 or more during a calendar year shall be fined, or imprisoned for not more than 2 years, or both. The amount of the fine shall not be less than 300 percent of the amount involved in the violation and shall not be more than the greater of $50,000 or 1000 percent of the amount involved in the violation.''.

(2) CONFORMING AMENDMENT.—Section 309(d)(1)(A) of such Act (2 U.S.C. 437g(d)(1)(A)) is amended by inserting ''(other than section 320)'' after ''this Act''.

(c) MANDATORY REFERRAL TO ATTORNEY GENERAL.—Section 309(a)(5)(C) of such Act (2 U.S.C. 437(a)(5)(C)) is amended by inserting ''(or, in the case of a violation of section 320, shall refer such apparent violation to the Attorney General of the United States)'' after ''United States''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of enactment of this Act.

SEC. 306. EXTENSION OF BAN ON FOREIGN CONTRIBUTIONS TO ALL CAMPAIGN-RELATED DISBURSEMENTS.

(a) PROHIBITION ON DISBURSEMENTS BY FOREIGN NATIONALS.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) in the heading, by striking ''contributions'' and inserting ''disbursements'';

(2) in subsection (a), by striking ''contribution'' each place it appears and inserting ''disbursement''; and

(3) in subsection (a), by striking the semicolon and inserting the following: '', including any disbursement to a political committee of a political party and any disbursement for an independent expenditure;''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to disbursements made on or after the date of enactment of this Act.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Tuesday, March 27, 2001. The purpose of this meeting will be to review the Research, Extension and Education title of the Farm bill.

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

COMMITTEE ON ARMED SERVICES

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, March 27, 2001 at 9:30 a.m., in open and closed session to receive testimony from the Unified and Regional Commanders on their military strategy and operational requirements, in review of the Defense Authorization Request for fiscal year 2002 and the Future Years Defense program.

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

COMMITTEE ON FINANCE

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Tuesday, March 27, 2001 to hear testimony on Society's Great Challenge, The Affordability of Long-Term Care.

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

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on Early Education and Child Care: How does the U.S. Measure Up? during the session of the Senate on Tuesday, March 27, 2001, at 9:30 a.m.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, March 27, 2001 at 10:30 am to hold a Business Meeting, and immediately after that to hold a hearing.

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

SUBCOMMITTEE ON EMERGING THREATS AND CAPABILITIES

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Subcommittee on Emerging Threats and Capabilities of the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, March 27, 2001, at 2:30 p.m., in closed session for a briefing on information warfare and other threats to critical United States information systems.

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

SUBCOMMITTEE ON FISHERIES, WATER, AND WILDLIFE

Mr. MCCONNELL. Mr. President: I ask unanimous consent that the Subcommittee on Fisheries, Water and Wildlife be authorized to meet on Tuesday, March 27 at 9:30 a.m. to receive testimony on water and wastewater infrastructure needs.

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

SUBCOMMITTEE ON TECHNOLOGY, TERRORISM AND GOVERNMENT INFORMATION

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Technology, Terrorism and Government Information be authorized to meet to conduct a hearing on Tuesday, March 27, 2001, in SD226.

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

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. I ask unanimous consent that Luke Ballman from my staff be allowed on the floor today.

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

ORDERS FOR WEDNESDAY, MARCH 28, 2001

Mr. THOMPSON. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:15 a.m. on Wednesday, March 28. I further ask unanimous consent that on Wednesday, immediately following the prayer, 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 the Thompson amendment to S. 27, the campaign finance reform bill.

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

PROGRAM

Mr. THOMPSON. For the information of all Senators, the Senate will resume consideration of the Thompson amendment regarding hard money tomorrow morning. There will be up to 30 minutes of debate prior to a vote at 9:45 a.m. Following the vote, further amendments will be offered. Votes will occur throughout the day and into the evening, with the intention of completing action on the bill by Thursday evening.

Those Members who have amendments remaining should work with the bill managers as soon as possible on a time to offer their amendments.

ADJOURNMENT UNTIL WEDNESDAY, MARCH 28, 2001, AT 9:15 A.M.

Mr. THOMPSON. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:13 p.m., adjourned until Wednesday, March 28, 2001, at 9:15 a.m.

NOMINATION

Executive nomination received by the Senate March 27, 2001:

DEPARTMENT OF STATE

ARGEO PAUL CELLUCCI, OF MASSACHUSETTS, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO CANADA.